

COTTON WEEKLY RESEARCH REPORT 06th February 2023

Domestic market summary

Major Market Highlights:

Cotton daily arrivals had decreased during the last week and were at around 40,000-60,000 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. Cottonseed prices were bearish during the last week. Cottonseed arrivals is likely to decrease in the coming week.

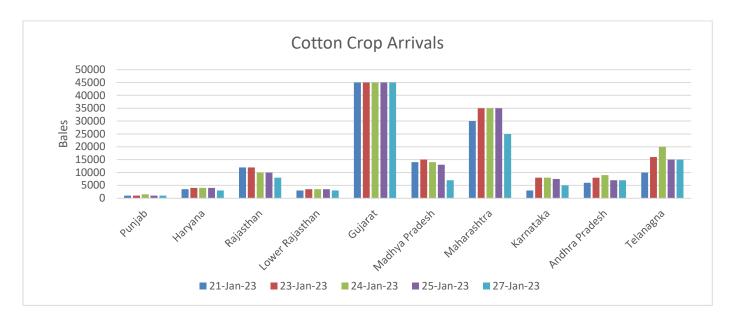
The situation of Ginners improved in most of the region. Cotton yarn prices are stable although demand has improved during the last week. Ginning factories are working with 50 percent capacity till last week. Cottonseed oilcake prices remained bearish during the last week.

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:



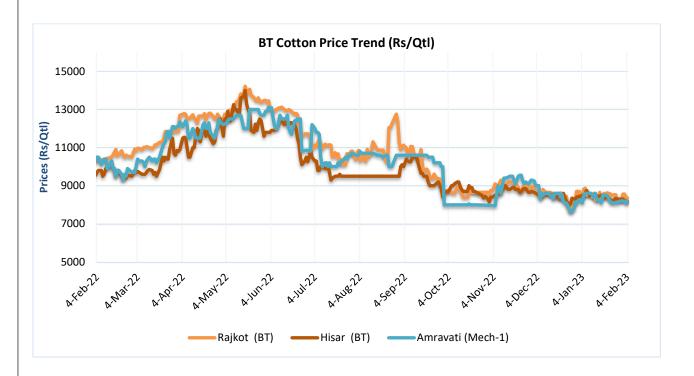
All India Cotton Arrivals 2022-23			
This Week	9.50 Lakh Bales		
Cumulative Arrival	115 Lakh Bales		
Cotton Consumption	83 Lakh Bales		
Exports	2,50,000 Bales		
Import	5,50,000 Bales		

Domestic Cotton Prices Scenario

Kapas (Raw Cotton) Weekly Price Scenario

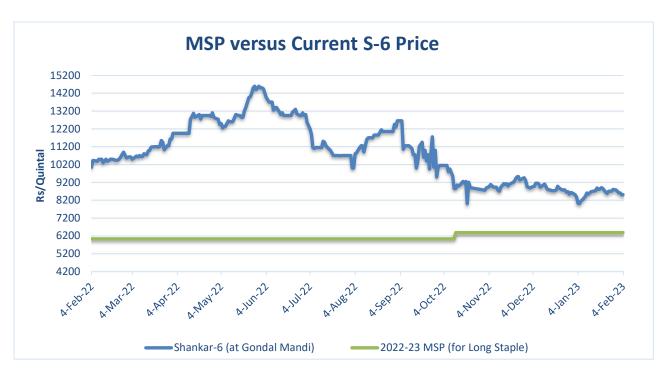
Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood lower at Rs. 8,401/Qtl compared to previous week's Rs. 8,476/Qtl. Cotton prices at Amravati traded at Rs. 8,183 per quintal whereas prices in Hisar were slightly lower at Rs. 8,250 per quintal during the past week. Prices have decreased in anticipation of good production estimation and lesser demand.





Spot Price Comparison

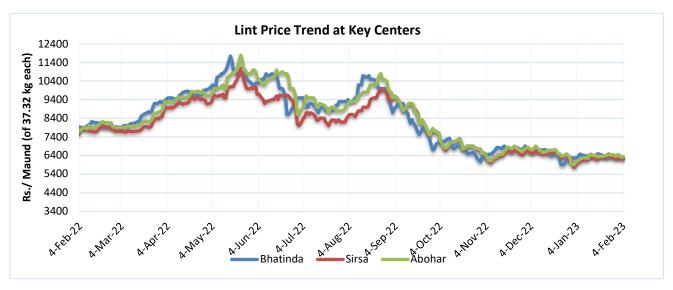
Cotton shanker-6 at Gondal market traded slightly lower at Rs. 8,500 per quintal against the minimum support price of Rs. 6,380 per quintal.





