

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed bearish trend across India today. MCX cotton spot price traded down at Rs. 59,660 per candy on Saturday. ICE cotton futures closed green on Friday.

News

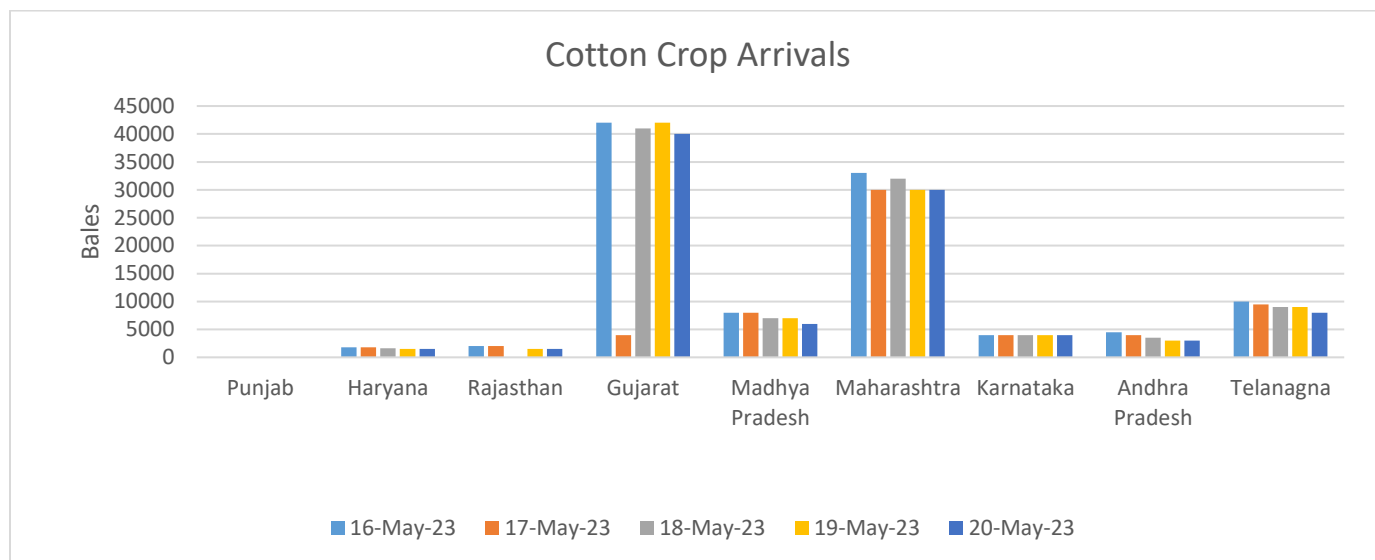
- Indian market sentiment remained bearish during the last week.
- Cotton sowing is progressing for the 2023-24 season in some parts of Punjab, Haryana, and Rajasthan. During the previous 2022-23 season, around 15.50 lakh hectares was under cotton cultivation in these three states.
- The Cotton Association of India in its latest estimate of the cotton crop for 2022-23 season has reduced its cotton production estimate by 4.65 lakh bales to 298.35 lakh bales from 303 lakh bales with reduction in Maharashtra, Telangana, and Tamil Nadu.

| Cotton Balance Sheet | 2021-22 | 2022-23 |
|--------------------------------------|----------------|----------------|
| Opening Stock | 71.84 | 31.89 |
| Production | 307.05 | 298.35 |
| Imports | 14 | 15 |
| Domestic Consumption | 318 | 311 |
| Exports | 43 | 20 |
| Closing Stock | 31.89 | 14.24 |
| Source: CAI; unit- Lakh Bales | | |

Weather Forecast

Thunderstorms accompanied with lightning at isolated places over East Madhya Pradesh, Gangetic West Bengal, Bihar, Odisha, Jharkhand, West Rajasthan, Vidarbha, Telangana, Karaikal, Kerala and Mahe.

