

COTTON WEEKLY RESEARCH REPORT

24th April 2023

Domestic market summary
Major Market Highlights:

- According to the USDA, World Markets and Trade report, Indian cotton exports are projected lower by 500,000 bales this month to 1.8 million (US bales of 227.72 kg or 23.05 lakh Indian bales of 170 kg), roughly equal to its import forecast.
- Global trade is forecast down by more than 700,000 bales from the previous month to 38.8 million bales. This month's adjustments are mostly attributed to less imports in China, Turkey, and Bangladesh. Lower Brazil and India shipments more than offset higher Australia and U.S. exports.
- 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 stay steady until May month when cotton arrivals are expected to reduce and cotton prices may move upward. Cotton prices may touch Rs 70,000-75,000 per candy in June-July in coming months. Agriwatch estimates that the prices may rise on temporary basis in the coming month.
- 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

Cotton Balance Sheet	2021-22	2022-23
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
Source: CAI; unit- Lakh Bales		

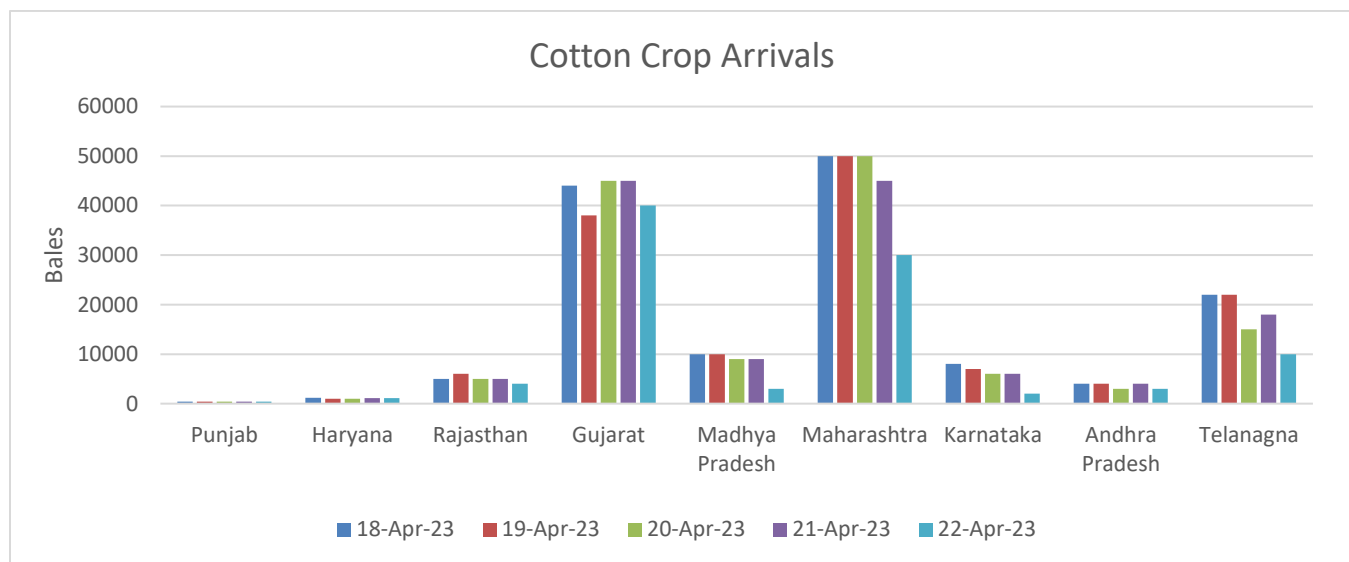
Punjab, Maharashtra, Telangana, and Andhra Pradesh.

- Cotton imports increased to 15 lakh bales whereas exports 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.

- 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 Crop Arrival & Prices:

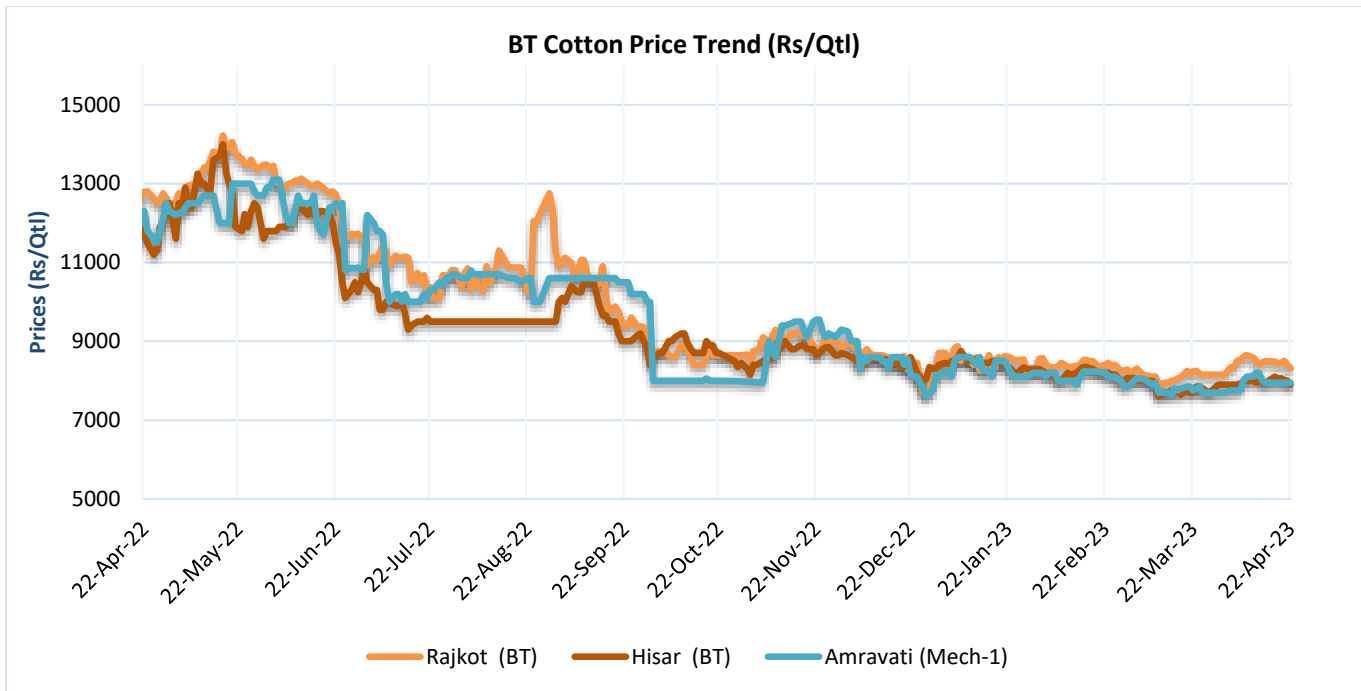


All India Cotton Arrivals 2022-23	
This Week	7 Lakh Bales
Cumulative Arrival	202 Lakh Bales
Cotton Consumption	142 Lakh Bales
Exports	9.5 lakh Bales
Import	9.2 lakh Bales