Lint price Outlook

The average price stood slightly lower at Rs. 6313/maund this week compared to Rs. 6330/maund previous week in Abohar, in Bhatinda prices were lower at Rs.6313/maund, and lower in Sirsa also at Rs. 6204/maund from Rs. 6220/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.61,960/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

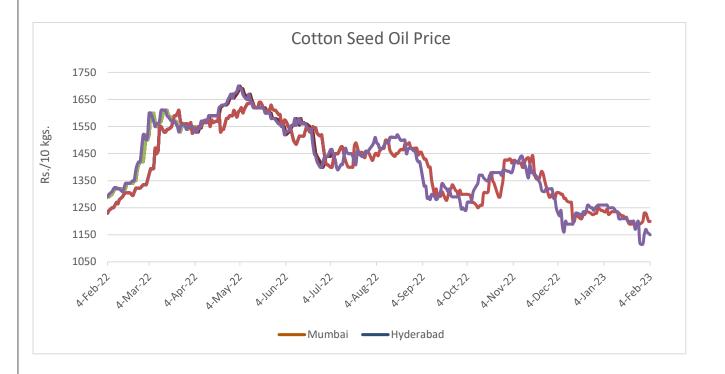
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 4th Feb'23.

Center	Weekly Average Pr	rice as on (Rs/10 kg.)	% Change
Center	28-Jan-23	28-Jan-23	70 Change
Rajkot	1118	1165	-4.01
Hyderabad	1200	1208	-0.62
Mumbai	1146	1160	-1.15

Source: Agriwatch

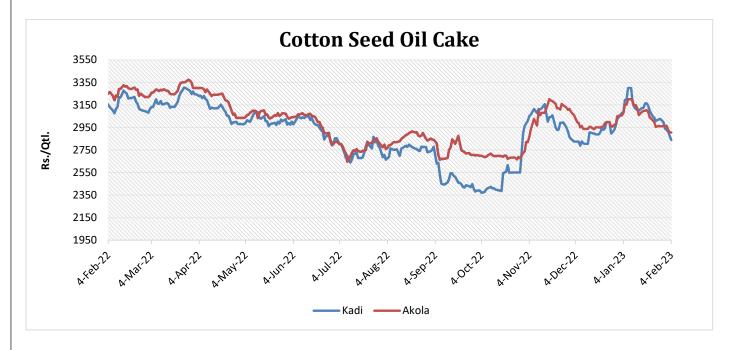




Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased due to limited demand as compared to previous week. Prices in Kadi were at Rs. 2915 per quintal from Rs. 3039 per quintal and in Akola prices were at Rs. 2938 per quintal from Rs. 2988 per quintal the previous week. For the coming week we expect prices to remain rangebound.

Center			
Center	04-Feb-23	28-Jan-23	% Change
Kadi	2915	3039	-4.08
Akola	2938	2988	-1.66



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



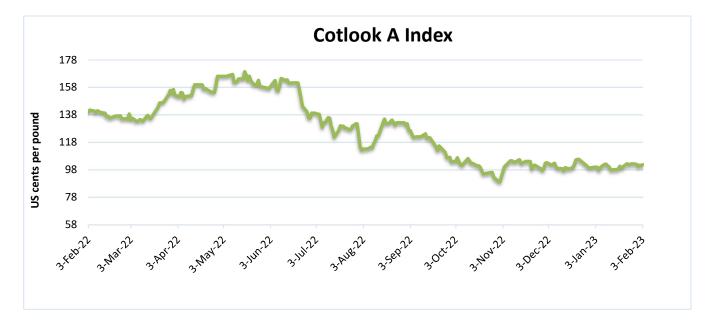
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was lower this week. The Cotlook A Index was at 101.28 cents/lb, lower by 0.2% as compared to the previous week.