All India Cotton Crop: Bales



Source: Agriwatch

NCDEX Cottonseed Oilcake

| Expiry Date | Open | High | Low | Close | Change |
|-------------|------|------|------|-------|--------|
| May-23 | 2616 | 2619 | 2616 | 2680 | -10 |
| Jun-23 | 2621 | 2654 | 2614 | 2639 | +8 |

International Cotton Fundamentals:

The Cotlook A index was at 97.85 cents/lb. The AWP for cotton was 68.10 cents/lb.

| ICE Cotton Futures (Cents/Lb) | | |
|-------------------------------|-------|--------|
| | Close | Change |
| Jul-23 | 86.72 | +6 |
| Dec-23 | 83.89 | +17 |
| Mar-24 | 83.62 | +18 |

- USDA has estimated India's cotton exports to decline by 5,00,000 bales this month to 1.8 million roughly equal to its import forecast. Industry experts have projected export to be within 20 lakh bales during 2022-23 (October-September).
- The International Cotton Advisory Committee has projected the season's average price forecast range between 96.1 cents and 111.3 cents, with a midpoint of 102.77 cents per pound. This is lower than the midpoint of 115 cents projected in December 2022.

Cotton Yarn

- South India's cotton yarn market witnessed low demand during the week under review. While prices remain stable in Tiruppur and Mumbai.
- In Tiruppur, yarn prices traded at Rs. 270-275 per kg (excluding GST) for 30 count combed cotton yarn, Rs. 282-287 per kg for 34 count combed cotton yarn, Rs. 295-300 per kg for 40 count combed cotton yarn.
- Similarly, in Mumbai, cotton yarn prices have remained stable, the 40-41 counts yarn has experienced a downward trend with prices dropping by Rs. 10-12 per kg.

DOMESTIC COTTON PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

| Commodity | Kapas | | Prices (Rs./Quintal) | | Change |
|----------------|-------------|---------------|----------------------|-----------|--------|
| State | Centre | Variety | 20-May-23 | 19-May-23 | |
| Gujarat | Ahmedabad | Shankar-6 | 7500 | 7375 | 125 |
| | Gondal | Shankar-6 | 7680 | 7630 | 50 |
| | Rajkot | B.T. Cotton | 7650 | 7700 | -50 |
| | Patan | B.T. Cotton | 7605 | 7750 | -145 |
| | Kadi | B.T. Cotton | 7750 | 7750 | Unch |
| | Deesa | B.T. Cotton | NA | NA | - |
| | Dhrol | B.T. Cotton | 7090 | 6950 | 140 |
| Haryana | Bhiwani | B.T. Cotton | 7400 | 7500 | -100 |
| | Bhiwani | Desi | NA | NA | - |
| | Adampur | B.T. Cotton | 7400 | 7400 | Unch |
| | Fatehabad | B.T. Cotton | 7200 | 7160 | 40 |
| | Jind | B.T. Cotton | NA | NA | - |
| | Uchana | B.T. Cotton | NA | NA | - |
| | Dabwali | B.T. Cotton | NR | NR | - |
| Rajasthan | Hanumangarh | B.T. Cotton | 7500 | 7500 | Unch |
| | Rawatsar | B.T. Cotton | 7475 | 7390 | 85 |
| Madhya Pradesh | Khandwa | Mech-1 | Closed | Closed | - |
| | Khargaon | Mech-1 | Closed | Closed | - |
| Maharashtra | Amravati | Mech-1 | NR | NR | - |
| | Jamner | Medium Staple | NA | NA | - |
| Uttar Pradesh | Hathras | B.T. Cotton | NA | NA | - |
| | Hathras | Desi | NA | NA | - |
| Telangana | Adilabad | Un-Ginned | NA | NA | - |
| Andhra Pradesh | Adoni | Un-Ginned | NA | NA | - |
| Karnataka | Bijapur | Bunny | 7859 | 7869 | -10 |