Domestic Cotton Prices Scenario

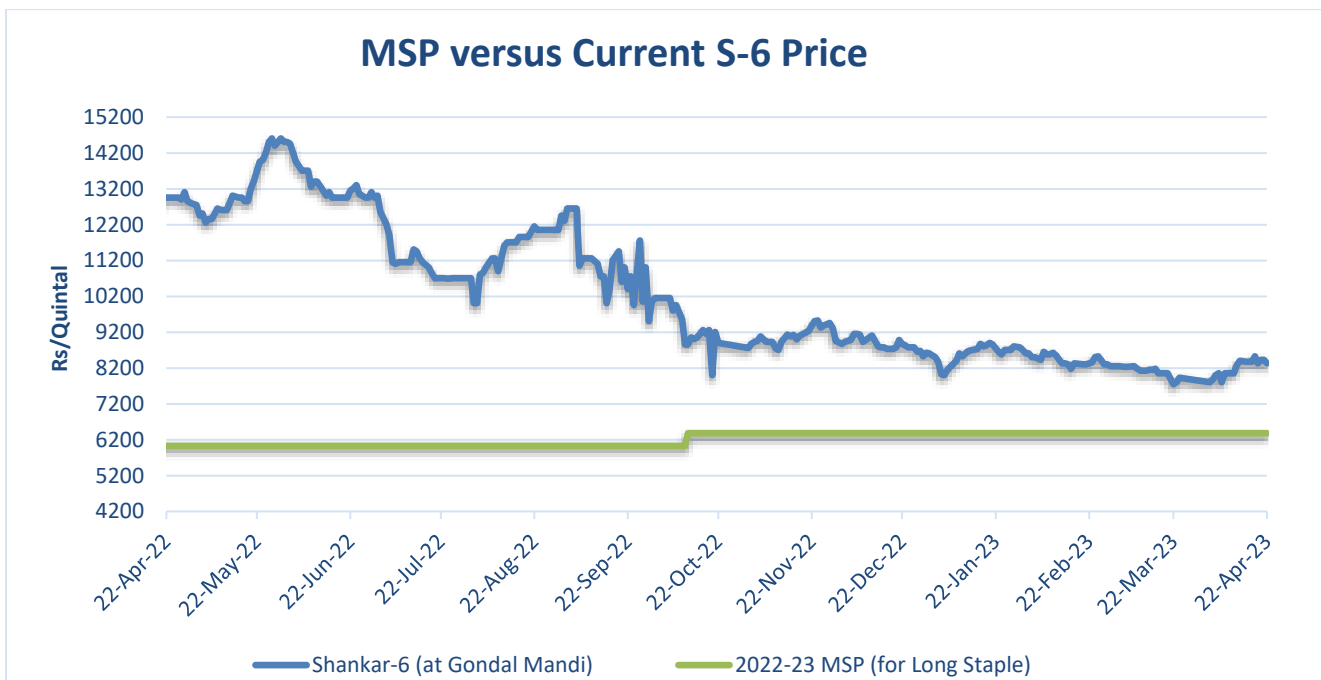
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly lower at Rs. 8,429/Qtl compared to the previous week's Rs. 8,491/Qtl. Cotton at Amravati traded at Rs. 7950 per quintal whereas prices in Hisar too were higher at Rs. 8020 per quintal during the past week.



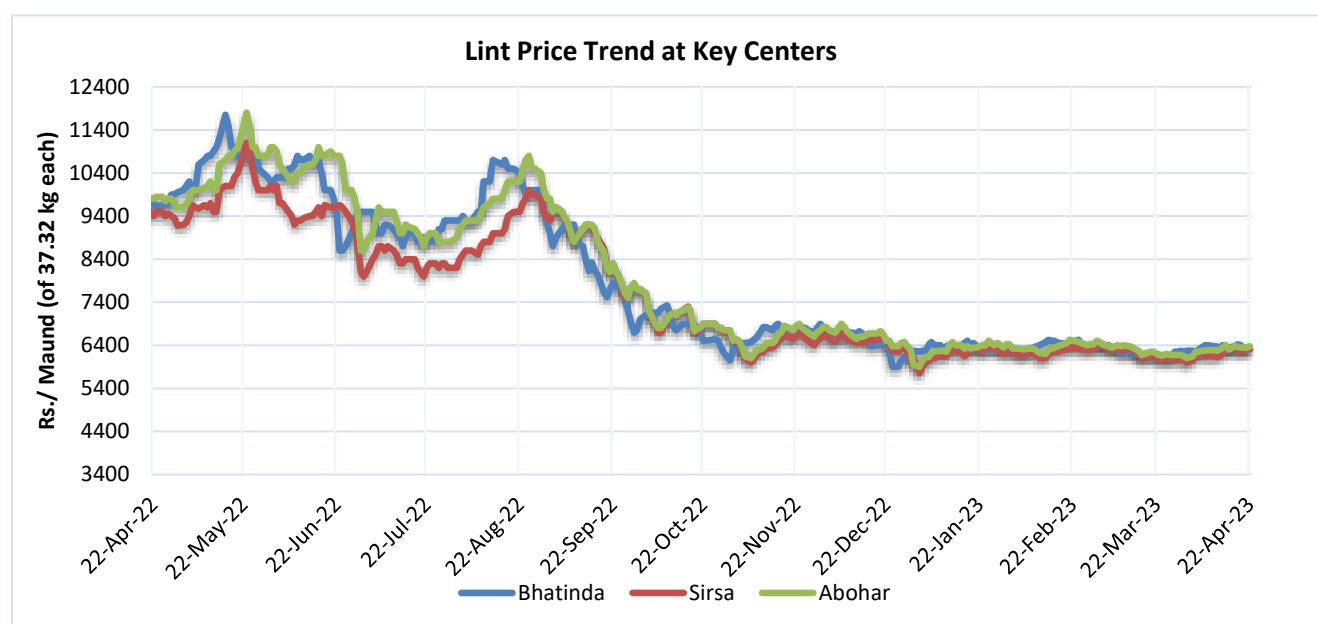
Spot Price Comparison

Cotton Shanker-6 at Gondal market traded higher at Rs.8,359 per quintal against the previous week price of Rs. 8,386 per quintal. The minimum support price of cotton for the 2022-23 season is at Rs. 6,380 per quintal.



