

COTTON WEEKLY RESEARCH REPORT23rd January 2023**Domestic market summary****Major Market Highlights:**

Cotton daily arrivals had slightly increased during the last week and were at around 1,15,000-1,30,000 bales per day. Overall weather is favorable for the cotton crop. However, there is report of lower crop expectations from northern India. The staple length is expected to be shorter in this season from Punjab, Haryana and Rajasthan. Cotton third picking is going on in most of the cotton belt, in some areas fourth picking has also started.

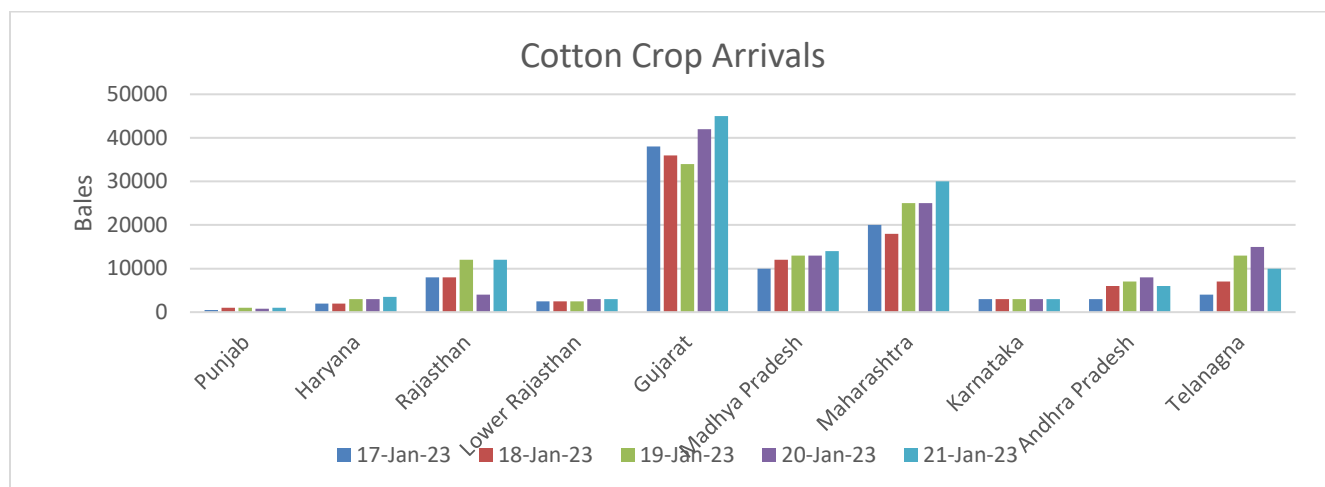
Cottonseed prices remained stable during the last week. Cottonseed arrivals is likely to improve in the coming week.

The situation of Ginners improved in most of the region. Cotton yarn prices are stable although demand has improved during the last week. Ginning factories are working with 50 percent capacity till last week. Cottonseed oilcake prices remained bearish during the last week.

Domestic Market Scenario:

- As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales.
- The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30th September 2023 is 374.39 lakh bales. The total cotton supply consists of the opening stock of 31.89 lakh bales at the beginning of the cotton season on 1st October 2022, crop for the season estimated at 330.50 lakh bales and the imports for the season estimated by the CAI at the same level i.e. at 12 lakh bales.
- The domestic consumption for the season is estimated at 300 lakh bales. The exports for the season have been estimated at 30.00 lakh bales i.e. at the same level as estimated previously. The exports estimate for the previous cotton season 2021-22 was 43 lakh bales. The carry-over stock which was earlier estimated at 53.64 lakh bales is now estimated at 44.39 lakh bales.

New Cotton Crop Arrival & Prices:

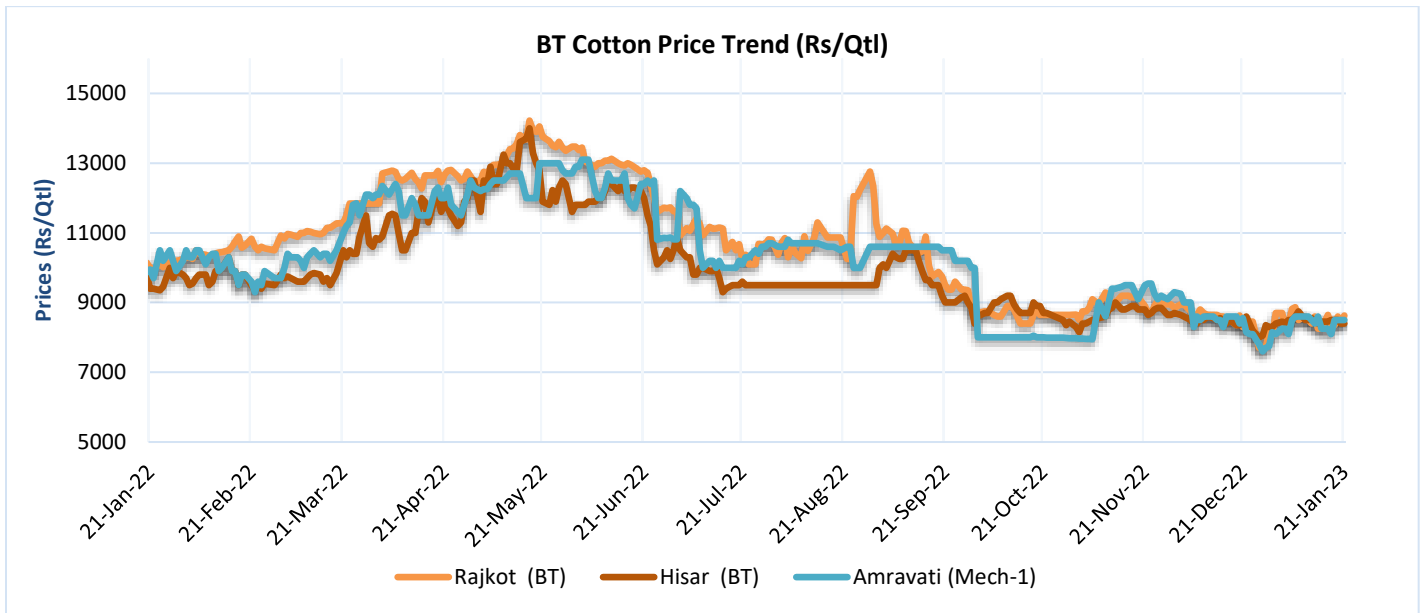


All India Cotton Arrivals 2022-23	
This Week	9.50 Lakh Bales
Cumulative Arrival	105.50 Lakh Bales
Cotton Consumption	77 Lakh Bales
Exports	2,00,000 Bales
Import	5,00,000 Bales