| | Hubli | D.C.H. | NR | NR | - |
|-----------|----------------|-------------|--------------------|-----------|--------|
| | Hubli | B.T. Cotton | NR | NR | - |
| | Raichur | H-44 Cotton | 7600 | NR | - |
| Commodity | Lint | | Prices (Rs./Maund) | | Change |
| State | Centre | Variety | 20-May-23 | 19-May-23 | |
| Punjab | Bhatinda | J-34 | 6100 | 6100 | Unch |
| | Abohar | J-34 | 6100 | 6100 | Unch |
| | Mansa | J-34 | NA | NA | - |
| Haryana | Sirsa | J-34 | 5900 | 5950 | -50 |
| Rajasthan | Sri-Ganganagar | J-34 | 5969 | NR | - |

Cotton Arrivals in Key Centers:

| Commodity | Kapas | | Arrivals (Quintal) | | Change |
|----------------|-------------|---------------|--------------------|-----------|--------|
| State | Centre | Variety | 20-May-23 | 19-May-23 | |
| Gujarat | Ahmedabad | Shankar-6 | 59500 | 59500 | Unch |
| | Gondal | Shankar-6 | 6500 | 7350 | -850 |
| | Rajkot | B.T. Cotton | 1650 | 1700 | -50 |
| | Patan | B.T. Cotton | 3060 | 2866 | 194 |
| | Kadi | B.T. Cotton | 15000 | 15000 | Unch |
| | Deesa | B.T. Cotton | NA | NA | - |
| | Dhrol | B.T. Cotton | 27 | 35 | -8 |
| Haryana | Bhiwani | B.T. Cotton | 600 | 300 | 300 |
| | Bhiwani | Desi | NA | NA | - |
| | Adampur | B.T. Cotton | 510 | 680 | -170 |
| | Fatehabad | B.T. Cotton | 50 | 20 | 30 |
| | Jind | B.T. Cotton | NA | NA | - |
| | Uchana | B.T. Cotton | NR | NR | - |
| | Dabwali | B.T. Cotton | NR | NR | - |
| Rajasthan | Hanumangarh | B.T. Cotton | 1000 | 1000 | Unch |
| | Rawatsar | B.T. Cotton | 1000 | 1000 | Unch |
| Madhya Pradesh | Khandwa | Mech-1 | Closed | Closed | - |
| | Khargaon | Mech-1 | Closed | Closed | - |
| Maharashtra | Amravati | Mech-1 | NR | NR | - |
| | Jamner | Medium Staple | NA | NA | - |
| Uttar Pradesh | Hathras | B.T. Cotton | NA | NA | - |
| | Hathras | Desi | NA | NA | - |
| Telangana | Adilabad | Un-Ginned | NA | NA | - |
| Andhra Pradesh | Adoni | Un-Ginned | NA | NA | - |
| Karnataka | Bijapur | Bunny | 1250 | 1149 | 101 |
| | Hubli | D.C.H. | NR | NR | - |
| | Hubli | B.T. Cotton | NR | NR | - |
| | Raichur | H-44 Cotton | 10 | NR | - |



| Commodity | Lint | | Arrivals (Quintal) | | Change |
|-----------|----------------|---------|--------------------|-----------|--------|
| State | Centre | Variety | 20-May-23 | 19-May-23 | |
| Punjab | Bhatinda | J-34 | NA | NA | - |
| | Abohar | J-34 | 51 | 68 | -17 |
| | Mansa | J-34 | NA | NA | - |
| Haryana | Sirsa | J-34 | 680 | 170 | 510 |
| Rajasthan | Sri-Ganganagar | J-34 | NA | NR | - |

Cotton Seed Oil Prices:

| Commodity | Cotton Seed Oil | | Price | | Change |
|-------------|-----------------|------------|-----------|-----------|--------|
| State | Centre | Unit | 20-May-23 | 19-May-23 | |
| Gujarat | Rajkot | Rs./10 Kg. | 910 | 900 | 10 |
| Delhi | New Delhi | Rs./10 Kg. | NR | NR | - |
| Telangana | Hyderabad | Rs./10 Kg. | 865 | 865 | Unch |
| Maharashtra | Mumbai | Rs./10 Kg. | 925 | 925 | Unch |