Lint price Outlook

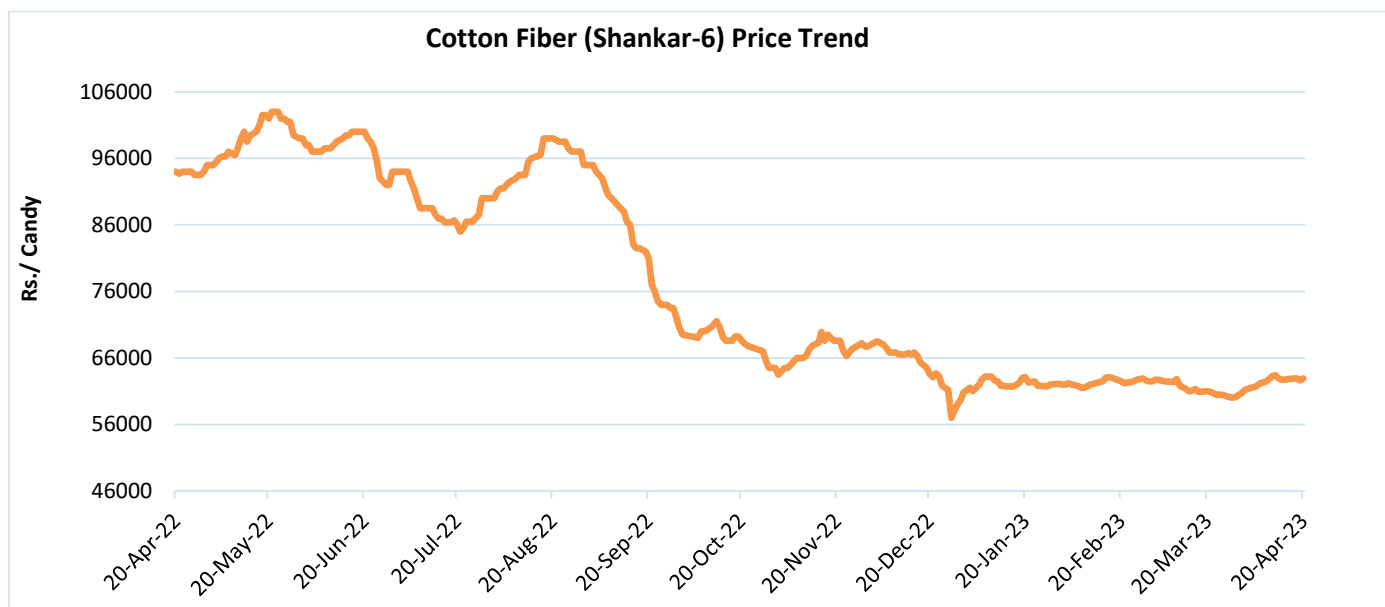
The average price stood higher at Rs. 6366/maund this week compared to Rs. 6347/maund previous week in Abohar, in Bhatinda prices were lower at Rs. 6366/maund, and in Sirsa were at Rs. 6312/maund from Rs. 6143/maund previous week.



Source: Agriwatch

Cotton Fiber Price Outlook

The average cotton fiber (Shankar-6) premium quality is currently at trading Rs.62,750/candy and is likely to trade higher in the coming weeks as cotton arrivals have started reducing in the market.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

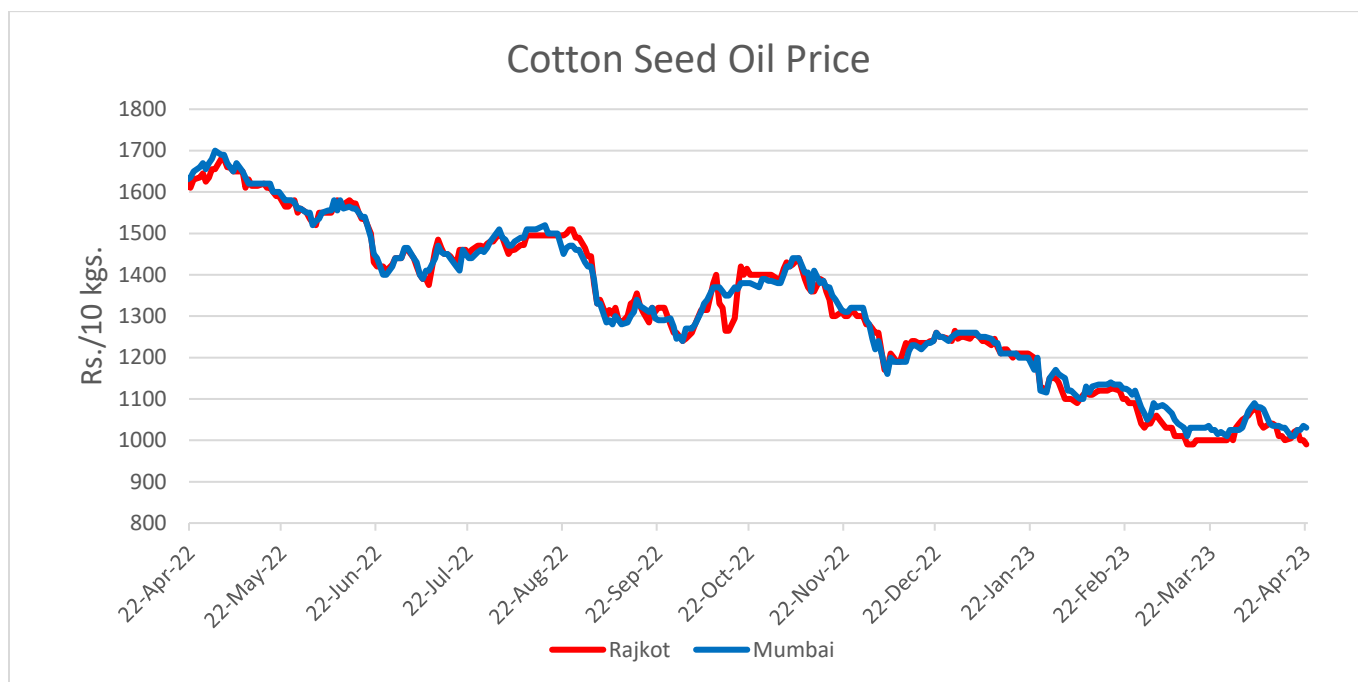
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 22nd April'23.

