

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded higher at Rs. 62,360 per candy on Friday. ICE cotton futures closed red on Thursday.

#### **News**

- The Cotton Association of India in its latest estimate of the cotton crop for 2022-23 season has reduced its cotton production estimate by 10 lakh bales to 303 lakh bales from 313 lakh bales with reduction in Punjab, Maharashtra, Telangana, and Andhra Pradesh.
- Cotton imports were increased at 15 lakh bales whereas exports were reduced to 25 lakh bales from previous 30 lakh bales. Domestic consumption was estimated at 311 lakh bales. Overall, the ending stock for the 2022-23 season was estimated at 13.89 lakh bales. As per Cotton Association of India, Cotton arrivals between October 2022 to March 2023 were estimated at 190.63 lakh bales.

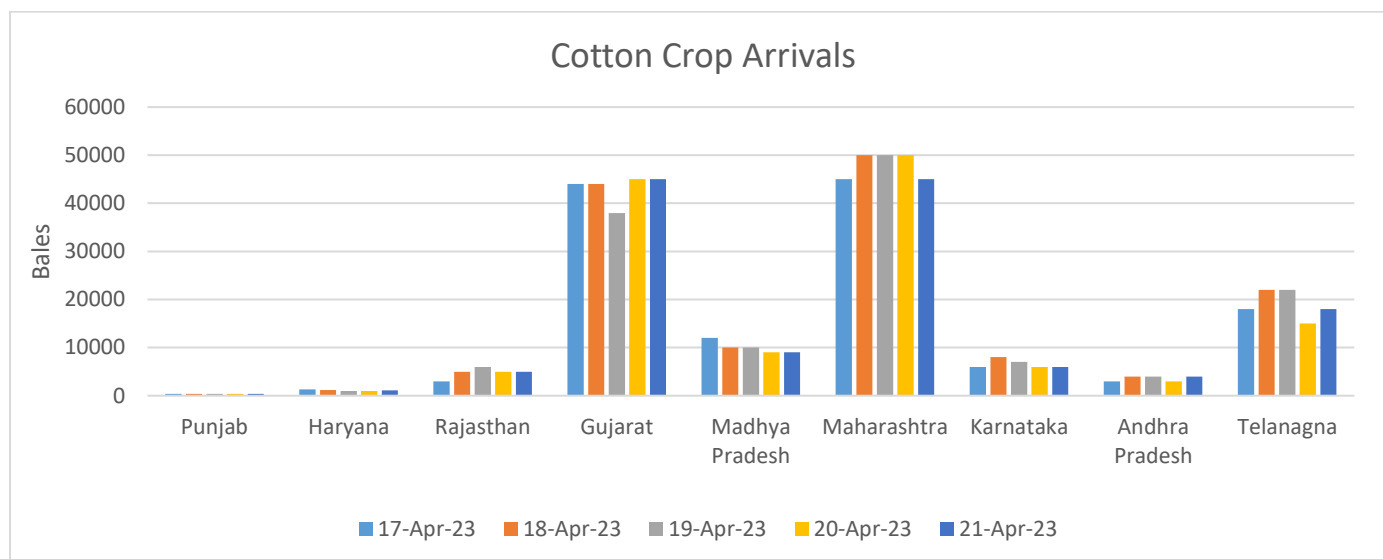
| <b>Cotton Balance Sheet</b>          | <b>2021-22</b> | <b>2022-23</b> |
|--------------------------------------|----------------|----------------|
| Opening Stock                        | 71.84          | 31.89          |
| Production                           | 307.05         | 303.00         |
| Imports                              | 14             | 15             |
| Domestic Consumption                 | 318            | 311            |
| Exports                              | 43             | 25             |
| Closing Stock                        | 31.89          | 13.89          |
| <b>Source: CAI; unit- Lakh Bales</b> |                |                |

- AgriWatch has estimated cotton production at 334 lakh bales for the 2022-23 season. We expect that about 40-45% of the cotton stock is still with farmers which may get released in the coming months.
- Cotton exports in India is likely to decline to a 19-year low in the 2022-23 season due to poor demand from importing nations in view of the economic slowdown in the US and Europe.
- According to Cotton Association of India, Indian cotton prices are currently prevailing at Rs. 62,500-63,000 per candy. It is expected that the rates may trade steady now but after May month, cotton arrivals are expected to reduce and cotton prices may trade upward. Cotton prices may touch Rs 70,000-75,000 per candy in June-July in coming months

## Weather Forecast

Thunderstorms accompanied with lightning at isolated places over East Madhya Pradesh, Bihar, Jharkhand, West Bengal, Sikkim, Telangana, Rayalaseema, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Interior Karnataka, Tamil Nadu, Pondicherry, Karaikal.