Cotton Seed Oil Seed Cake Prices:

| Commodity | Cotton Seed Oil Seed Cake | | Price | | Change |
|-------------|---------------------------|---------|-----------|-----------|--------|
| State | Centre | Unit | 20-May-23 | 19-May-23 | |
| Gujarat | Mahesana (Kadi) | Rs./Qtl | 2628 | 2633 | -5 |
| Maharashtra | Akola | Rs./Qtl | 2743 | 2742 | 1 |

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

| Index | Unit | 20-May-23 | 19-May-23 | Change |
|--------------|---------|-----------|-----------|--------|
| CCIndex(328) | RMB/Ton | Closed | NA | - |
| CCIndex(527) | RMB/Ton | Closed | NA | - |
| CCIndex(229) | RMB/Ton | Closed | NA | - |

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

| Index | Unit | 20-May-23 | 19-May-23 | Change |
|--------------|----------|-----------|-----------|--------|
| FC Index (S) | Cents/lb | Closed | 99.95 | - |
| FC Index (M) | Cents/lb | Closed | 98.32 | - |
| FC Index (L) | Cents/lb | Closed | 97.31 | - |

Cotlook Index:

| Cotlook Indices | Unit | 18-May-23 | 17-May-23 | Change |
|-----------------|-------------|-----------|-----------|--------|
| A-Index | Cents/Pound | 97.85 | 97.21 | 0.64 |



USDA Cotton Spot Rates:

| Growth Area | Unit | Leaf 4 to Staple 34 | Leaf 3 to Staple 35 | Arrivals |
|-------------|-----------|---------------------|---------------------|----------|
| | | 18-May-23 | 18-May-23 | Bales |
| Southeast | cents/lb. | 86.16 | 88.41 | 2586 |
| North Delta | cents/lb. | 84.91 | 87.16 | 148 |
| South Delta | cents/lb. | 84.91 | 87.16 | 0 |
| East TX-OK | cents/lb. | 81.16 | 82.91 | 4913 |
| West Texas | cents/lb. | 81.41 | 82.91 | 16040 |
| Desert SW | cents/lb. | 80.91 | 83.16 | 100 |
| SJ Valley | cents/lb. | 81.16 | 90.06 | 0 |

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/ GPT | Rs. Per Candy | Rs. Per Candy | Change |
|---------------------------------------|------------|------------|------------------|---------------|---------------|--------|
| | | | | 19-May-23 | 18-May-23 | |
| Bengal Deshi (RG)/Assam Comilla (101) | Below 22mm | 5.0 - 7.0 | 15 | 64700 | 64700 | Unch |
| Bengal Deshi (SG)(201) | Below 22mm | 5.0 - 7.0 | 15 | 65200 | 65200 | Unch |
| J-34(202) | 26mm | 3.5 - 4.9 | 23 | 56900 | 57100 | -200 |
| H-4/ MECH-1(105) | 28mm | 3.5 - 4.9 | 27 | 57100 | 57300 | -200 |
| Shankar-6(105) | 29mm | 3.5 - 4.9 | 28 | 59500 | 59500 | Unch |
| Bunny/ Brahma(105) | 31mm | 3.5 - 4.9 | 30 | 60500 | 60600 | -100 |
| MCU-5/ Surabhi(106) | 32mm | 3.3 - 4.9 | 31 | NR | NR | - |
| DCH-32(107) | 34mm | 3.0 - 3.8 | 33 | 74700 | 75000 | -300 |

