

COTTON WEEKLY RESEARCH REPORT

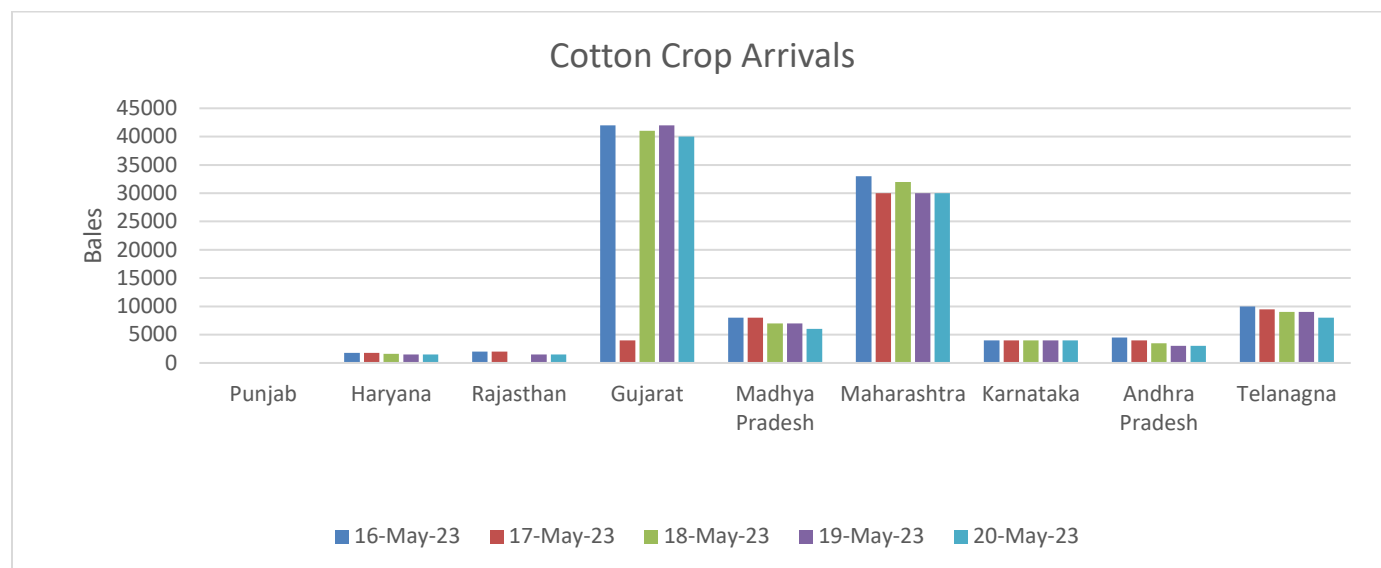
22nd May 2023

Domestic market summary
Major Market Highlights:

- 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.
- As per the market sources, cotton sowing has reached on nearly 9,850 hectares in Muktsar district. Usually, the crop is sown till mid-May, but this year the weather is comparatively colder and sowing may last till May-end.
- 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 imports were estimated at 15 lakh bales whereas exports were reduced to 20 lakh bales from previous estimate of 25 lakh bales. Domestic consumption was estimated at 311 lakh bales. Overall, the ending stock for the 2022-23 season was estimated at 14.24 lakh bales. As per Cotton Association of India, Cotton arrivals between October 2022 to April 2023 were estimated at 224.17 lakh bales.
- AgriWatch has estimated cotton production at 334 lakh bales for the 2022-23 season. We expect that about 20-25% of the cotton stock is still with farmers which may get released in the coming months.