Domestic Cotton Prices Scenario

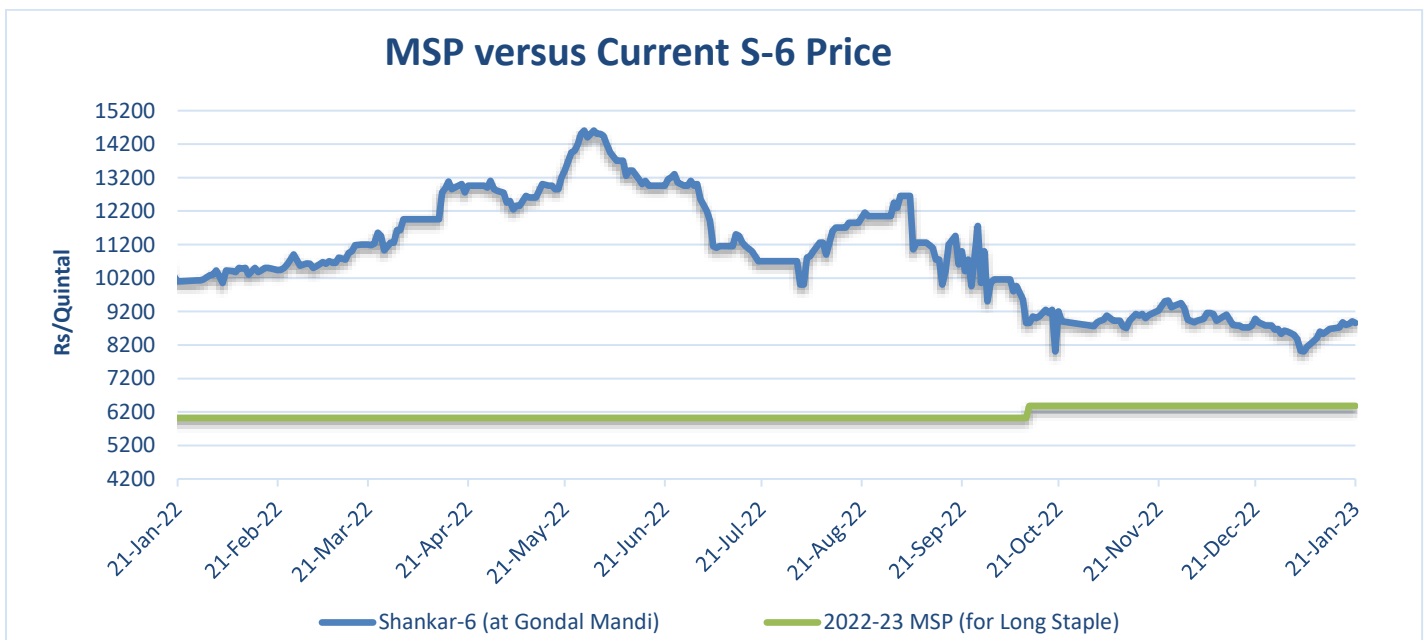
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood higher at Rs. 8,503/Qtl compared to previous week's Rs. 8,433/Qtl. Cotton prices at Amravati traded at Rs. 8,391 per quintal whereas prices in Hisar were slightly higher at Rs. 8,458 per quintal during the past week. Prices have increased in anticipation of lower crop expectations from northern India.



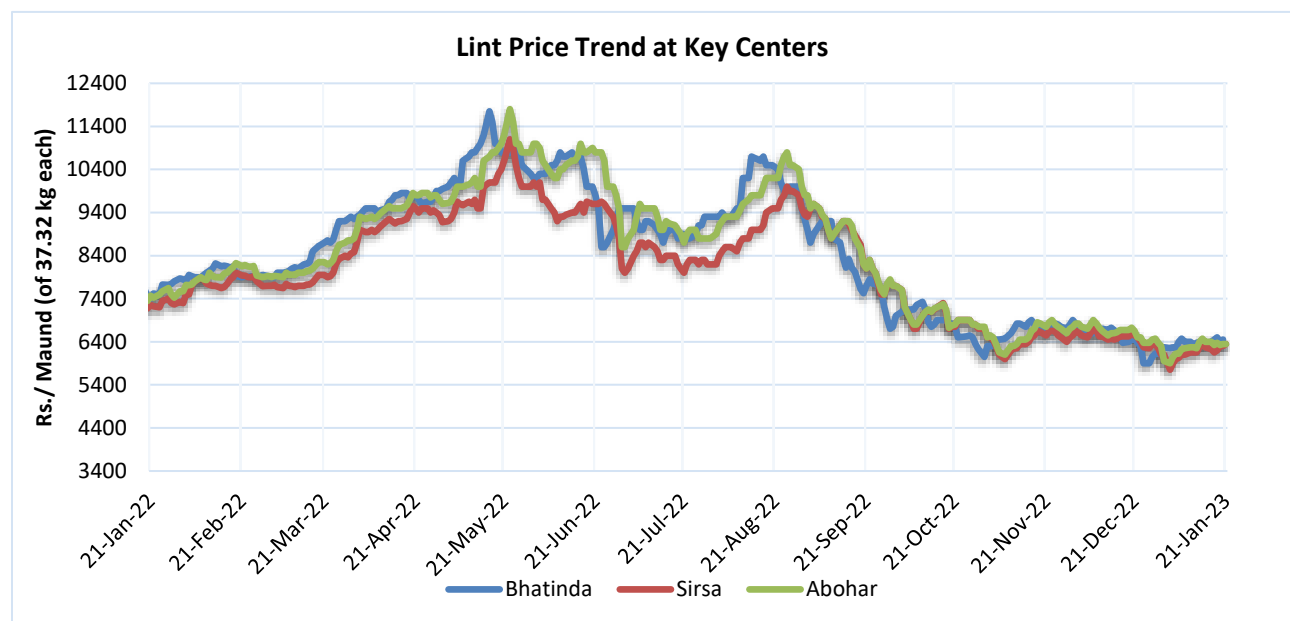
Spot Price Comparison

Cotton shanker-6 at Gondal market traded slightly higher at Rs. 8,717 per quintal against the minimum support price of Rs. 6,380 per quintal.