Cotlook A Index	Weekly Average I	% Change		
Prices	101.28	101.48	-0.20	
Prices in US cents per Pound				

Source: Cotlook

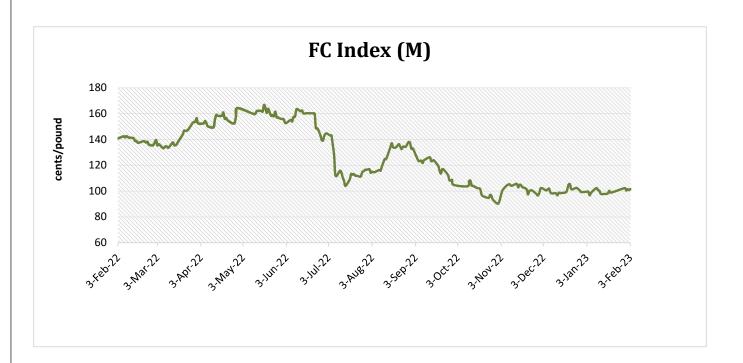




China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Aver	% Change	
	03-Feb-23	28-Jan-23	
FC (S)	102.13	98.58	+3.60
FC (M)	101.32	98.37	+2.99
FC (L)	100.30	98.37	+1.96
		I	Prices in US cents per Pound

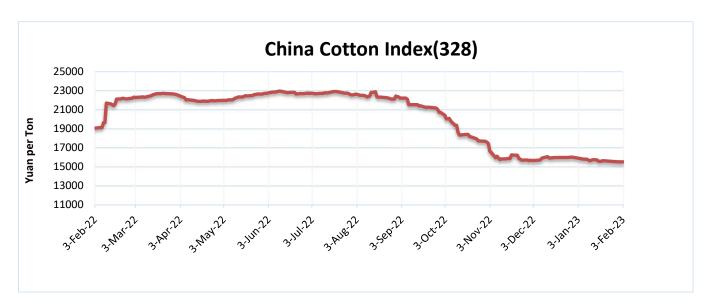
Source: China Cotton Association





Cotton Index	Weekly Avera	% Change	
	03-Feb-23	28-Jan-23	
CCIndex(328)	15906.40	15296.00	3.99
CCIndex(527)	14310.20	13765.50	3.96
CCIndex(229)	16116.60	15587.33	3.40
			Prices in Yuan per ton

Source: China Cotton Association



USA Spot Prices

U.S.A spot prices was at 89.98 cents per pound last week.

USA Spot Prices	Monthly Avera	% Change		
	03-Feb-23			
Prices	89.98	86.31	4.25	
Prices in US cents per Pound				

Source: USDA

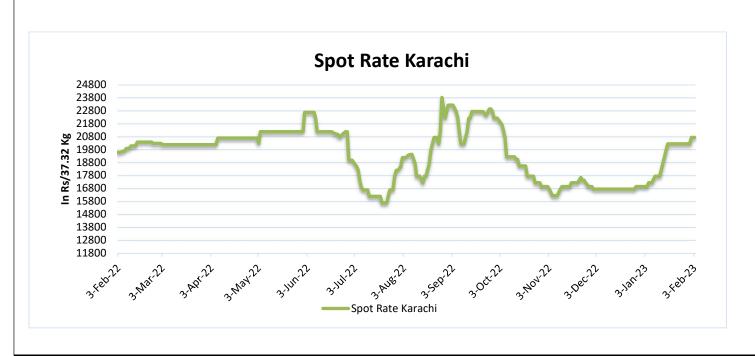




Pakistan Spot Prices

The Karachi spot price went higher at Rs. 21735/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
	3-Feb-23	26-Jan-23	
Prices	21735	20400	6.54
			Prices in Rs per 37.32 Kg



Exchange: MCX



Commodity: Cotton seed oilcake

Contract: Feb 28, 2023



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.

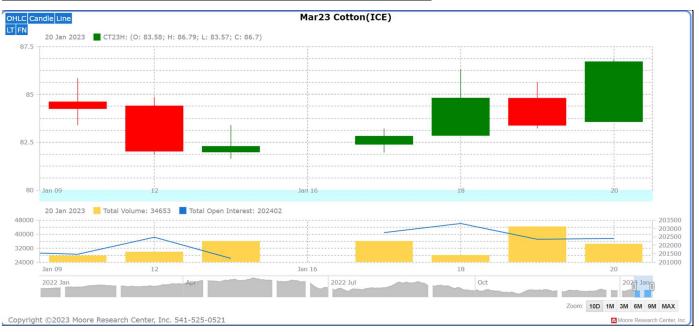
Intraday Supports	& Resistan	ces	S1	S2	PCP	R1	R2
Cottonseed oilcake NCDEX Jan		2736	2786	2852	3012	3027	
Intraday Trade Call		Call	Entry	T1	T2	SL	
Cottonseed oilcake	NCDEX	Jan	Sell	2862	2827	2802	2883