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		

Cotton Crop Arrival

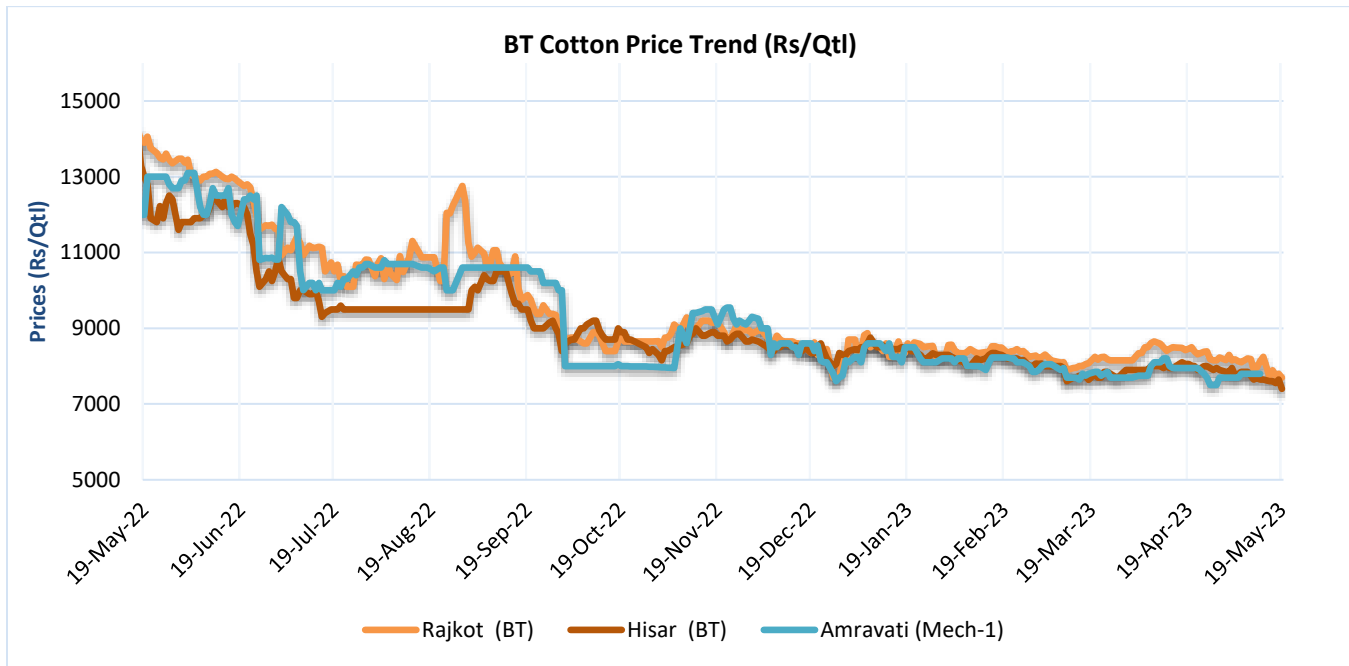


All India Cotton Arrivals 2022-23	
This Week	7 Lakh Bales
Cumulative Arrival	242 Lakh Bales
Cotton Consumption	178 Lakh Bales
Exports	11.50 lakh Bales
Import	10.50 lakh Bales

Domestic Cotton Prices Scenario

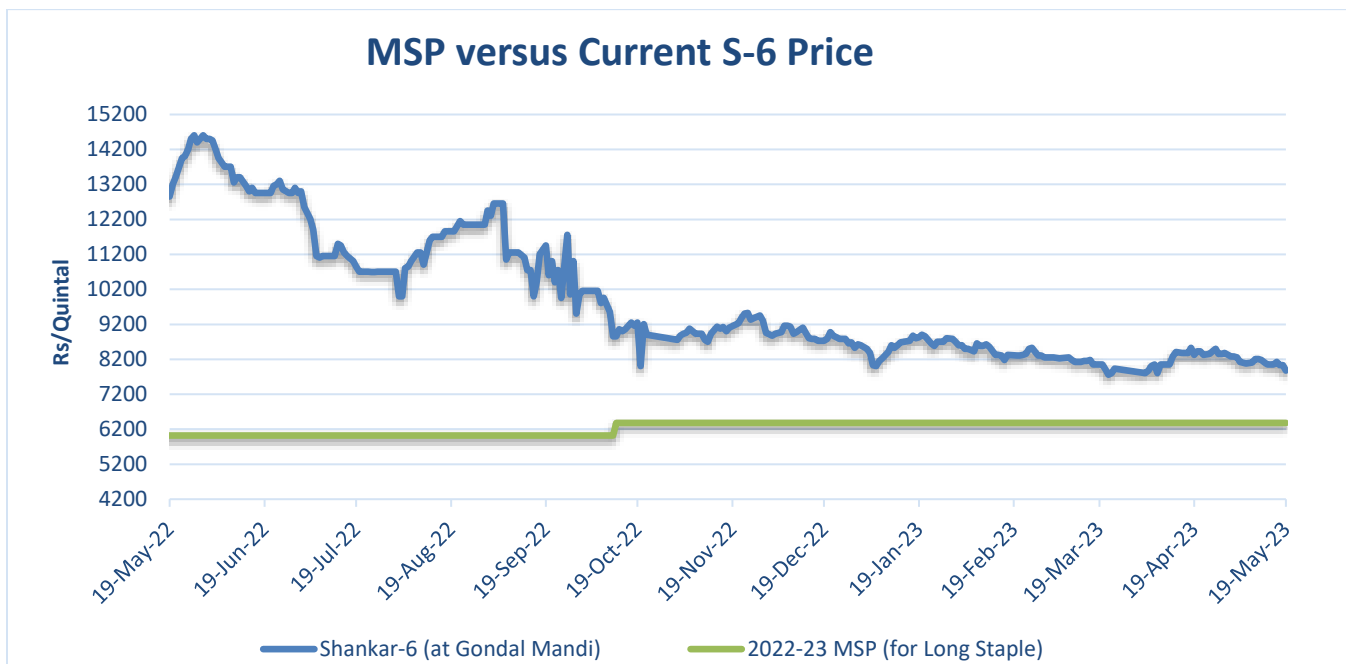
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly lower at Rs. 7,775/Qtl compared to the previous week's Rs. 8,077/Qtl. Cotton prices in Hisar too were lower at Rs. 7560 per quintal during the past week.