Lint price Outlook

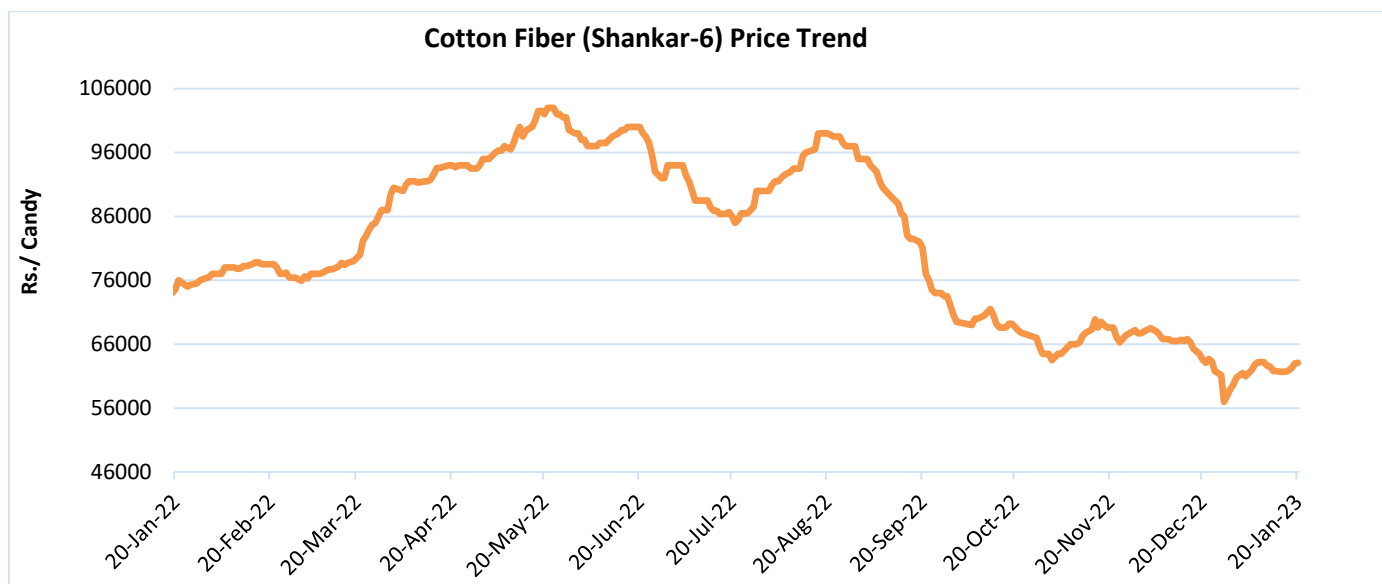
The average price stood slightly higher at Rs. 6416/maund this week compared to Rs.6362/maund previous week in Abohar, in Bhatinda prices were at Rs.6429/maund, and slightly higher in Sirsa at Rs.6325/maund from Rs.6241/maund previous week.



Source: Agriwatch

Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly lower and is currently at Rs.62,520/candy and is likely to remain rangebound in the coming weeks.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

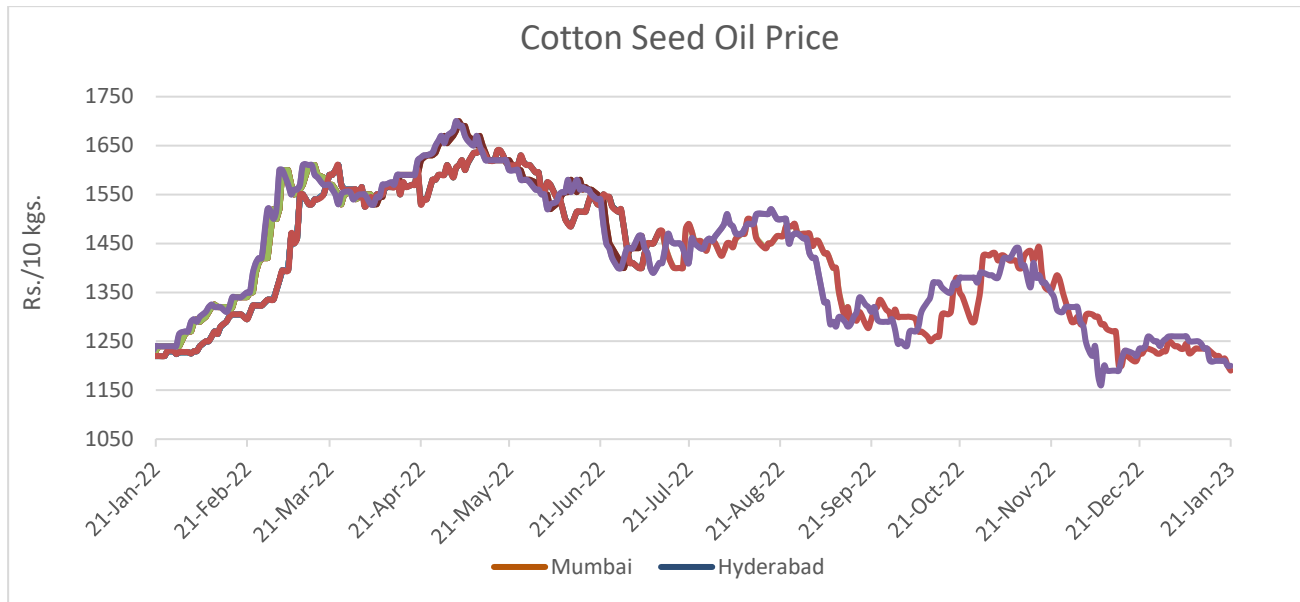
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 21st Jan'23.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	21-Jan-23	14-Jan-23	
Rajkot	1208	1225	-1.36
Hyderabad	1205	1199	+0.50
Mumbai	1203	1224	-1.69