Cottonseed and Oilcake Prices

| Cotton Seed Oil Cake Prices | | Prices (Rs./Quintal) | | Change |
|-----------------------------|---------------------------------|----------------------|-----------|--------|
| State | Market | 20-May-23 | 19-May-23 | |
| Punjab | Bhatinda (Pakki) | 3350 | 3350 | Unch |
| Punjab | Ludiana | 3760 | 3760 | Unch |
| Haryana | Sirsa | 3130 | 3130 | Unch |
| Haryana | Hisar | 3150 | 3150 | Unch |
| Rajasthan | Hanumangarh | 3050 | 3050 | Unch |
| Rajasthan | Vijaynagar | 3100 | 3100 | Unch |
| Madhya Pradesh | Indore | 3050 | 3050 | Unch |
| Madhya Pradesh | Khargone | 2975 | 2975 | Unch |
| Maharashtra | Wani | 3100 | 3100 | Unch |
| Maharashtra | Malkapur | 3025 | 3025 | Unch |
| Telegana | Warangal | 2850 | 2850 | Unch |
| Telegana | Adilabad | 2850 | 2850 | Unch |
| Karnataka | Dharwad | 2850 | 2850 | Unch |
| Karnatka | Hubli | 3050 | 3050 | Unch |
| Gujarat | Dhasa ,Damnagar,Babra Good Qlty | 2800 | 2850 | -50 |

| Cotton Seed Prices | | Prices (Rs./Quintal) | | Change |
|--------------------|----------------------------|----------------------|-----------|--------|
| State | Market | 20-May-23 | 19-May-23 | |
| Punjab | Mansa | 3300 | 3300 | Unch |
| Punjab | Bhatinda | 3350 | 3350 | Unch |
| Haryana | Adampur | 3405 | 3405 | Unch |
| Haryana | Charkhi Dadari | 3305 | 3305 | Unch |
| Rajasthan | Hanumangarh | 3450 | 3450 | Unch |
| Rajasthan | Bikaner | 3500 | 3500 | Unch |
| Madhya Pradesh | Sendhwa | 2925 | 2925 | Unch |
| Madhya Pradesh | Barwaha | 2850 | 2850 | Unch |
| Maharastra | Malkapur | 2900 | 2900 | Unch |
| Maharastra | Akot | 3100 | 3100 | Unch |
| Telegana | Madnoor | 2970 | 3000 | -30 |
| Telegana | Jangaon | 2900 | 3025 | -125 |
| Karnataka | Bijapur | 2870 | 2900 | -30 |
| Karnataka | Hubli | 2870 | 2900 | -30 |
| Gujarat | Mahuva,Rajula,S.Kundla,UNA | 2800 | 2800 | Unch |
| Gujarat | Kadi | 2825 | 2875 | -50 |



| Daily Futures Price Listing Friday, May 19th 2023 | | | | | | | | | |
|---|--------|-------|-------|-------|-------|--------|--------------|----------|--------|
| Most Recent Information | | | | | | | Previous Day | | |
| Month | Date | Open | High | Low | Close | Change | Volume | Open Int | Change |
| 23-May | 230519 | 86.3 | 87.98 | 86.13 | 86.72 | 0.06 | 41227 | 84936 | -2669 |
| 23-Jul | 230519 | 84.83 | 84.83 | 84.83 | 84.83 | 0.30 | 11 | 21 | -1 |
| 23-Oct | 230519 | 83.5 | 84.3 | 83.3 | 83.89 | 0.17 | 22,523 | 74,528 | 1441 |
| 23-Dec | 230519 | 83.05 | 83.9 | 83.05 | 83.62 | 0.18 | 4228 | 11,137 | 1094 |
| 24-Mar | 230519 | 82.62 | 83.45 | 82.62 | 83.18 | 0.19 | 1423 | 4,946 | 389 |
| 24-May | 230519 | 82.1 | 82.86 | 82.02 | 82.58 | 0.13 | 324 | 2704 | 56 |
| Total Volume and Open Interest | | | | | | | 70,060 | 185,468 | 544 |

Source: MRCI

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