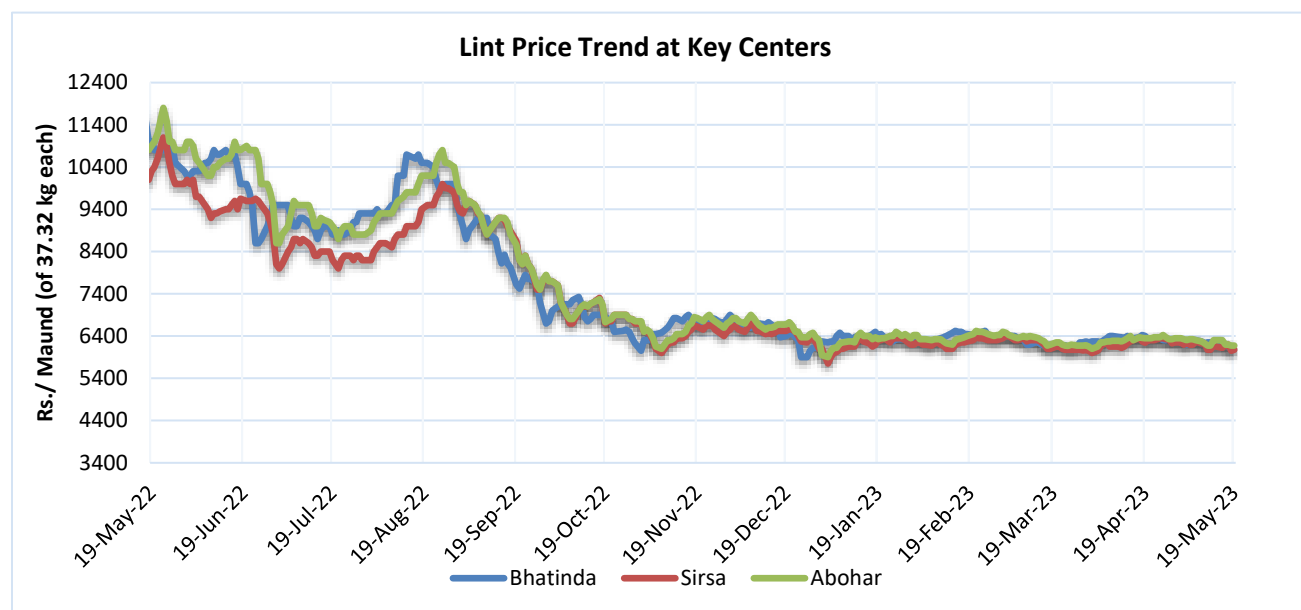
Spot Price Comparison

Cotton Shanker-6 at Gondal market traded lower at Rs.7,730 per quintal against the previous week price of Rs. 7,905 per quintal. The minimum support price of cotton for the 2022-23 season is at Rs. 6,380 per quintal.