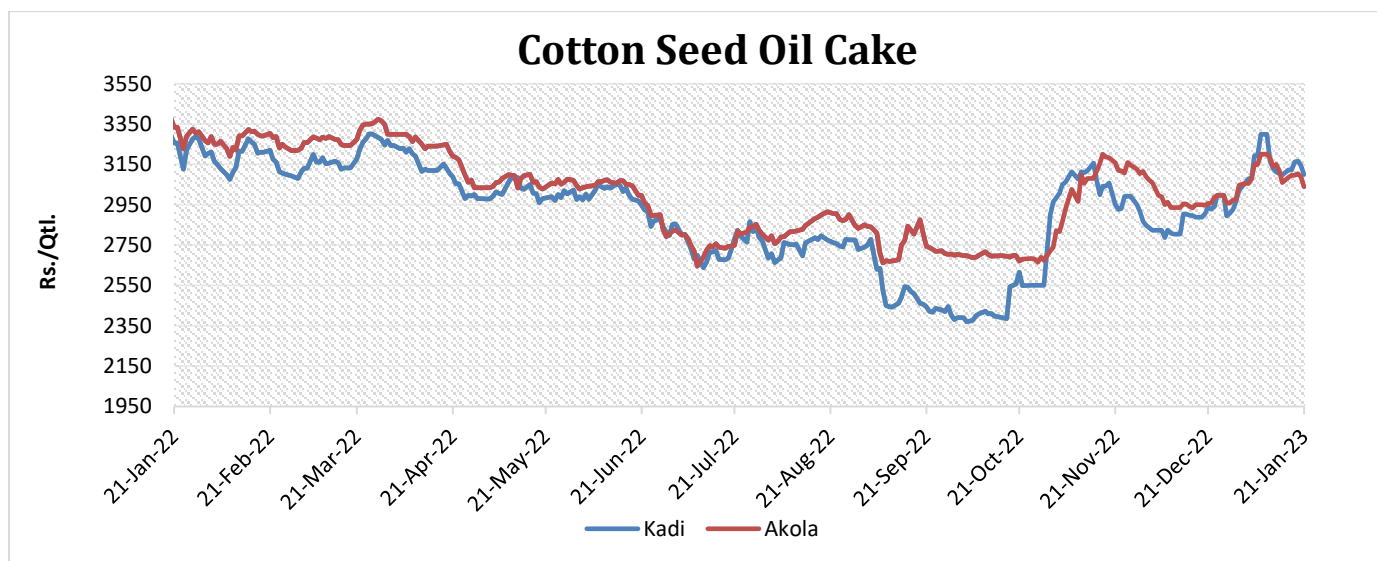
Source: Agriwatch



Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased slightly due to limited demand as compared to previous week. Prices in Kadi were at Rs. 3136 per quintal from Rs. 3152 per quintal and in Akola prices were at Rs. 3086 per quintal from Rs. 3142 per quintal the previous week. For the coming week we expect prices to remain rangebound.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	21-Jan-23	14-Jan-23	
Kadi	3136	3152	-0.49
Akola	3086	3142	-1.78



Source: NCDEX

Price Forecast for the coming week

Months	Past Week	During the week	Coming week
Price per quintal at Rajkot (Average of the month)	8504	8500-8840	8650-9640

Stock Summary

Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
40.00	16.50	56.50

International Market Scenario

According to USDA WASDE January report, the 2022-23 U.S. Cotton Production is estimated 438,000 bales higher, at 14.7 million bales, with yield at 947 pounds per acre, which is higher by 9 % from the December estimate. Exports are forecast 250,000 bales lower, at 12.0 million, with both projected world trade and the U.S. share slightly lower this month. Ending stocks are higher by 700,000 bales to 4.2 million, equal to 30 percent of projected use.

World cotton production is forecasted at 330,000 bales lower than it was in December as lower production in India more than offsets gains in the United States and Brazil. Projected world consumption is 850,000 bales lower this month, at 110.9 million bales.

India's 2022-23 consumption is estimated 500,000 bales lower, with smaller declines for Indonesia and Vietnam. Projected world trade is down by 600,000 bales, to 41.7 million, as projected exports from the United States, India, and Argentina decline. Imports by China, Indonesia, and Vietnam are also projected lower.

USDA Balance Sheet

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,366	32,313	31,916
Yield	773	779	787
Opening Stock	98,406	86,733	85,340
Production	1,11,489	1,15,715	1,15,396
Imports	48,693	42,889	41,626
Exports	48,726	42,863	41,656
Domestic Consumption	1,23,129	1,17,134	1,10,773
Ending Stock	86,733	85,340	89,933

Source: USDA *Global projected 2022-23; #estimated 2021-22

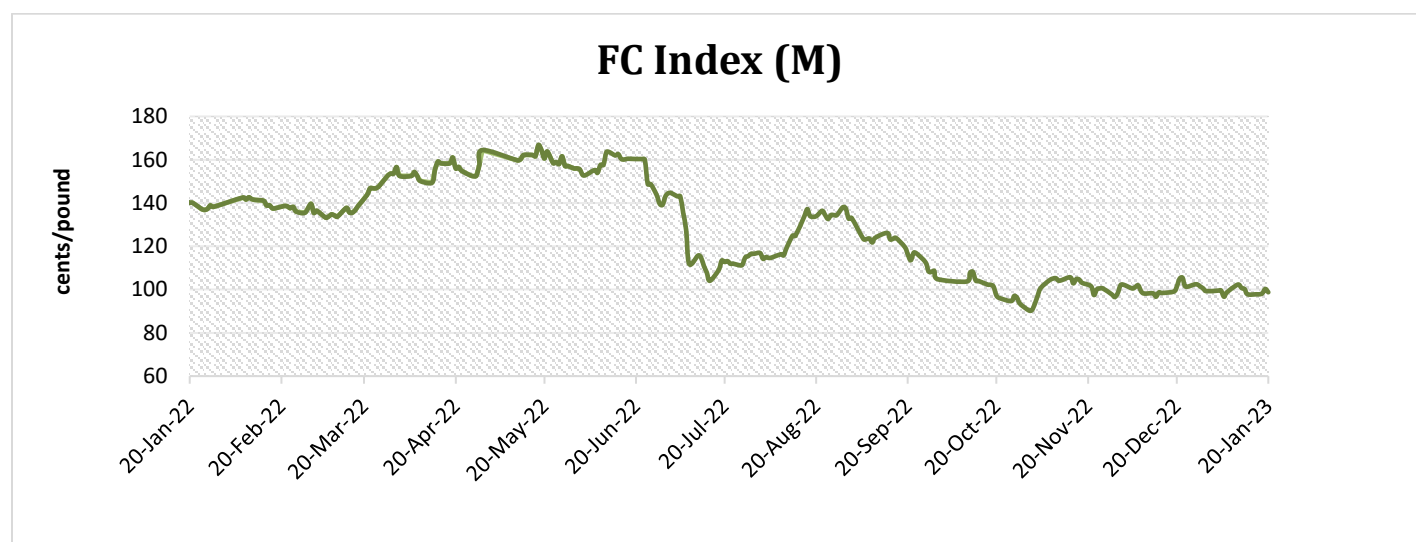
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was lower this week. The Cotlook A Index was at 98.65 cents/lb lower as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	20-Jan-23	13-Jan-23	
Prices	98.65	100.55	-1.89
Prices in US cents per Pound			