Centre	Weekly Average Price as on (Rs/10 kg.)		% Change
	22-Apr-23	14-Apr-23	
Rajkot	1007	1028	-2.08
Hyderabad	1000	1000	-
Mumbai	1023	1042	-1.87

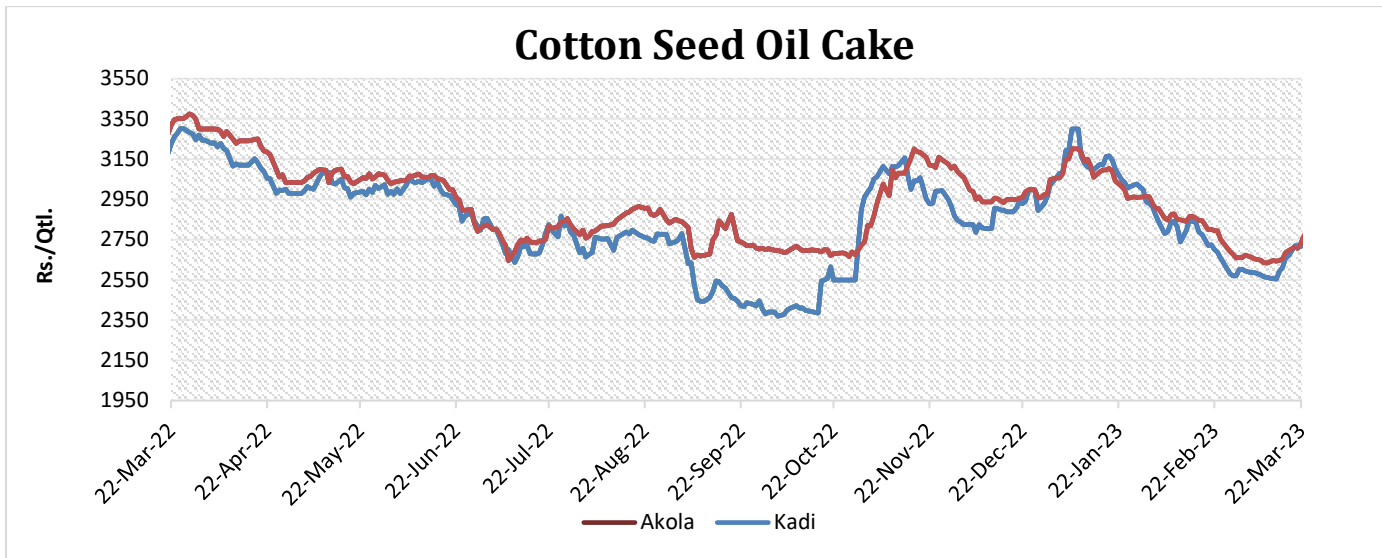
Source: Agriwatch



Cotton Seed Oil Cake Weekly Price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased due to tight supply as compared to the previous week. Prices in Kadi were at Rs. 2744 per quintal from Rs. 2850 per quintal and in Akola prices were at Rs. 2799 per quintal from Rs. 2861 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	22-Apr-23	15-Apr-23	
Kadi	2744	2850	-3.73
Akola	2799	2861	-2.15



Source: Agriwatch

NCDEX Cottonseed oilcake

Expiry Date	21.04.23	14.04.23	Change
May	2728	2775	-47
Jun	2758	2805	-47

Price Forecast for the coming week

Months	Past Week	Coming week
Price per quintal at Rajkot (Average of the month)	8300	8250-8350

Cotton Stock Summary

Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
64.00	21.25	85.25

Unit: Lakh Bales

International Market Scenario

According to the market sources, Pakistan cotton spot rate has increased by Rs 200 per maund during the week and closed at Rs 19,700 per maund. The local cotton market remained bullish and the trading volume remained satisfactory.

According to USDA, WASDE April 2023 monthly report, U.S. cotton supply and demand forecasts show higher exports and lower ending stocks comparative to last month, with production and domestic mill use unchanged for the 2022-23 season. The export forecast has been raised by 200,000 bales, to 12.2 million, based on the pace of recent sales and shipments. Further, ending stocks are expected at 4.1 million bales, equivalent to 29% of total disappearance.

World production is forecast higher by 829,000 bales than in March as a 1-million-bale increase for China more than offsets a lower Brazilian crop. World 2022-23 ending stocks are projected 867,000 bales higher, with the largest increase in India, where projected stocks are 450,000 higher on lower exports. The expected volume of world trade in 2022-23 is 745,000 bales lower this month, with imports reduced for Bangladesh, China, and Turkey.

On the export side, higher U.S. and Australia exports are more than offset by a 550,000-bale reduction for Brazil and a 400,000-bale reduction for India. Projected 2022-23 global consumption is 65,000 bales higher this month as a 500,000-bale increase for China more than offsets decline in Bangladesh and Turkey.