Lint price Outlook

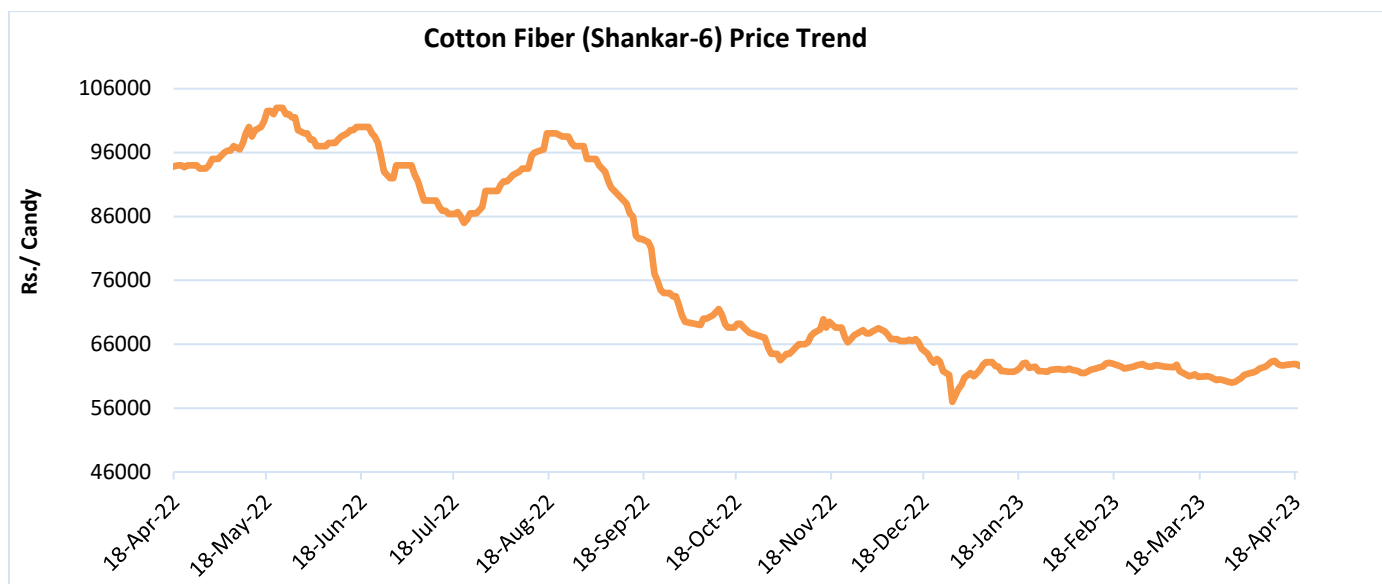
The average price stood lower at Rs. 6165/maund this week compared to Rs. 6235/maund previous week in Abohar, in Bhatinda prices were lower at Rs. 6160/maund, and in Sirsa were at Rs. 6035/maund from Rs. 6040/maund previous week.



Source: Agriwatch

Cotton Fiber Price Outlook

The average cotton fiber (Shankar-6) premium quality is currently at trading Rs.59,740/candy and is likely to trade lower in the coming weeks as cotton arrivals have increased in the market after the farmers are releasing their stock.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

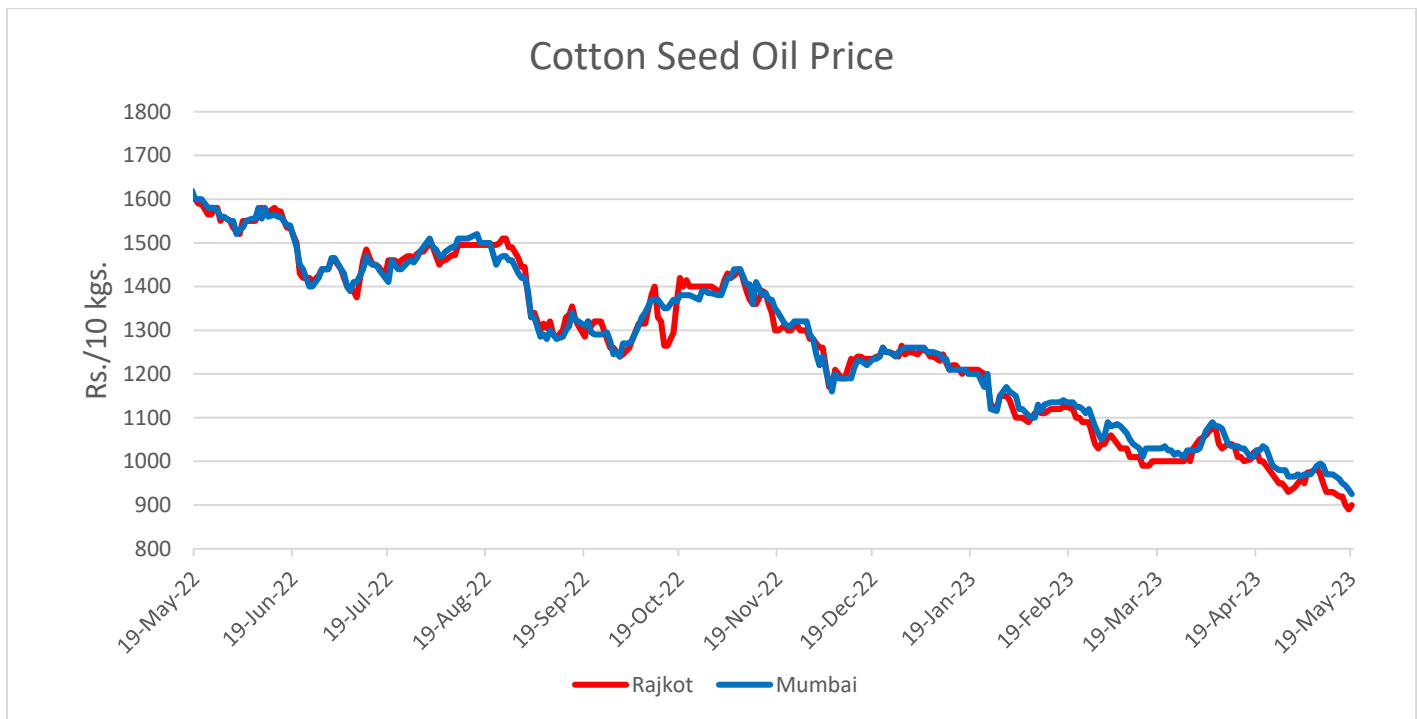
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 20th May 2023.