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 sideway 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	3-Feb-23	5-Jan-23	4-Nov-22	8-Aug-22	3-Feb-22	% Change over a month	% Change over previous year	
Mar-23	85.43	82.58	85.67	93.33	127.62	3.45	-33.06	
May-23	86.11	82.62	84.63	91.97	124.73	4.22	-30.96	
Jul-23	86.72	82.56	83.26	90.19	121.58	5.04	-28.67	
Oct-23	85.26	80.51	80.96	85.36	109.08	5.90	-21.84	
Dec-23	85.15	80.48	78.37	95.59	103.88	5.80	-18.03	



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	Ka	pas	Weekly Average Prices (Rs./Quintal)		
State	Centre	Variety	30th Jan'23 to 04th Feb'23	23rd Jan'23 to 28th Jan'23	Change
	Ahmedabad	Shankar-6	8700	8513	188
	Gondal	Shankar-6	8501	8540	-39
Gujarat	Rajkot	B.T. Cotton	8476	8476	0
Gujarat	Patan	B.T. Cotton	8314	8370	-56
	Kadi	B.T. Cotton	8367	8470	-103
	Deesa	B.T. Cotton	1405	1432	-27



	Dhrol	B.T. Cotton	8444	8469	-25
	Bhiwani	B.T. Cotton	8092	8125	-33
	Bhiwani	Desi	-	-	-
	Adampur	B.T. Cotton	8250	8268	-18
Haryana	Fatehabad	B.T. Cotton	8172	8125	47
	Jind	B.T. Cotton	-	1712	-
	Uchana	B.T. Cotton	8155	8124	31
	Dabwali	B.T. Cotton	8114	8232	-118
Daiasthan	Hanumangarh	B.T. Cotton	8230	8290	-60
Rajasthan	Rawatsar	B.T. Cotton	8444	8398	46
Madhya Duadash	Khandwa	Mech-1	8200	8200	Unch
Madhya Pradesh	Khargaon	Mech-1	8018	8006	12
Maharashtra	Amravati	Mech-1	8183	8125	58
Manarasntra	Jamner	Medium Staple	-	-	-
Uttar Pradesh	Hathras	B.T. Cotton	-	-	-
Uttar Fradesii	Hathras	Desi	-	-	-
Telangana	Adilabad	Un-Ginned	7646	7830	-184
Andhra Pradesh	Adoni	Un-Ginned	8104.5	8401.6	-297
	Bijapur	Bunny	8342	8507	-165
Karnataka	Hubli	D.C.H.	8500	8165	336
Кагнацака	Hubli	B.T. Cotton	-	-	-
	Raichur	H-44 Cotton	8050	8133	-83
Commodity		Lint	Prices (Rs./Mar eac		
			30th Jan'23 to	23rd Jan'23	Change
State	Centre	Variety	04th Feb'23	to 28th Jan'23	
	Bhatinda	J-34	6313	6330	-17
Punjab	Abohar	J-34	6313	6370	-58
	Mansa	J-34	-	-	-
Haryana	Sirsa	J-34	6204	6220	-16
Rajasthan	Sri-Ganganagar	J-34	6073	6028	45

Cotton Arrivals in Key Centers:

Commodity		Kapas	Weekly Sur (Qui		
State	Centre	Variety	30th Jan'23 to 04th Feb'23	23rd Jan'23 to 28th Jan'23	Change