USDA Balance Sheet

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,353	32,567	31,636
Yield	774	775	797
Opening Stock	98,209	86,300	86,226
Production	1,11,498	1,16,014	1,15,919
Imports	48,677	42,694	38,861
Exports	48,833	42,858	38,861
Domestic Consumption	1,23,310	1,16,291	1,10,173
Ending Stock	86,300	86,226	92,012

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

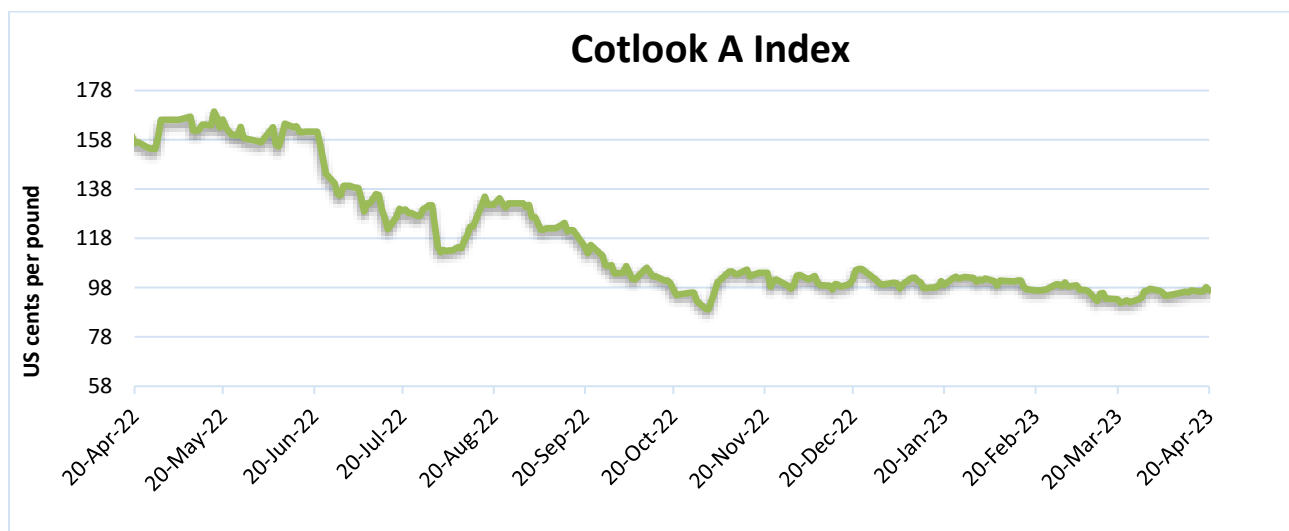
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was slightly higher this week. The Cotlook A Index was at 97.03 cents/lb lower by 1% as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	24-Apr-23	13-Apr-23	
Prices	97.03	96.21	0.85
Prices in US cents per Pound			

Source: Cotlook

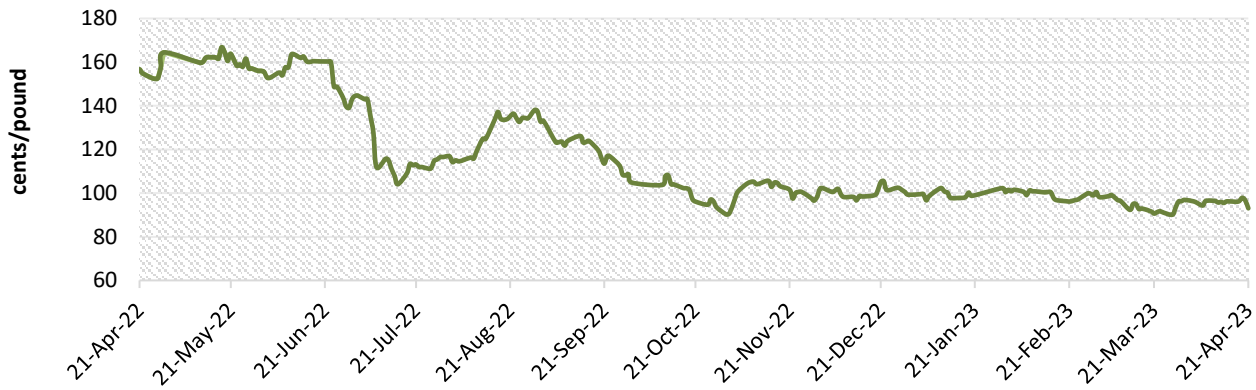


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	22-Apr-23	14-Apr-23	
FC (S)	97.17	97.17	-
FC (M)	95.97	95.96	0.01
FC (L)	94.97	94.96	0.01
Prices in US cents per Pound			

Source: China Cotton Association

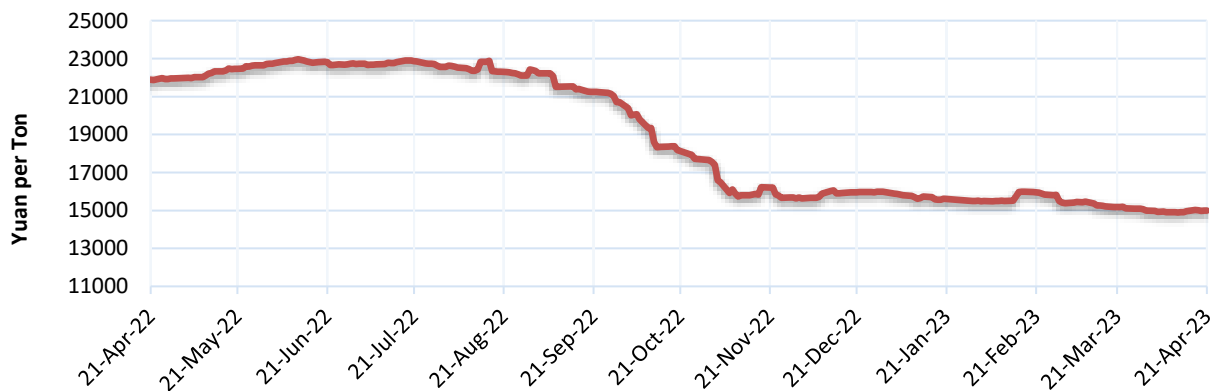
FC Index (M)



Cotton Index	Weekly Average Price as on		% Change
	24-Apr-23	14-Apr-23	
CCIndex(328)	15664.40	15516.60	0.96
CCIndex(527)	14253.00	14119.00	0.95
CCIndex(229)	15968.40	15802.40	1.05
Prices in Yuan per ton			

Source: China Cotton Association

China Cotton Index(328)