## All India Cotton Crop: Bales



Source: Agriwatch

## NCDEX Cottonseed Oilcake

| Expiry Date | Open | High | Low  | Close | Change |
|-------------|------|------|------|-------|--------|
| Apr-23      | 2702 | 2712 | 2691 | 2712  | +16    |
| May-23      | 2733 | 2782 | 2730 | 2746  | +12    |

## International Cotton Fundamentals:

The Cotlook A index was at 98.15 cents/lb. The AWP for cotton was 77 cents/lb.

| ICE Cotton Futures (Cents/Lb) |       |        |
|-------------------------------|-------|--------|
|                               | Close | Change |
| May-23                        | 79.24 | -400   |
| Jul-23                        | 80.09 | -356   |
| Oct-23                        | 80.58 | -292   |



- According to the market sources, Pakistan cotton spot rate has increased by Rs 200 per maund during the week ending and closed it at Rs 19,700 per maund. The local cotton market remained bullish and the trading volume remained satisfactory.
- According to USDA, WASDE April 2023 report, U.S. cotton supply and demand forecasts show higher exports and lower ending stocks relative to last month, with production and domestic mill use unchanged for the 2022-23 season. The export forecast is raised 200,000 bales, to 12.2 million, based on the pace of recent sales and shipments. Further, ending stocks are forecast at 4.1 million bales, equivalent to 29% of total disappearance.

### Cotton Yarn

- Due to rise in Fibre prices, south Indian yarn prices have increased by Rs. 4-6 per kg yesterday. Tripura market witnessed increase in demand for cotton yarn. In the Tiruppur market, 30 count combed cotton yarn was traded at Rs. 280-285 per kg, 34 count combed at Rs.292-297 per kg, and 40 count combed at Rs.308-312 per kg.
- The Bangladesh Textile Mills Association (BTMA) had temporary halt on cotton yarn import for use by the readymade garment (RMG) industry to retain forex reserves and to boost value addition.

### DOMESTIC COTTON PRICES AND ARRIVALS

#### Cotton Prices at Key Spot Markets:

| Commodity | Kapas       |             | Prices (Rs./Quintal) |           | Change |
|-----------|-------------|-------------|----------------------|-----------|--------|
| State     | Centre      | Variety     | 21-Apr-23            | 20-Apr-23 |        |
| Gujarat   | Ahmedabad   | Shankar-6   | 8350                 | 8400      | -50    |
|           | Gondal      | Shankar-6   | 8280                 | 8380      | -100   |
|           | Rajkot      | B.T. Cotton | 8390                 | 8500      | -110   |
|           | Patan       | B.T. Cotton | 8085                 | 8150      | -65    |
|           | Kadi        | B.T. Cotton | 8250                 | 8400      | -150   |
|           | Deesa       | B.T. Cotton | NA                   | NA        | -      |
|           | Dhrol       | B.T. Cotton | 7850                 | 8150      | -300   |
| Haryana   | Bhiwani     | B.T. Cotton | 8100                 | 8100      | Unch   |
|           | Bhiwani     | Desi        | NA                   | NA        | -      |
|           | Adampur     | B.T. Cotton | 8000                 | 8010      | -10    |
|           | Fatehabad   | B.T. Cotton | 7775                 | 7800      | -25    |
|           | Jind        | B.T. Cotton | NR                   | NR        | -      |
|           | Uchana      | B.T. Cotton | NA                   | NA        | -      |
|           | Dabwali     | B.T. Cotton | NR                   | NR        | -      |
| Rajasthan | Hanumangarh | B.T. Cotton | 7900                 | 8100      | -200   |