Source: Cotlook

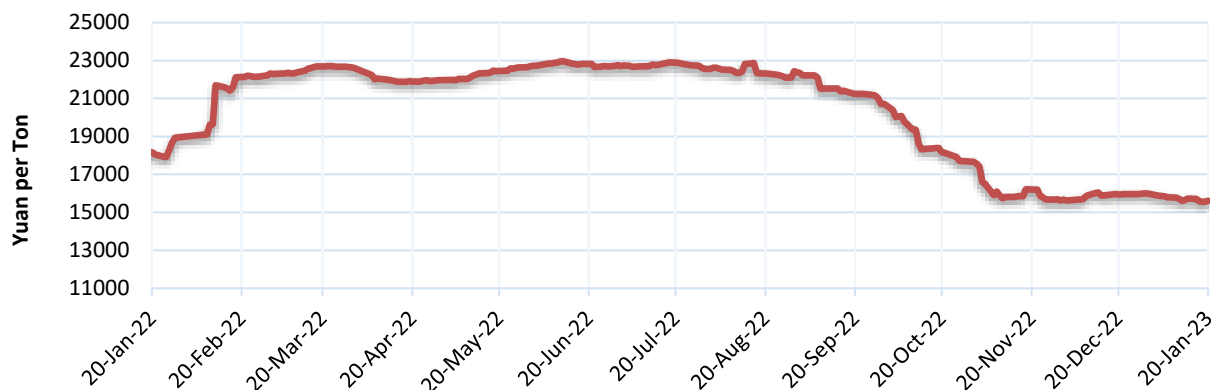


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	20-Jan-23	13-Jan-23	
FC (S)	99.48	101.50	-1.99
FC (M)	98.58	100.57	-1.98
FC (L)	98.37	99.53	-1.16
Prices in US cents per Pound			

Source: China Cotton Association

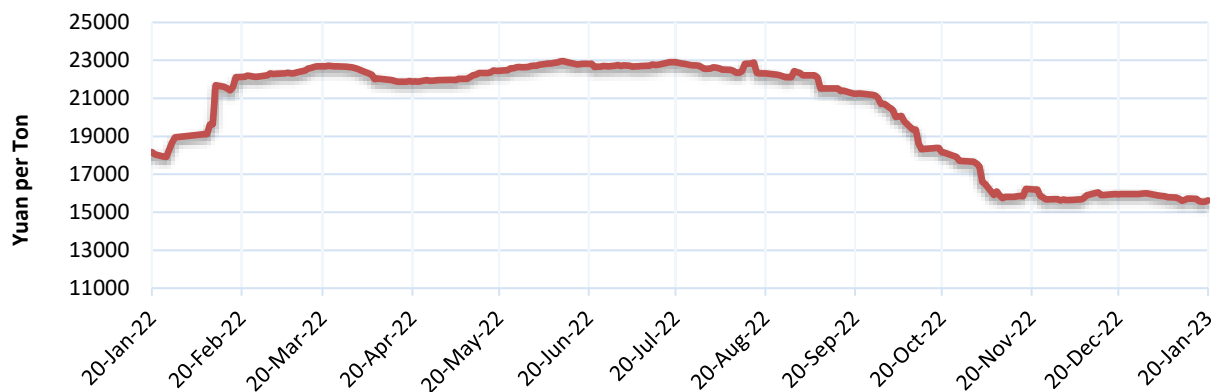
China Cotton Index(328)



Cotton Index	Weekly Average Price as on		% Change
	20-Jan-23	16-Jan-23	
CCIndex(328)	15296.00	15186.75	0.72
CCIndex(527)	13732.60	13671.50	0.45
CCIndex(229)	15587.33	15511.75	0.49
Prices in Yuan per ton			

Source: China Cotton Association

China Cotton Index(328)

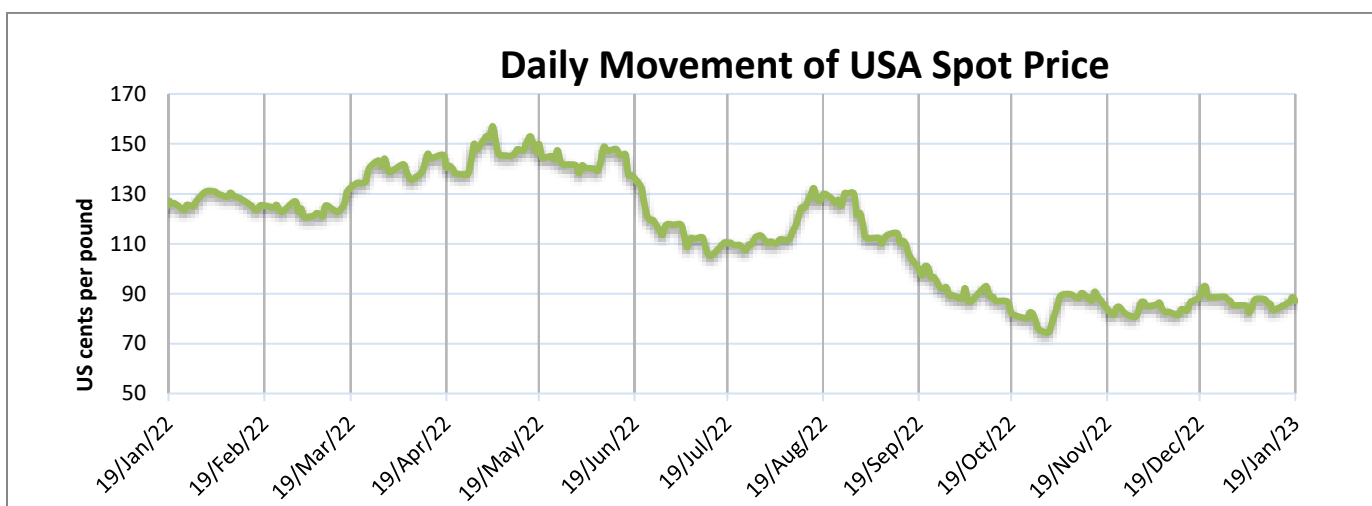


USA Spot Prices

U.S.A spot prices was at 86.31 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	19-Jan-23	12-Jan-23	
Prices	86.31	86.19	0.14
Prices in US cents per Pound			