	Ahmedabad	Shankar-6	51567	55675	-4108
	Gondal	Shankar-6	7881	7900	-19
	Rajkot	B.T. Cotton	5100	4640	460
Gujarat	Patan	B.T. Cotton	3855	5180	-1325
	Kadi	B.T. Cotton	30000	24000	6000
	Deesa	B.T. Cotton	250	500	-250
	Dhrol	B.T. Cotton	783	846	-63
	Bhiwani	B.T. Cotton	567	625	-58
	Bhiwani	Desi	-	-	-
	Adampur	B.T. Cotton	1048	2233	-1185
Haryana	Fatehabad	B.T. Cotton	330	256	74
	Jind	B.T. Cotton	-	240	-
	Uchana	B.T. Cotton	296	533	-237
	Dabwali	B.T. Cotton	296	533	-237
D ' d	Hanumangarh	B.T. Cotton	1250	1925	-675
Rajasthan	Rawatsar	B.T. Cotton	1250	1925	-675
M II D I I	Khandwa	Mech-1	6000	9000	-3000
Madhya Pradesh	Khargaon	Mech-1	5320	7475	-2155
Mahanashtus	Amravati	Mech-1	17333	9000	8333
Maharashtra	Jamner	Medium Staple	-	-	-
Uttar Pradesh	Hathras	B.T. Cotton	-	-	-
Uttar Pradesn	Hathras	Desi	-	-	-
Telangana	Adilabad	Un-Ginned	37591	75226	-37635
Andhra Pradesh	Adoni	Un-Ginned	1371	3346	-1975
	Bijapur	Bunny	4012	6434	-2422
TZ I	Hubli	D.C.H.	60	14	46
Karnataka	Hubli	B.T. Cotton	-	-	-
	Raichur	H-44 Cotton	17	21	-4
Commodity	Li	nt	Weekly Sur (Qui		
				23rd Jan'23	Change
State	Centre	Variety	30th Jan'23 to 04th Feb'23	to 28th Jan'23	
	Bhatinda	J-34	-	-	-
Punjab	Abohar	J-34	538	782	-244
	Mansa	J-34	-	-	-
Haryana	Sirsa	J-34	581	612	-31
Rajasthan	Sri-Ganganagar	J-34	1900	2250	-350



Week on Week Price: Scenario of Cotton:							
Commodity	Kaj	pas	Today	Week Ago	Month Ago	Year Ago	
State	Centre	Variety	4-Feb-23	28-Jan-23	4-Jan-23	4-Feb-22	
	Ahmedabad	Shankar-6	8400	-	8625	10250	
	Gondal	Shankar-6	8330	8655	8680	10505	
	Rajkot	B.T. Cotton	8350	8250	8400	10500	
Gujarat	Patan	B.T. Cotton	8250	8355	8705	10350	
	Kadi	B.T. Cotton	8250	8600	8500	10000	
	Deesa	B.T. Cotton	1380	1465	1500	1558	
	Dhrol	B.T. Cotton	8375	8600	8755	10005	
	Bhiwani	B.T. Cotton	8100	8100	8400	-	
	Bhiwani	Desi	NA	-	-	-	
	Adampur	B.T. Cotton	8150	8300	8500	9700	
Haryana	Fatehabad	B.T. Cotton	8000	8200	8485	9600	
	Jind	B.T. Cotton	NR	-	8640	8800	
	Uchana	B.T. Cotton	NA	-	8467	9900	
	Dabwali	B.T. Cotton	8120	8195	8450	10030	
Daile adh an	Hanumangarh	B.T. Cotton	8100	8300	8600	10000	
Rajasthan	Rawatsar	B.T. Cotton	Closed	8450	8750	10200	
Madhra Duadash	Khandwa	Mech-1	Closed	Closed	8600	10000	
Madhya Pradesh	Khargaon	Mech-1	Closed	Closed	8335	10245	
Mahawashtua	Amravati	Mech-1	8200	-	8100	10500	
Maharashtra	Jamner	Medium Staple	NA	-	-	-	
IJ44a u Dua daah	Hathras	B.T. Cotton	NA	-	-	-	
Uttar Pradesh	Hathras	Desi	NA	-	-	-	
Telangana	Adilabad	Un-Ginned	7530	7750	8150	9700	
Andhra Pradesh	Adoni	Un-Ginned	8120	8289	8250	-	
	Bijapur	Bunny	8220	-	9001	10927	
Vounoteles	Hubli	D.C.H.	8500	-	-	-	
Karnataka	Hubli	B.T. Cotton	NA	-	-	-	
	Raichur	H-44 Cotton	8000	-	8800	10300	
Commodity	Li	nt	Today	Week Ago	Month Ago	Year Ago	
State	Centre	Variety	4-Feb-23	28-Jan-23	4-Jan-23	4-Feb-22	



	Bhatinda	J-34	6280	6325	6275	7950
Punjab	Abohar	J-34	6275	6325	6275	8000
	Mansa	J-34	NR	-	-	7900
Haryana	Sirsa	J-34	6175	6200	6150	7720
Rajasthan	Sri-Ganganagar	J-34	6063	6063	6040	7238