|                |                |               |                    |           |        |
|----------------|----------------|---------------|--------------------|-----------|--------|
|                | Rawatsar       | B.T. Cotton   | Closed             | Closed    | -      |
| Madhya Pradesh | Khandwa        | Mech-1        | 7800               | Closed    | -      |
|                | Khargaon       | Mech-1        | 7785               | Closed    | -      |
| Maharashtra    | Amravati       | Mech-1        | 7950               | 7950      | Unch   |
|                | Jamner         | Medium Staple | NA                 | NA        | -      |
| Telangana      | Adilabad       | Un-Ginned     | NA                 | 7450      | -      |
| Andhra Pradesh | Adoni          | Un-Ginned     | NA                 | NA        | -      |
| Karnataka      | Bijapur        | Bunny         | 8067               | 8110      | -43    |
|                | Hubli          | D.C.H.        | NA                 | NA        | -      |
|                | Hubli          | B.T. Cotton   | NA                 | NA        | -      |
|                | Raichur        | H-44 Cotton   | 7800               | NA        | -      |
| Commodity      | Lint           |               | Prices (Rs./Maund) |           | Change |
| State          | Centre         | Variety       | 21-Apr-23          | 20-Apr-23 |        |
| Punjab         | Bhatinda       | J-34          | 6325               | 6400      | -75    |
|                | Abohar         | J-34          | 6325               | 6375      | -50    |
|                | Mansa          | J-34          | 6350               | 6350      | Unch   |
| Haryana        | Sirsa          | J-34          | 6325               | 6325      | Unch   |
| Rajasthan      | Sri-Ganganagar | J-34          | Closed             | Closed    | -      |

Cotton Arrivals in Key Centers:

| Commodity      | Kapas       |               | Arrivals (Quintal) |           | Change |
|----------------|-------------|---------------|--------------------|-----------|--------|
| State          | Centre      | Variety       | 21-Apr-23          | 20-Apr-23 |        |
| Gujarat        | Ahmedabad   | Shankar-6     | 59500              | 68000     | -8500  |
|                | Gondal      | Shankar-6     | 7555               | 7755      | -200   |
|                | Rajkot      | B.T. Cotton   | 2810               | 2850      | -40    |
|                | Patan       | B.T. Cotton   | 5997               | 5295      | 702    |
|                | Kadi        | B.T. Cotton   | 30000              | 35000     | -5000  |
|                | Deesa       | B.T. Cotton   | NA                 | NA        | -      |
|                | Dhrol       | B.T. Cotton   | 86                 | 123       | -37    |
| Haryana        | Bhiwani     | B.T. Cotton   | 800                | 600       | 200    |
|                | Bhiwani     | Desi          | NA                 | NA        | -      |
|                | Adampur     | B.T. Cotton   | 1020               | 408       | 612    |
|                | Fatehabad   | B.T. Cotton   | 25                 | 25        | Unch   |
|                | Jind        | B.T. Cotton   | NR                 | NR        | -      |
|                | Uchana      | B.T. Cotton   | NR                 | NR        | -      |
|                | Dabwali     | B.T. Cotton   | NR                 | NR        | -      |
| Rajasthan      | Hanumangarh | B.T. Cotton   | Closed             | Closed    | -      |
|                | Rawatsar    | B.T. Cotton   | Closed             | Closed    | -      |
| Madhya Pradesh | Khandwa     | Mech-1        | 2500               | Closed    | -      |
|                | Khargaon    | Mech-1        | 8000               | Closed    | -      |
| Maharashtra    | Amravati    | Mech-1        | 25000              | 25000     | Unch   |
|                | Jamner      | Medium Staple | NA                 | NA        | -      |

|                  |                |                |                           |                  |               |
|------------------|----------------|----------------|---------------------------|------------------|---------------|
| Telangana        | Adilabad       | Un-Ginned      | NA                        | 133657.4         | -             |
| Andhra Pradesh   | Adoni          | Un-Ginned      | NA                        | NA               | -             |
| Karnataka        | Bijapur        | Bunny          | 1933                      | 2138             | -205          |
|                  | Hubli          | D.C.H.         | NA                        | NA               | -             |
|                  | Hubli          | B.T. Cotton    | NA                        | NA               | -             |
|                  | Raichur        | H-44 Cotton    | 14                        | NA               | -             |
| <b>Commodity</b> | <b>Lint</b>    |                | <b>Arrivals (Quintal)</b> |                  | <b>Change</b> |
| <b>State</b>     | <b>Centre</b>  | <b>Variety</b> | <b>21-Apr-23</b>          | <b>20-Apr-23</b> |               |
| Punjab           | Bhatinda       | J-34           | NA                        | NA               | -             |
|                  | Abohar         | J-34           | 255                       | 255              | Unch          |
|                  | Mansa          | J-34           | 85                        | 85               | Unch          |
| Haryana          | Sirsa          | J-34           | 170                       | 170              | Unch          |
| Rajasthan        | Sri-Ganganagar | J-34           | Closed                    | Closed           | -             |