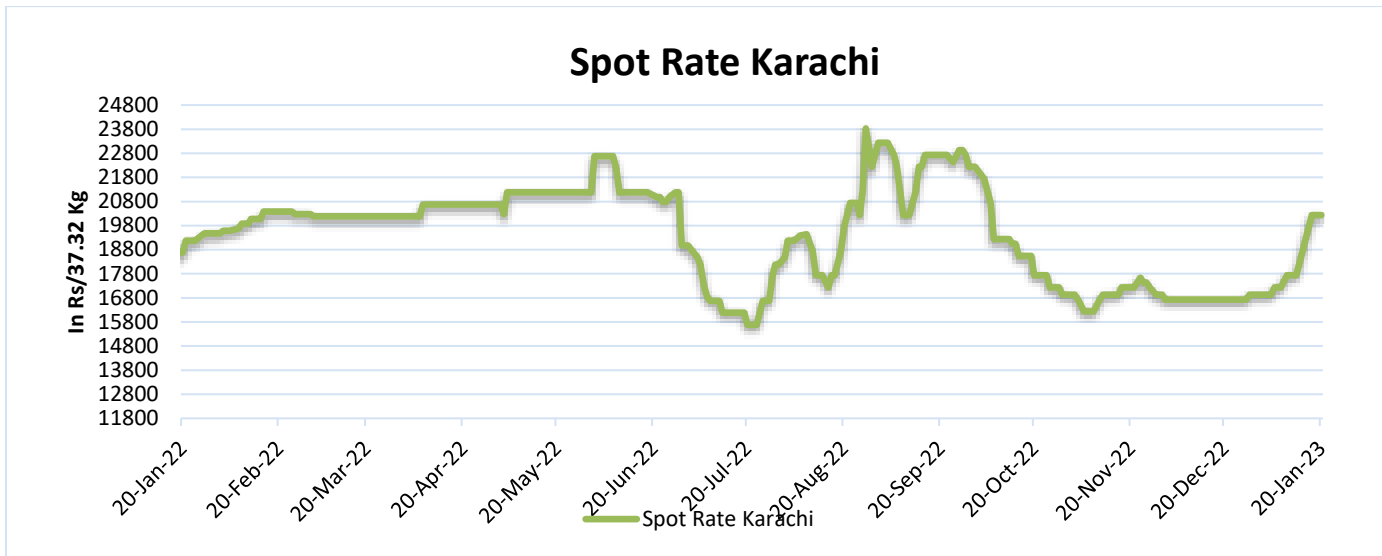
Source: USDA



Pakistan Spot Prices

The Karachi spot price remained higher at Rs.20235/q from the previous week. Prices have increased mainly due to improved demand and lower production anticipation in Pakistan.

Karachi Spot Prices	Weekly Average Price as on		% Change
	20-Jan-23	15-Jan-23	
Prices	20235	18985	6.58
Prices in Rs per 37.32 Kg			



Commodity: Cotton seed oilcake

Exchange: MCX

Contract: Jan

Expiry: Jan. 30, 2023

Cottonseed Oilcake

Technical Chart:



Technical Commentary:

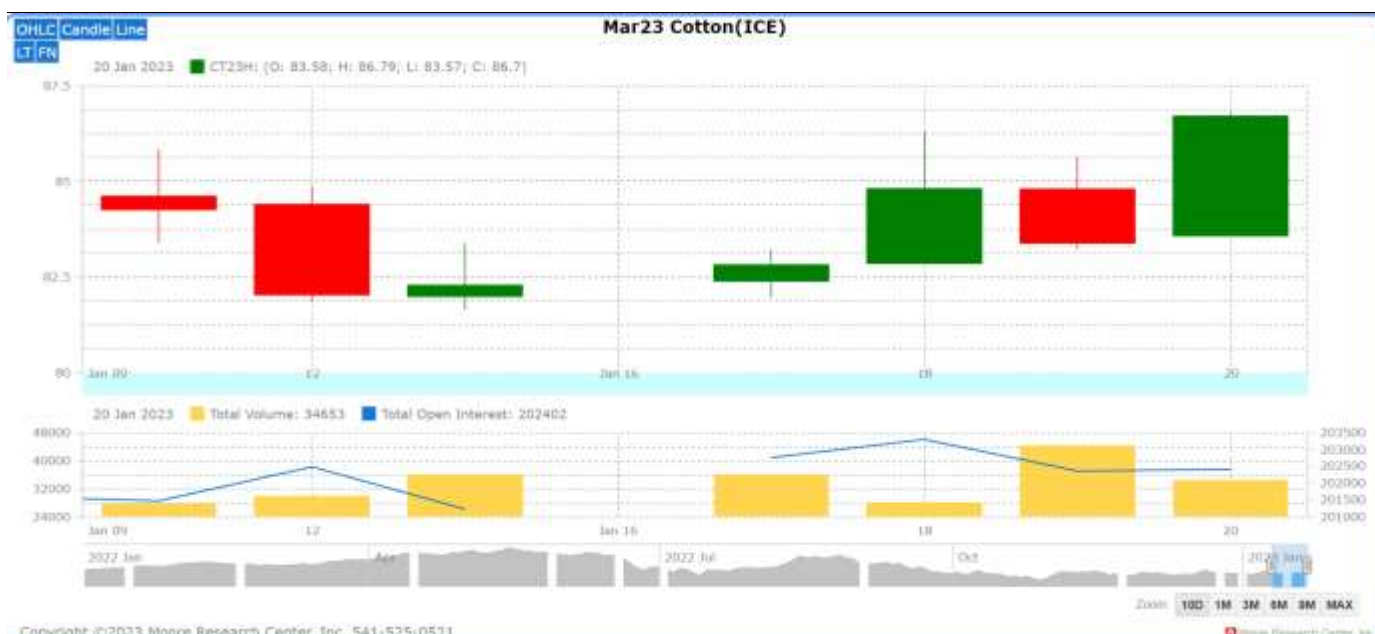
- As evident from the above, overall trend remained downward. Prices have corrected during the last week, but may take support at 2800 and can retrace back.
- Currently trading above 18, and 9 DMA. RSI indicates slightly weak buying strength.
- Market is expected further to remain rangebound to weak in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Jan	2736	2786	2852	3012	3027
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Jan	Sell	2862	2827	2802	2883