Centre	Weekly Average Price as on (Rs/10 kg.)		% Change
	20-May-23	15-May-23	
Rajkot	910	957	-4.91
Mumbai	948	981	-3.41

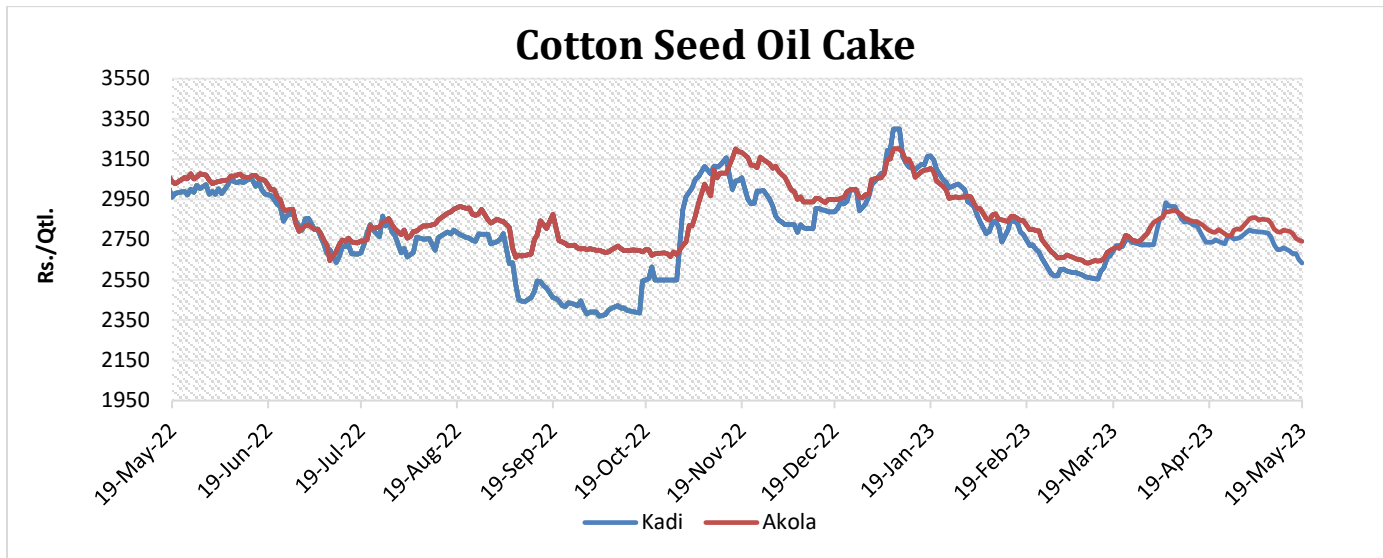
Source: Agriwatch



Cotton Seed Oil Cake Weekly Price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased due to ~~tight~~increased supply as compared to the previous week. Prices in Kadi were at Rs. 2675 per quintal from Rs. 2743 per quintal and in Akola prices were at Rs. 2769 per quintal from Rs. 2818 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	19-May-23	12-May-23	
Kadi	2675	2743	-2.49
Akola	2769	2818	-1.74