### Cotton Seed Oil Prices:

|                  |                        |             |                  |                  |               |
|------------------|------------------------|-------------|------------------|------------------|---------------|
| <b>Commodity</b> | <b>Cotton Seed Oil</b> |             | <b>Price</b>     |                  | <b>Change</b> |
| <b>State</b>     | <b>Centre</b>          | <b>Unit</b> | <b>21-Apr-23</b> | <b>20-Apr-23</b> |               |
| Gujarat          | Rajkot                 | Rs. /10 Kg. | 1000             | 1000             | Unch          |
| Delhi            | New Delhi              | Rs. /10 Kg. | NR               | NR               | -             |
| Telangana        | Hyderabad              | Rs. /10 Kg. | NA               | NA               | -             |
| Maharashtra      | Mumbai                 | Rs. /10 Kg. | 1035             | 1025             | 10            |

### Cotton Seed Oil Seed Cake Prices:

|                  |                                  |             |                  |                  |               |
|------------------|----------------------------------|-------------|------------------|------------------|---------------|
| <b>Commodity</b> | <b>Cotton Seed Oil Seed Cake</b> |             | <b>Price</b>     |                  | <b>Change</b> |
| <b>State</b>     | <b>Centre</b>                    | <b>Unit</b> | <b>21-Apr-23</b> | <b>20-Apr-23</b> |               |
| Gujarat          | Mahesana (Kadi)                  | Rs./Qtl     | 2750             | 2737             | 13            |
| Maharashtra      | Akola                            | Rs./Qtl     | 2786             | 2787             | -1            |

## INTERNATIONAL PRICES AND INDICES

### China Cotton Index:

|                                  |             |                  |                  |               |
|----------------------------------|-------------|------------------|------------------|---------------|
| <b>Index</b>                     | <b>Unit</b> | <b>21-Apr-23</b> | <b>20-Apr-23</b> | <b>Change</b> |
| CCIndex(328)                     | RMB/Ton     | 15735            | 15742            | -7            |
| CCIndex(527)                     | RMB/Ton     | 14328            | 14309            | 19            |
| CCIndex(229)                     | RMB/Ton     | 16050            | 16036            | 14            |
| RMB -Renminbi, 1RMB =0.16 \$U.S. |             |                  |                  |               |

### China Foreign Cotton (FCE) Index :

|              |             |                  |                  |               |
|--------------|-------------|------------------|------------------|---------------|
| <b>Index</b> | <b>Unit</b> | <b>21-Apr-23</b> | <b>20-Apr-23</b> | <b>Change</b> |
| FC Index (S) | Cents/lb    | 94.24            | 97.83            | -3.59         |
| FC Index (M) | Cents/lb    | 93.04            | 96.64            | -3.60         |



|              |          |       |       |              |
|--------------|----------|-------|-------|--------------|
| FC Index (L) | Cents/lb | 92.04 | 95.64 | <b>-3.60</b> |
|--------------|----------|-------|-------|--------------|

### Cotlook Index:

| Cotlook Indices | Unit        | 20-Apr-23 | 19-Apr-23 | Change       |
|-----------------|-------------|-----------|-----------|--------------|
| A-Index         | Cents/Pound | 96.9      | 99.03     | <b>-2.13</b> |

### USDA Cotton Spot Rates:

| Growth Area | Unit      | Leaf 4 to Staple 34 | Leaf 3 to Staple 35 | Arrivals   |
|-------------|-----------|---------------------|---------------------|------------|
|             |           | 20-Apr-23           | 20-Apr-23           | Bales      |
| Southeast   | cents/lb. | 79.84               | 82.09               | <b>0</b>   |
| North Delta | cents/lb. | 78.84               | 81.09               | <b>0</b>   |
| South Delta | cents/lb. | 78.84               | 81.09               | <b>0</b>   |
| East TX-OK  | cents/lb. | 76.09               | 77.84               | <b>190</b> |
| West Texas  | cents/lb. | 76.09               | 77.59               | <b>791</b> |
| Desert SW   | cents/lb. | 75.84               | 78.09               | <b>0</b>   |
| SJ Valley   | cents/lb. | 76.09               | 84.99               | <b>0</b>   |