Currencies Weekly Prices

Currencies Weekly Change					
Date	INR/USD	Dollar Index	INR/Yuan	Yuan/Dollar	USD/Yuan
13-01-2023	81.28	101.96	12.126	0.149	6.703
20-01-2023	80.99	101.74	11.937	0.147	6.783
Changes in points	-0.29	-0.22	-0.18	-0.0018	0.0808
% Change	-0.36	-0.22	-1.56	-1.21	1.21

Technical Analysis of Cotton Future (Mar'23 Contract) at ICE



- The Mar'23 contract remained up and intact.
- Total volume increased & Open Interest slightly increased compared to last month,
- We expect cotton prices to remain sideways in the coming month.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	86-95

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
82	75	88	84

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	20-Jan-23	21-Dec-22	22-Oct-22	24-Jul-22	20-Jan-22	% Change over a month	% Change over previous year
Mar-23	86.70	88.30	78.55	87.36	122.87	-1.81	-29.44
May-23	87.06	87.63	78.15	85.76	119.67	-0.65	-27.25
Jul-23	87.22	86.77	77.08	83.96	116.87	0.52	-25.37
Oct-23	84.68	84.19	75.78	97.32	104.77	0.58	-19.18
Dec-23	84.67	83.79	74.57	89.50	99.01	1.05	-14.48

Future Price Trend (Active Contract):



Cotton Yarn

According to the market sources, cotton yarn market in north India witnessed better demand after the recent rise in cotton prices during the week under review. Buyers were anticipating that yarn prices will rise due to costlier cotton. Cotton yarn prices gained Rs. 5-10 per kg in Ludhiana due to better buying, but the prices were stable in Delhi and Panipat market.

Ludhiana market witnessed higher prices of cotton yarn. Demand was better from both exports and domestic consumption. 30 count cotton combed yarn was sold at Rs. 280-290 per kg. 20 and 25 count combed yarn were traded at Rs.270-280 per kg and Rs.275-285 per kg respectively.

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	16th Jan'22 to 21st Jan'22	09th Jan'22 to 14th Jan'22	
Gujarat	Ahmedabad	Shankar-6	8608	8688	-79
	Gondal	Shankar-6	8718	8765	-48
	Rajkot	B.T. Cotton	8504	8470	34
	Patan	B.T. Cotton	8565	8635	-70
	Kadi	B.T. Cotton	8492	8640	-148
	Deesa	B.T. Cotton	1454	1397	57
	Dhrol	B.T. Cotton	8587	8614	-27
Haryana	Bhiwani	B.T. Cotton	8450	8483	-33
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8470	8483	-13
	Fatehabad	B.T. Cotton	8392	8376	16
	Jind	B.T. Cotton	7400	7930	-530
	Uchana	B.T. Cotton	8513	8674	-162
	Dabwali	B.T. Cotton	8350	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	8500	8663	-163
	Rawatsar	B.T. Cotton	8673	8642	32
Madhya Pradesh	Khandwa	Mech-1	8400	8400	Unch
	Khargaon	Mech-1	8232	8263	-31
Maharashtra	Amravati	Mech-1	8400	8430	-30
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	8030	8040	-10
Andhra Pradesh	Adoni	Un-Ginned	8681.75	8599	83
Karnataka	Bijapur	Bunny	8763	8932	-168
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8480	8533	-53
Commodity	Lint		Prices (Rs./Maunder of 37.32kg each)		Change

State	Centre	Variety	16th Jan'22 to 21st Jan'22	09th Jan'22 to 14th Jan'22	
Punjab	Bhatinda	J-34	6429	6375	54
	Abohar	J-34	6417	6363	54
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	6325	6242	83
Rajasthan	Sri-Ganganagar	J-34	6118	6071	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	16th Jan'22 to 21st Jan'22	09th Jan'22 to 14th Jan'22	Change
Gujarat	Ahmedabad	Shankar-6	304300	251600	52700
	Gondal	Shankar-6	48800	41250	7550
	Rajkot	B.T. Cotton	22200	17800	4400
	Patan	B.T. Cotton	33958	21532	12426
	Kadi	B.T. Cotton	95000	115000	-20000
	Deesa	B.T. Cotton	100	1300	-1200
	Dhrol	B.T. Cotton	4238	2976	1262
Haryana	Bhiwani	B.T. Cotton	3100	4400	-1300
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8560	13218	-4658
	Fatehabad	B.T. Cotton	2340	850	1490
	Jind	B.T. Cotton	750	990	-240
	Uchana	B.T. Cotton	3250	NA	-
	Dabwali	B.T. Cotton	3250	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	15000	18000	-3000
	Rawatsar	B.T. Cotton	15000	18000	-3000
Madhya Pradesh	Khandwa	Mech-1	29000	22500	6500
	Khargaon	Mech-1	26300	29900	-3600
Maharashtra	Amravati	Mech-1	36000	44000	-8000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	265552	310589	-45037
Andhra Pradesh	Adoni	Un-Ginned	6475	3394	3081

Karnataka	Bijapur	Bunny	19886	22859	-2973
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	83	99	-16
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	16th Jan'22 to 21st Jan'22	09th Jan'22 to 14th Jan'22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	3400	1955	1445
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	2890	1530	1360
Rajasthan	Sri-Ganganagar	J-34	13500	8000	5500