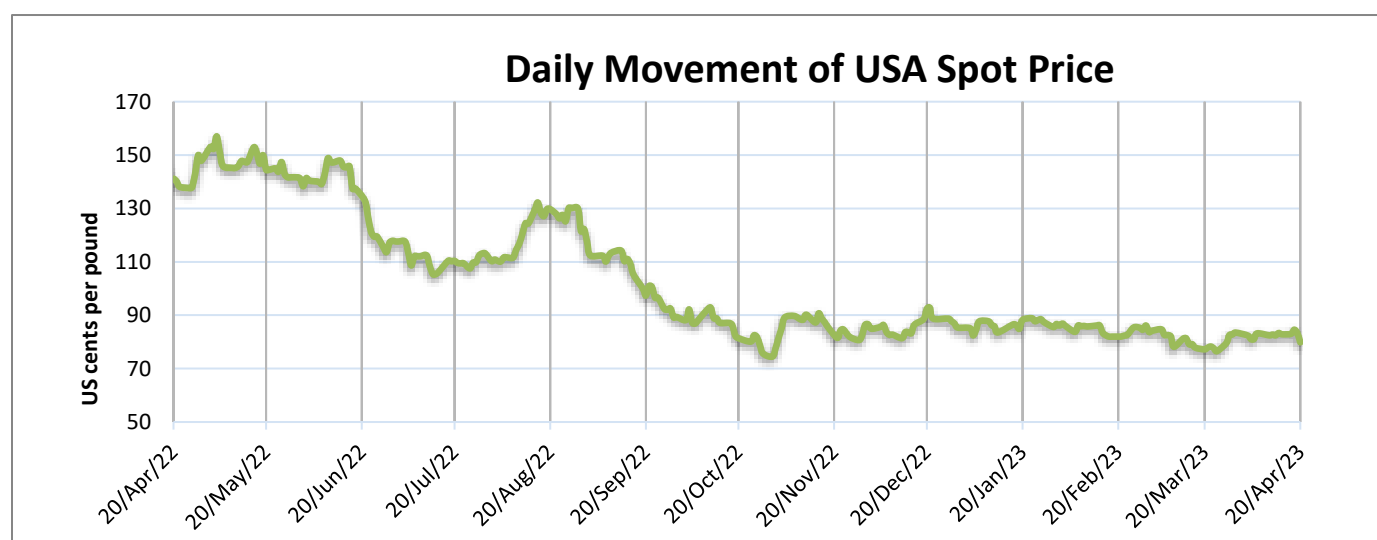


USA Spot Prices

U.S.A spot prices was at 82.74 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	20-Apr-23	13-Apr-23	
Prices	82.74	82.75	-0.01
Prices in US cents per Pound			

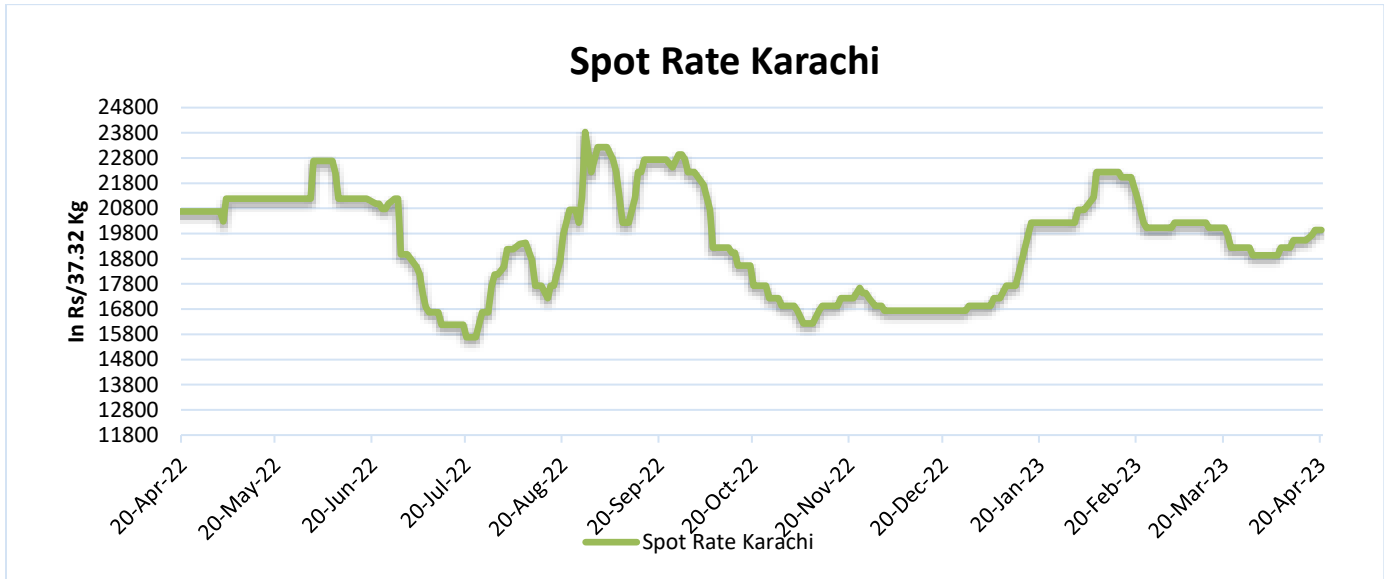
Source: USDA



Pakistan Spot Prices

The Karachi spot price remained weak and were at Rs. 20115/q from the previous week. The local cotton market remained bullish and trading volume remained low.

Karachi Spot Prices	Weekly Average Price as on		% Change
	20-Apr-23	13-Apr-23	
Prices	20115	19685	2.18
Prices in Rs per 37.32 Kg			



Commodity: Cotton seed oilcake
Exchange: MCX
Contract: Apr
Expiry: Apr 30, 2023

Cottonseed Oilcake

Technical Chart:

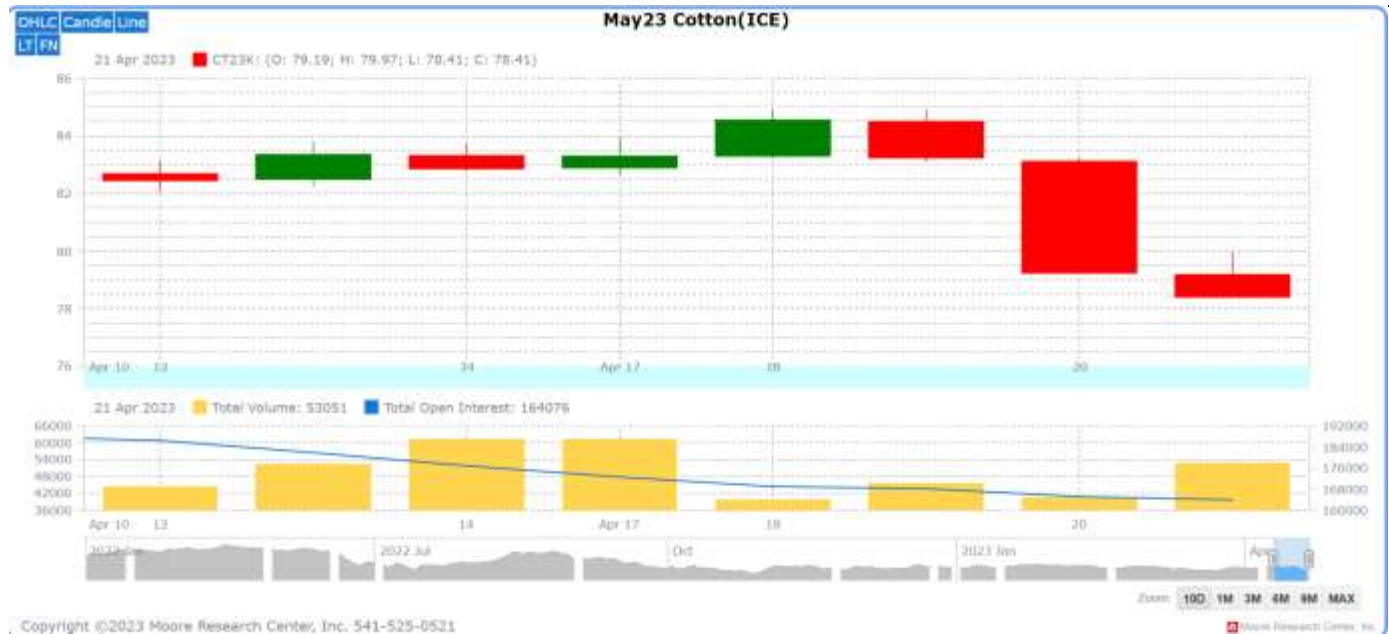


Technical Commentary:

- As evident from the above, prices have corrected during the last week. Prices have broken to more than 38% Fibonacci retracement level. However, prices may take support at 2660 level and can retrace back.
- Currently trading above 18, and 9 DMA. RSI indicates weak buying strength.
- Market is expected further to remain rangebound in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	April	2612	2662	2728	2888	2903
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	April	Sell	2738	2703	2678	2759

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



- The May'23 contract showed downtrend during the past week.
- Total volume increased & Open Interest slightly decreased compared to past week.
- We expect cotton prices to remain sideways in the coming week.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	78-88

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
78.80	75.35	80.25	86.50

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	21-Apr-23	22-Mar-23	21-Jan-22	23-Oct-22	21-Apr-22	% Change over a month	% Change over previous year
May-23	78.41	78.28	87.06	78.15	138.59	0.17	-43.42
Jul-23	80.15	78.89	87.22	77.08	137.89	1.60	-41.87
Oct-23	81.15	79.89	84.68	75.78	126.74	1.58	-35.97
Dec-23	80.35	79.81	84.67	74.57	120.18	0.71	-33.12
Mar-23	80.42	79.46	86.70	78.55	116.43	1.21	-30.93

Future Price Trend (Active Contract):



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.

Cotton Domestic Weekly Price

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	17th Apr'23 to 22nd Apr'23	10th Apr'23 to 15th Apr'23	
Gujarat	Ahmedabad	Shankar-6	8425	8480	-55
	Gondal	Shankar-6	8375	8395	-20
	Rajkot	B.T. Cotton	8429	8492	-63
	Patan	B.T. Cotton	8188	8418	-230
	Kadi	B.T. Cotton	8430	8483	-53
	Deesa	B.T. Cotton	1322	1333	-11
	Dhrol	B.T. Cotton	8054	8253	-199
Haryana	Bhiwani	B.T. Cotton	8050	8075	-25
	Adampur	B.T. Cotton	8020	7975	45
	Fatehabad	B.T. Cotton	7769	7842	-73
Rajasthan	Hanumangarh	B.T. Cotton	8017	8183	-167
	Rawatsar	B.T. Cotton	8093	6481	1612
Madhya Pradesh	Khandwa	Mech-1	7900	8250	-350
	Khargaon	Mech-1	7836	8098	-261
Maharashtra	Amravati	Mech-1	7950	8067	-117
	Jamner	Medium Staple	Closed	Closed	-
Telangana	Adilabad	Un-Ginned	7470	7688	-218
Andhra Pradesh	Adoni	Un-Ginned	8154.666667	8109	46
Karnataka	Bijapur	Bunny	8186	8438	-253
	Raichur	H-44 Cotton	8025	8125	-100
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	17th Apr'23 to 22nd Apr'23	10th Apr'23 to 15th Apr'23	
Punjab	Bhatinda	J-34	6367	6375	-8
	Abohar	J-34	6367	6348	19

	Mansa	J-34	6575	6208	367
Haryana	Sirsa	J-34	6313	6293	19
Rajasthan	Sri-Ganganagar	J-34	6240	6149	90

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	17th Apr'23 to 22nd Apr'23	10th Apr'23 to 15th Apr'23	Change
Gujarat	Ahmedabad	Shankar-6	66300	53380	12920
	Gondal	Shankar-6	7681	7745	-64
	Rajkot	B.T. Cotton	2877	3250	-373
	Patan	B.T. Cotton	5866	3144	2722
	Kadi	B.T. Cotton	32500	26667	5833
	Dhrol	B.T. Cotton	93	137	-43
Haryana	Bhiwani	B.T. Cotton	720	750	-30
	Adampur	B.T. Cotton	533	470	62
	Fatehabad	B.T. Cotton	28	117	-90
Rajasthan	Hanumangarh	B.T. Cotton	667	420	247
	Rawatsar	B.T. Cotton	667	420	247
Madhya Pradesh	Khandwa	Mech-1	4000	4250	-250
	Khargaon	Mech-1	8350	6300	2050
Maharashtra	Amravati	Mech-1	23600	21667	1933
Telangana	Adilabad	Un-Ginned	124003	80945	43058
Andhra Pradesh	Adoni	Un-Ginned	1686	1001	685
Karnataka	Bijapur	Bunny	3071	3216	-145
	Raichur	H-44 Cotton	15	13	2
Commodity	Lint		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	17th Apr'23 to 22nd Apr'23	10th Apr'23 to 15th Apr'23	Change
	Abohar	J-34	238	595	-357
	Mansa	J-34	92	104	-12
Haryana	Sirsa	J-34	128	283	-156
Rajasthan	Sri-Ganganagar	J-34	150	267	-117