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

### Cotton Association of India Spot Rates:

| Trade Name                            | Staple     | Micronaire | Strength/<br>GPT | Rs. Per Candy | Rs. Per Candy | Change      |
|---------------------------------------|------------|------------|------------------|---------------|---------------|-------------|
|                                       |            |            |                  | 20-Apr-23     | 19-Apr-23     |             |
| Bengal Deshi (RG)/Assam Comilla (101) | Below 22mm | 5.0 - 7.0  | 15               | 67700         | 67700         | <b>Unch</b> |
| Bengal Deshi (SG)(201)                | Below 22mm | 5.0 - 7.0  | 15               | 68200         | 68200         | <b>Unch</b> |
| J-34(202)                             | 26mm       | 3.5 - 4.9  | 23               | 59900         | 60100         | <b>-200</b> |
| H-4/ MECH-1(105)                      | 28mm       | 3.5 - 4.9  | 27               | 60400         | 60700         | <b>-300</b> |
| Shankar-6(105)                        | 29mm       | 3.5 - 4.9  | 28               | 62600         | 62900         | <b>-300</b> |
| Bunny/ Brahma(105)                    | 31mm       | 3.5 - 4.9  | 30               | 63500         | 63700         | <b>-200</b> |
| MCU-5/ Surabhi(106)                   | 32mm       | 3.3 - 4.9  | 31               | NR            | NR            | <b>-</b>    |
| DCH-32(107)                           | 34mm       | 3.0 - 3.8  | 33               | 74000         | 74000         | <b>Unch</b> |



| Cotton Yarn Prices                  | 21-Apr-23       | 20-Apr-23 | Change | 21-Apr-23             | 20-Apr-23 | Change |
|-------------------------------------|-----------------|-----------|--------|-----------------------|-----------|--------|
| Variety                             | Prices FOB ,USD |           |        | Prices Kg Indian Port |           |        |
| Ne 20/1 Carded Hosiery Yarn         | 2.87            | 2.87      | Unch   | 236                   | 236       | Unch   |
| Ne 20/1 Combed Hosiery Yarn         | 3.05            | 3.05      | Unch   | 251                   | 251       | Unch   |
| Ne 21/1 Carded Weaving Yarn         | 2.87            | 2.87      | Unch   | 236                   | 236       | Unch   |
| Ne 26/1 Combed Hosiery Yarn         | 3.18            | 3.18      | Unch   | 261                   | 261       | Unch   |
| Ne 30/1 Carded Hosiery Yarn         | 3.11            | 3.11      | Unch   | 256                   | 256       | Unch   |
| Ne 30/1 Combed Hosiery Yarn         | 3.24            | 3.24      | Unch   | 266                   | 266       | Unch   |
| Ne 32/1 Carded Weaving Yarn         | 3.13            | 3.13      | Unch   | 257                   | 257       | Unch   |
| Ne 34/1 Combed Hosiery Yarn         | 3.45            | 3.45      | Unch   | 284                   | 284       | Unch   |
| Ne 40/1 Combed Hosiery Yarn         | 3.6             | 3.6       | Unch   | 296                   | 296       | Unch   |
| Ne 40/1 Carded Weaving Yarn         | 3.36            | 3.36      | Unch   | 276                   | 276       | Unch   |
| Ne 30/2 Carded Hosiery Yarn         | 3.33            | 3.33      | Unch   | 274                   | 274       | Unch   |
| Ne 32/2 Combed Knitting Yarn        | 3.75            | 3.75      | Unch   | 308                   | 308       | Unch   |
| Ne 32/2 Carded Hosiery Yarn         | 3.42            | 3.42      | Unch   | 281                   | 281       | Unch   |
| Ne 40/2 Combed Hosiery Yarn         | 4.15            | 4.15      | Unch   | 341                   | 341       | Unch   |
| Ne 30/1 Combed Compact Weaving Yarn | 3.39            | 3.39      | Unch   | 279                   | 279       | Unch   |
| Ne 40/1 Combed Compact Weaving Yarn | 3.7             | 3.7       | Unch   | 304                   | 304       | Unch   |
| Ne 50/1 Combed Compact Weaving Yarn | 4               | 4         | Unch   | 329                   | 329       | Unch   |
| Ne 16/1 Open End Yarn               | 2.36            | 2.36      | Unch   | 194                   | 194       | Unch   |
| Ne 21/1 Open End Yarn               | 2.54            | 2.54      | Unch   | 209                   | 209       | Unch   |
| Ne 24/1 Open End Yarn               | NA              | 2.85      | -      | NA                    | 234       | -      |