Cotton Arrivals in Key Centers:							
Commodity	Ka	pas	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	
State	Centre	Variety	4-Feb-23	28-Jan-23	4-Jan-23	4-Feb-22	
	Ahmedabad	Shankar-6	59500	0	59500	59500	
	Gondal	Shankar-6	7750	8150	8300	7750	
	Rajkot	B.T. Cotton	4500	3400	3200	5000	
Gujarat	Patan	B.T. Cotton	3920	5147	3783	1426	
	Kadi	B.T. Cotton	30000	25000	20000	35000	
	Deesa	B.T. Cotton	NA	NA	300	0	
	Dhrol	B.T. Cotton	903	720.5	446	645	
	Bhiwani	B.T. Cotton	400	500	600	0	
	Bhiwani	Desi	NA	0	0	0	
	Adampur	B.T. Cotton	850	2499	850	1700	
Haryana	Fatehabad	B.T. Cotton	650	380	180	200	
	Jind	B.T. Cotton	NR	0	NR	1360	
	Uchana	B.T. Cotton	250	400	300	1500	
	Dabwali	B.T. Cotton	250	400	300	1500	
Daiasthau	Hanumangarh	B.T. Cotton	Closed	1200	2000	1000	
Rajasthan	Rawatsar	B.T. Cotton	Closed	1200	2000	1000	
Madhaa Daadaah	Khandwa	Mech-1	Closed	Closed	2500	700	
Madhya Pradesh	Khargaon	Mech-1	Closed	Closed	4000	3440	
N/I - h h 4	Amravati	Mech-1	21000	0	9000	16000	
Maharashtra	Jamner	Medium Staple	NA	0	0	0	
H44an Duadaak	Hathras	B.T. Cotton	NA	0	0	0	
Uttar Pradesh	Hathras	Desi	NA	0	0	0	
Telangana	Adilabad	Un-Ginned	45014.3	34768.4	84315.1	70456.8	
Andhra Pradesh	Adoni	Un-Ginned	940	3443	866	0	
IV 4. 1	Bijapur	Bunny	3452	0	4197	2128	
Karnataka	Hubli	D.C.H.	73	0	0	0	



	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	17	0	15	4
Commodity	Li	nt	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	4-Feb-23	28-Jan-23	4-Jan-23	4-Feb-22
	Bhatinda	J-34	NA	0	0	8500
Punjab	Abohar	J-34	850	510	510	680
	Mansa	J-34	NR	0	0	255
Haryana	Sirsa	J-34	1190	340	170	1190
Rajasthan	Sri-Ganganagar	J-34	2000	2000	1500	2000

Cotton Yarn Prices	27-Jan-23	23-Jan-23	Change	27-Jan-23	23-Jan-23	Change
Varietiy	Prices FOB, USD		Change Prices Kg		ndian Port	Change
Ne 20/1 Carded Hosiery Yarn	2.85	2.91	-0.06	232	241	-9.00
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	247	251	-4.00
Ne 21/1 Carded Weaving Yarn	2.85	2.91	-0.06	232	241	-9.00
Ne 26/1 Combed Hosiery Yarn	3.14	3.11	0.03	256	257	-1.00
Ne 30/1 Carded Hosiery Yarn	3.06	3.07	-0.01	249	254	-5.00
Ne 30/1 Combed Hosiery Yarn	3.21	3.19	0.02	262	264	-2.00
Ne 32/1 Carded Weaving Yarn	3.18	3.15	0.03	259	261	-2.00
Ne 34/1 Combed Hosiery Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/1 Combed Hosiery Yarn	3.61	3.64	-0.03	294	301	-7.00
Ne 40/1 Carded Weaving Yarn	3.36	3.34	0.02	274	276	-2.00
Ne 30/2 Carded Hosiery Yarn	3.36	3.34	0.02	274	276	-2.00
Ne 32/2 Combed Knitting Yarn	3.73	3.76	-0.03	304	311	-7.00
Ne 32/2 Carded Hosiery Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/2 Combed Hosiery Yarn	4.16	4.18	-0.02	339	346	-7.00
Ne 30/1 Combed Compact Weaving Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/1 Combed Compact Weaving Yarn	3.73	3.82	-0.09	304	316	-12.00
Ne 50/1 Combed Compact Weaving Yarn	4.04	4.16	-0.12	329	344	-15.00
Ne 16/1 Open End Yarn	2.32	2.28	0.04	189	189	Unch
Ne 21/1 Open End Yarn	2.5	2.47	0.03	204	204	Unch
Ne 24/1 Open End Yarn	2.81	2.77	0.04	229	229	Unch



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