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Jan-23	13-Jan-23	21-Dec-22	21-Jan-22
Gujarat	Ahmedabad	Shankar-6	8650	8500	8550	10000
	Gondal	Shankar-6	8605	8580	8630	10255
	Rajkot	B.T. Cotton	8625	8250	8300	10005
	Patan	B.T. Cotton	8450	8755	8650	10055
	Kadi	B.T. Cotton	8750	8800	8750	9800
	Deesa	B.T. Cotton	1445	1350	1560	1600
	Dhrol	B.T. Cotton	8585	8460	6280	9650
Haryana	Bhiwani	B.T. Cotton	8400	8600	8300	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	NR	8400	8500	9400
	Fatehabad	B.T. Cotton	8365	8335	8265	9200
	Jind	B.T. Cotton	NR	0	0	9200
	Uchana	B.T. Cotton	NA	8575	8300	9300
	Dabwali	B.T. Cotton	8350	0	0	9735
Rajasthan	Hanumangarh	B.T. Cotton	8400	8500	8500	9700
	Rawatsar	B.T. Cotton	Closed	8675	8450	9700
	Khandwa	Mech-1	Closed	8300	8200	10000

Madhya Pradesh	Khargaon	Mech-1	Closed	8250	8300	10005
Maharashtra	Amravati	Mech-1	Closed	8350	8550	9950
	Jamner	Medium Staple	NA	0	0	0
Uttar Pradesh	Hathras	B.T. Cotton	NA	0	9400	0
	Hathras	Desi	NA	0	7500	0
Telangana	Adilabad	Un-Ginned	8030	8040	8030	9570
Andhra Pradesh	Adoni	Un-Ginned	NA	8459	8421	10521
Karnataka	Bijapur	Bunny	NA	8529	8585	11007
	Hubli	D.C.H.	NA	0	0	0
	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	NA	8300	8500	9500
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Jan-23	13-Jan-23	21-Dec-22	21-Jan-22
Punjab	Bhatinda	J-34	6450	6400	6450	7450
	Abohar	J-34	6450	6325	6450	7500
	Mansa	J-34	NR	0	6300	7550
Haryana	Sirsa	J-34	6300	6300	6350	7300
Rajasthan	Sri-Ganganagar	J-34	6110	6063	6204	6862

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Jan-23	13-Jan-23	21-Dec-22	21-Jan-22
Gujarat	Ahmedabad	Shankar-6	62900	47600	54400	54400
	Gondal	Shankar-6	7750	8200	8150	7400
	Rajkot	B.T. Cotton	6000	3400	4600	4200
	Patan	B.T. Cotton	7624	3180	8175	2120
	Kadi	B.T. Cotton	30000	20000	20000	30000
	Deesa	B.T. Cotton	NA	300	700	0
	Dhrol	B.T. Cotton	925	798	610	598
Haryana	Bhiwani	B.T. Cotton	200	1000	600	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	NR	3001	1700	2040
	Fatehabad	B.T. Cotton	550	50	350	1000
	Jind	B.T. Cotton	NR	0	0	2040

	Uchana	B.T. Cotton	250	0	0	1200
	Dabwali	B.T. Cotton	250	0	0	1200
Rajasthan	Hanumangarh	B.T. Cotton	Closed	2000	3000	3000
	Rawatsar	B.T. Cotton	Closed	2000	3000	3000
Madhya Pradesh	Khandwa	Mech-1	Closed	4500	3500	800
	Khargaon	Mech-1	Closed	5300	5040	6685
Maharashtra	Amravati	Mech-1	Closed	9000	7500	11000
	Jamner	Medium Staple	NA	0	0	0
Telangana	Adilabad	Un-Ginned	108258.7	69692.8	69470	47222.6
Andhra Pradesh	Adoni	Un-Ginned	NA	1090	1704	2813
Karnataka	Bijapur	Bunny	NA	2682	3036	3835
	Raichur	H-44 Cotton	NA	14	12	10
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Jan-23	13-Jan-23	21-Dec-22	21-Jan-22
Punjab	Bhatinda	J-34	NA	0	0	10200
	Abohar	J-34	1190	425	340	1700
	Mansa	J-34	NR	0	340	850
Haryana	Sirsa	J-34	510	0	340	2550
Rajasthan	Sri-Ganganagar	J-34	3000	1000	2500	2000

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				16th Jan'22 to 21st Jan'22	09th Jan'22 to 14th Jan'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64320	63480	840
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64820	63980	840
J-34(202)	26mm	3.5 - 4.9	23	60180	59540	640
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60700	60240	460
Shankar-6(105)	29mm	3.5 - 4.9	28	62520	62080	440
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63560	63100	460
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	64600	64140	460
DCH-32(107)	34mm	3.0 - 3.8	33	67300	66300	1000

Cotton Yarn Prices	19-Jan-23	18-Jan-23	Change	19-Jan-23	18-Jan-23	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.91	2.91	Unch	241	241	Unch
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	251	251	Unch
Ne 21/1 Carded Weaving Yarn	2.91	2.91	Unch	241	241	Unch
Ne 26/1 Combed Hosiery Yarn	3.11	3.11	Unch	257	257	Unch
Ne 30/1 Carded Hosiery Yarn	3.07	3.07	Unch	254	254	Unch
Ne 30/1 Combed Hosiery Yarn	3.19	3.19	Unch	264	264	Unch
Ne 32/1 Carded Weaving Yarn	3.15	3.15	Unch	261	261	Unch
Ne 34/1 Combed Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Hosiery Yarn	3.64	3.64	Unch	301	301	Unch
Ne 40/1 Carded Weaving Yarn	3.34	3.34	Unch	276	276	Unch
Ne 30/2 Carded Hosiery Yarn	3.34	3.34	Unch	276	276	Unch
Ne 32/2 Combed Knitting Yarn	3.76	3.76	Unch	311	311	Unch
Ne 32/2 Carded Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/2 Combed Hosiery Yarn	4.18	4.18	Unch	346	346	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Compact Weaving Yarn	3.82	3.82	Unch	316	316	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.16	4.16	Unch	344	344	Unch
Ne 16/1 Open End Yarn	2.28	2.28	Unch	189	189	Unch
Ne 21/1 Open End Yarn	2.47	2.47	Unch	204	204	Unch
Ne 24/1 Open End Yarn	2.77	2.77	Unch	229	229	Unch

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