Source: Agriwatch

NCDEX Cottonseed oilcake

Expiry Date	19.05.23	12.05.23	Change
May	2619	2704	-85
Jun	2620	2730	-110

Price Forecast for the coming week

Months	Past Week	Coming week
Price per quintal at Rajkot (Average of the month)	7700	7550-7850

Cotton Stock Summary

Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
59.00	29.00	88.00

Unit: Lakh Bales

International Market Scenario

The U.S. cotton export sales for the 2022-2023 season was 132,500 bales of upland cotton and 9,500 bales of Pima cotton. Shipments for upland cotton reached 332,700 bales and 14,600 bales for Pima cotton, resulting in a total of 142,000 bales sold. However, for the 2023-2024 season, there has been a decline in net upland sales, with only 28,100 bales sold and no reported sales of Pima cotton.

USDA has estimated India's cotton exports to decline by 5,00,000 bales this month to 1.8 million bales, roughly equal to its import forecast.

Whereas, Industry experts have projected export to be under 20–224 lakh bales during 2022-23. At Agriwatch, we expect cotton exports to reach 25 lakh bales in the 2022-23 season.

The International Cotton Advisory Committee has projected the season's average price 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.

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

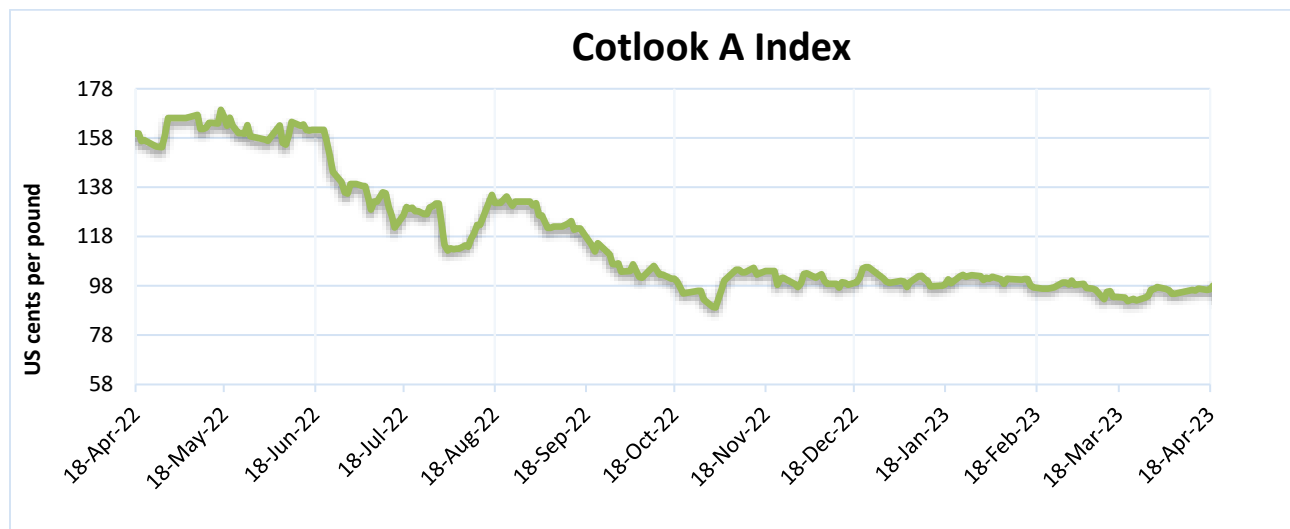
Cotlook A Index

Cotlook A Index was slightly lower this week at 94.27 cents/lb lower by 1% as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	18-May-23	11-May-23	
Prices	94.27	93.55	0.77