### Cottonseed and Oilcake Prices

| Cotton Seed Oil Cake Prices |                  | Prices (Rs./Quintal) |           | Change |
|-----------------------------|------------------|----------------------|-----------|--------|
| State                       | Market           | 21-Apr-23            | 20-Apr-23 |        |
| Punjab                      | Bhatinda (Pakki) | 3400                 | 3400      | Unch   |
| Punjab                      | Ludiana          | 3770                 | 3770      | Unch   |
| Haryana                     | Sirsa            | 3180                 | 3180      | Unch   |
| Haryana                     | Hisar            | 3200                 | 3200      | Unch   |
| Rajasthan                   | Hanumangarh      | 3100                 | 3100      | Unch   |
| Rajasthan                   | Vijaynagar       | 3100                 | 3100      | Unch   |
| Madhya Pradesh              | Indore           | 3200                 | 3200      | Unch   |
| Madhya Pradesh              | Khargone         | 3050                 | 3050      | Unch   |
| Maharashtra                 | Wani             | 3050                 | 3050      | Unch   |

|             |                                 |      |      |      |
|-------------|---------------------------------|------|------|------|
| Maharashtra | Malkapur                        | 3100 | 3100 | Unch |
| Telegana    | Warangal                        | 2900 | 2900 | Unch |
| Telegana    | Adilabad                        | 2850 | 2850 | Unch |
| Karnataka   | Dharwad                         | 2800 | 2800 | Unch |
| Karnatka    | Hubli                           | 3050 | 3050 | Unch |
| Gujarat     | Dhasa ,Damnagar,Babra Good Qlty | 3067 | 3067 | Unch |

| Cotton Seed Prices |                            | Prices (Rs./Quintal) |           | Change |
|--------------------|----------------------------|----------------------|-----------|--------|
| State              | Market                     | 21-Apr-23            | 20-Apr-23 |        |
| Punjab             | Mansa                      | 3350                 | 3350      | Unch   |
| Punjab             | Bhatinda                   | 3450                 | 3450      | Unch   |
| Haryana            | Adampur                    | 3455                 | 3455      | Unch   |
| Haryana            | Charkhi Dadari             | 3355                 | 3355      | Unch   |
| Rajasthan          | Hanumangarh                | 3425                 | 3425      | Unch   |
| Rajasthan          | Bikaner                    | 3505                 | 3505      | Unch   |
| Madhya Pradesh     | Sendhwa                    | 3100                 | 3075      | 25     |
| Madhya Pradesh     | Barwaha                    | 3125                 | 3051      | 74     |
| Maharastra         | Malkapur                   | 3250                 | 3250      | Unch   |
| Maharastra         | Akot                       | 3325                 | 3325      | Unch   |
| Telegana           | Madnoor                    | 3200                 | 3200      | Unch   |
| Telegana           | Jangaon                    | 3150                 | 3150      | Unch   |
| Karnatka           | Bijapur                    | 3000                 | 3050      | -50    |
| Karnatka           | Hubli                      | 3000                 | 3050      | -50    |
| Gujarat            | Mahuva,Rajula,S.Kundla,UNA | 3175                 | 3200      | -25    |
| Gujarat            | Kadi                       | 3100                 | 3200      | -100   |

| Daily Futures Price Listing Thursday, Apr 20th 2023 |        |       |       |       |       |        |              |          |        |
|---|--------|-------|-------|-------|-------|--------|--------------|----------|--------|
| Most Recent Information                             |        |       |       |       |       |        | Previous Day |          |        |
| Month   | Date   | Open  | High  | Low   | Close | Change | Volume       | Open Int | Change |
| <a href="#">23-May</a>                              | 230420 | 83.12 | 83.25 | 79.24 | 79.24 | -4.00  | 10075        | 7450     | -5003  |
| <a href="#">23-Jul</a>                              | 230420 | 83.65 | 83.7  | 79.65 | 80.09 | -3.56  | 26,237       | 87,292   | 2856   |
| <a href="#">23-Oct</a>                              | 230420 | 81.46 | 81.46 | 81.06 | 81.06 | -2.95  | 0            | 20       | 0      |
| <a href="#">23-Dec</a>                              | 230420 | 83.36 | 83.57 | 80.17 | 80.58 | -2.92  | 7671         | 56,285   | 742    |
| <a href="#">24-Mar</a>                              | 230420 | 83.25 | 83.26 | 80.25 | 80.71 | -2.75  | 706          | 8,427    | 211    |
| <a href="#">24-May</a>                              | 230420 | 82.33 | 82.68 | 79.92 | 80.55 | -2.50  | 293          | 2816     | -19    |
| Total Volume and Open Interest                      |        |       |       |       |       |        | 45,672       | 168,276  | -798   |



Source: MRCI

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