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Apr-23	15-Apr-23	21-Mar-23	21-Apr-22
Gujarat	Ahmedabad	Shankar-6	8350	8500	7750	12500
	Gondal	Shankar-6	8280	8430	7805	12805
	Rajkot	B.T. Cotton	8390	8495	8170	12675
	Patan	B.T. Cotton	8085	8300	8035	11960
	Kadi	B.T. Cotton	8250	8500	7900	0
	Deesa	B.T. Cotton	1316	1390	1387	1800
	Dhrol	B.T. Cotton	7850	8300	7705	11160
Haryana	Bhiwani	B.T. Cotton	8100	8100	7700	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	8000	8000	7695	11900
	Fatehabad	B.T. Cotton	7775	0	7720	0
Rajasthan	Hanumangarh	B.T. Cotton	7900	8100	7800	0
	Rawatsar	B.T. Cotton	Closed	0	7850	0
Madhya Pradesh	Khandwa	Mech-1	7800	Closed	0	0
	Khargaon	Mech-1	7785	Closed	0	0
Maharashtra	Amravati	Mech-1	7950	7950	7850	12000
	Jamner	Medium Staple	NA	0	0	11470
Telangana	Adilabad	Un-Ginned	NA	0	7350	10500
Andhra Pradesh	Adoni	Un-Ginned	NA	8179	0	12650
Karnataka	Bijapur	Bunny	8067	8413	7940	12711
	Raichur	H-44 Cotton	7800	0	0	11500
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Apr-23	15-Apr-23	21-Mar-23	21-Apr-22
Punjab	Bhatinda	J-34	6325	6350	6175	9800
	Abohar	J-34	6325	6350	6175	9800
	Mansa	J-34	6350	6200	6200	0
Haryana	Sirsa	J-34	6325	6300	6075	9450
Rajasthan	Sri-Ganganagar	J-34	Closed	6204	6016	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Apr-23	15-Apr-23	21-Mar-23	21-Apr-22
Gujarat	Ahmedabad	Shankar-6	59500	51000	51000	17000
	Gondal	Shankar-6	7555	7755	7400	9150
	Rajkot	B.T. Cotton	2810	2300	3200	1600
	Patan	B.T. Cotton	5997	6910	4015	2145
	Kadi	B.T. Cotton	30000	30000	25000	0
	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	86	137	435	16
Haryana	Bhiwani	B.T. Cotton	800	900	400	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	1020	374	0	1020
	Fatehabad	B.T. Cotton	25	0	100	0
Rajasthan	Hanumangarh	B.T. Cotton	Closed	0	500	0
	Rawatsar	B.T. Cotton	Closed	0	500	0
Madhya Pradesh	Khandwa	Mech-1	2500	Closed	0	0
	Khargaon	Mech-1	8000	Closed	0	0
Maharashtra	Amravati	Mech-1	25000	22000	22000	12000
	Jamner	Medium Staple	NA	0	0	25
Telangana	Adilabad	Un-Ginned	NA	0	59908.4	138
Andhra Pradesh	Adoni	Un-Ginned	NA	1129	NA	603
Karnataka	Bijapur	Bunny	1933	2332	97	712
	Raichur	H-44 Cotton	14	0	0	8
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Apr-23	15-Apr-23	21-Mar-23	21-Apr-22
Punjab	Bhatinda	J-34	NA	0	0	85
	Abohar	J-34	255	680	340	136
	Mansa	J-34	85	128	85	0
Haryana	Sirsa	J-34	170	170	170	340
Rajasthan	Sri-Ganganagar	J-34	Closed	200	500	0

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				17th Apr'23 to 22nd Apr'23	10th Apr'23 to 15th Apr'23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	67725	67500	225
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	68225	68000	225
J-34(202)	26mm	3.5 - 4.9	23	59950	59900	50
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60550	60780	-230
Shankar-6(105)	29mm	3.5 - 4.9	28	62750	62900	-150
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63600	63720	-120
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	#DIV/0!	#DIV/0!	-
DCH-32(107)	34mm	3.0 - 3.8	33	74000	74000	Unch

Cottonseed and oilcake Prices:

Cotton Seed Oil Cake Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	17th April'23 to 22nd Apr'22	10th April'23 to 15th Apr'22	
Punjab	Bhatinda (Pakki)	3400	3550	-150
Punjab	Ludiana	3770	3843	-73
Haryana	Sirsa	3193	3226	-33
Haryana	Hisar	3213	3246	-33
Rajasthan	Hanumangarh	3113	3146	-33
Rajasthan	Vijaynagar	3113	3146	-33
Madhya Pradesh	Indore	3200	3281	-81
Madhya Pradesh	Khargone	3050	3102	-52
Maharastra	Wani	3050	3110	-60
Maharastra	Malkapur	3100	3133	-33
Telegana	Warangal	2917	2958	-42
Telegana	Adilabad	2867	2920	-53
Karnatka	Dharwad	2850	2925	-75
Karnatka	Hubli	3050	3075	-25

Gujarat	Dhasa ,Damnagar,Babra Good Qlty	3069	3103	-33
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Cotton Seed Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	17th April'23 to 22nd Apr'22	10th April'23 to 15th Apr'22	
Punjab	Mansa	3333	3450	-117
Punjab	Bhatinda	3450	3533	-83
Haryana	Adampur	3468	3518	-50
Haryana	Charkhi Dadari	3368	3418	-50
Rajasthan	Hanumangarh	3438	3488	-50
Rajasthan	Bikaner	3518	3568	-50
Madhya Pradesh	Sendhwa	3096	3208	-113
Madhya Pradesh	Barwaha	3084	3275	-192
Maharastra	Malkapur	3263	3317	-54
Maharastra	Akot	3342	3417	-75
Telegana	Madnoor	3210	3307	-97
Telegana	Jangaon	3150	3257	-107
Karnatka	Bijapur	3033	3075	-42
Karnatka	Hubli	3033	3075	-42
Gujarat	Mahuva,Rajula,S.Kundla,UNA	3200	3246	-46
Gujarat	Kadi	3179	3300	-121

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