Prices in US cents per Pound

Source: Cotlook

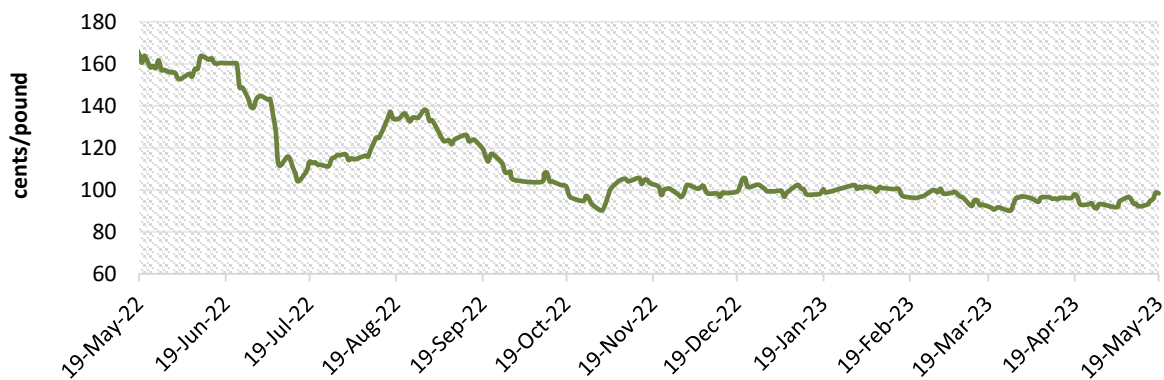


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	19-May-23	12-May-23	
FC (S)	97.70	95.83	1.95
FC (M)	96.08	94.25	1.95
FC (L)	95.07	93.25	1.96
Prices in US cents per Pound			

Source: China Cotton Association

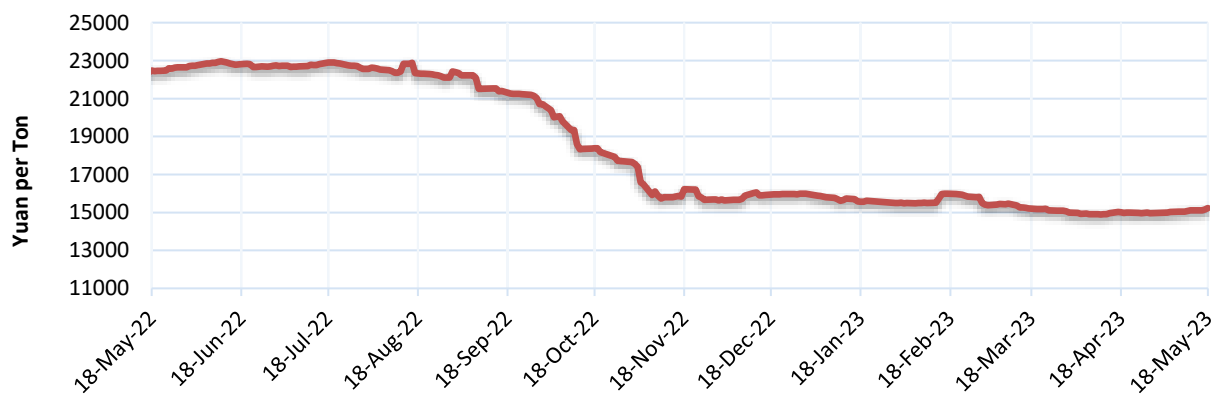
FC Index (M)



Cotton Index	Weekly Average Price as on		% Change
	18-May-23	12-May-23	
CCIndex(328)	16304.80	16349.80	-0.28
CCIndex(527)	14984.00	14989.20	-0.03
CCIndex(229)	16567.60	16628.00	-0.36
Prices in Yuan per ton			

Source: China Cotton Association

China Cotton Index(328)

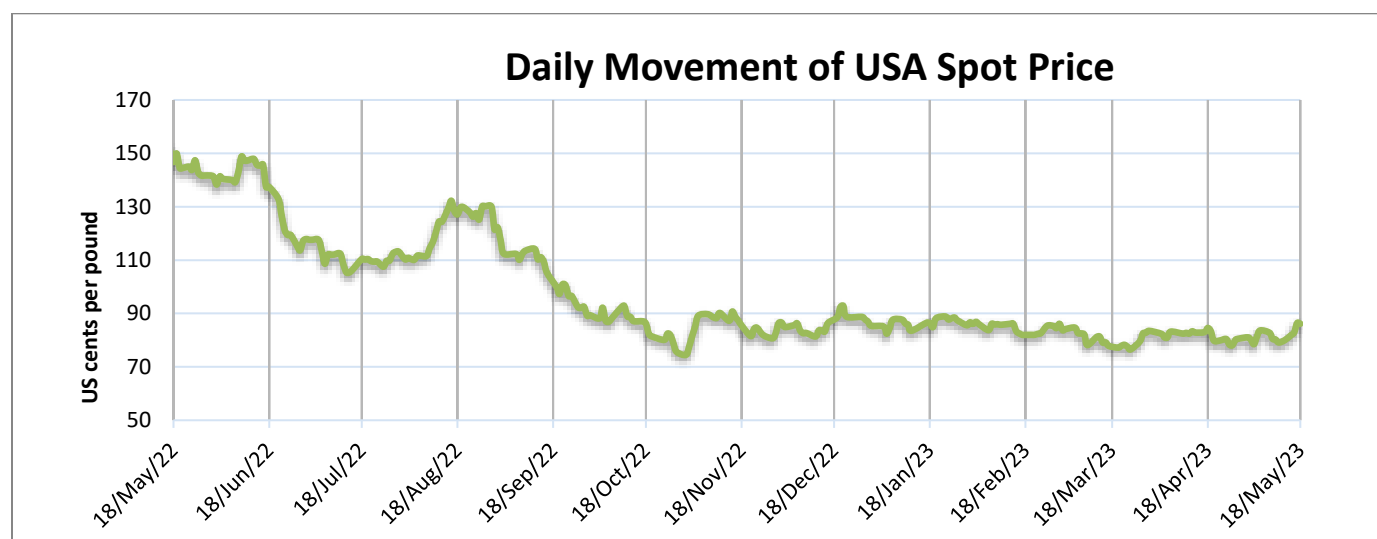


USA Spot Prices

U.S.A spot prices was at 83.48 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	18-May-23	11-May-23	
Prices	83.48	81.26	2.73
Prices in US cents per Pound			

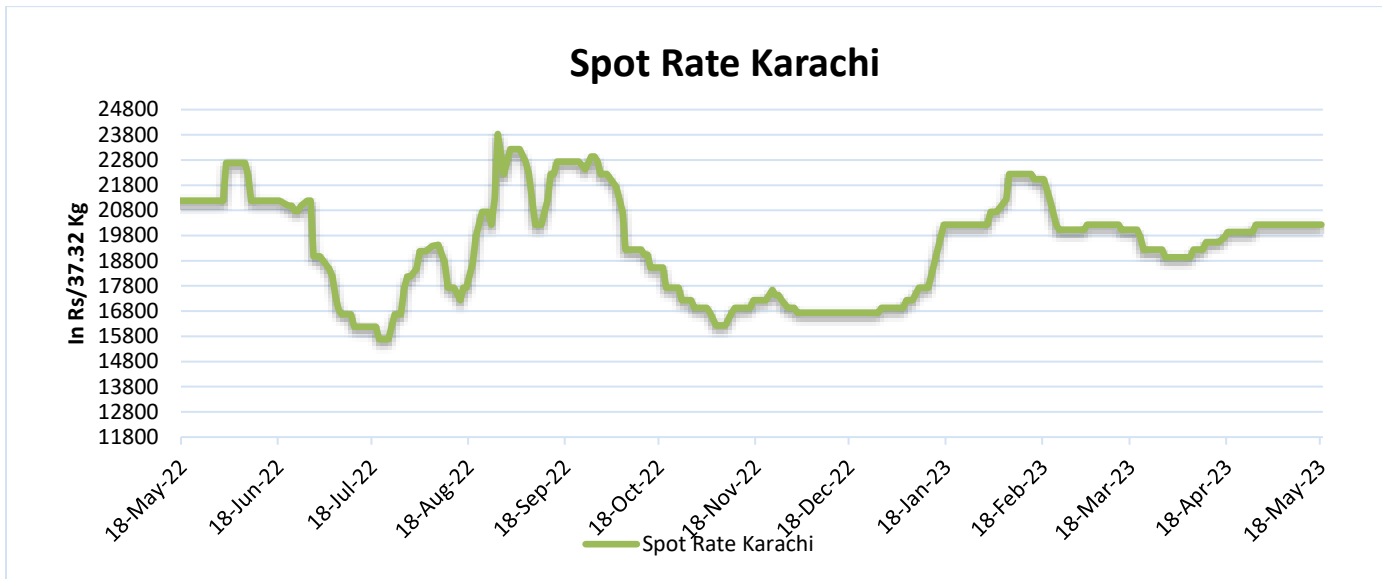
Source: USDA



Pakistan Spot Prices

The Karachi spot price remained stable and were at Rs. 20235/q from the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	18-May-23	11-May-23	
Prices	20235	20235	-
Prices in Rs per 37.32 Kg			



Commodity: Cotton seed oilcake

Exchange: MCX

Contract: May

Expiry: May 30, 2023

Cottonseed Oilcake

Technical Chart:



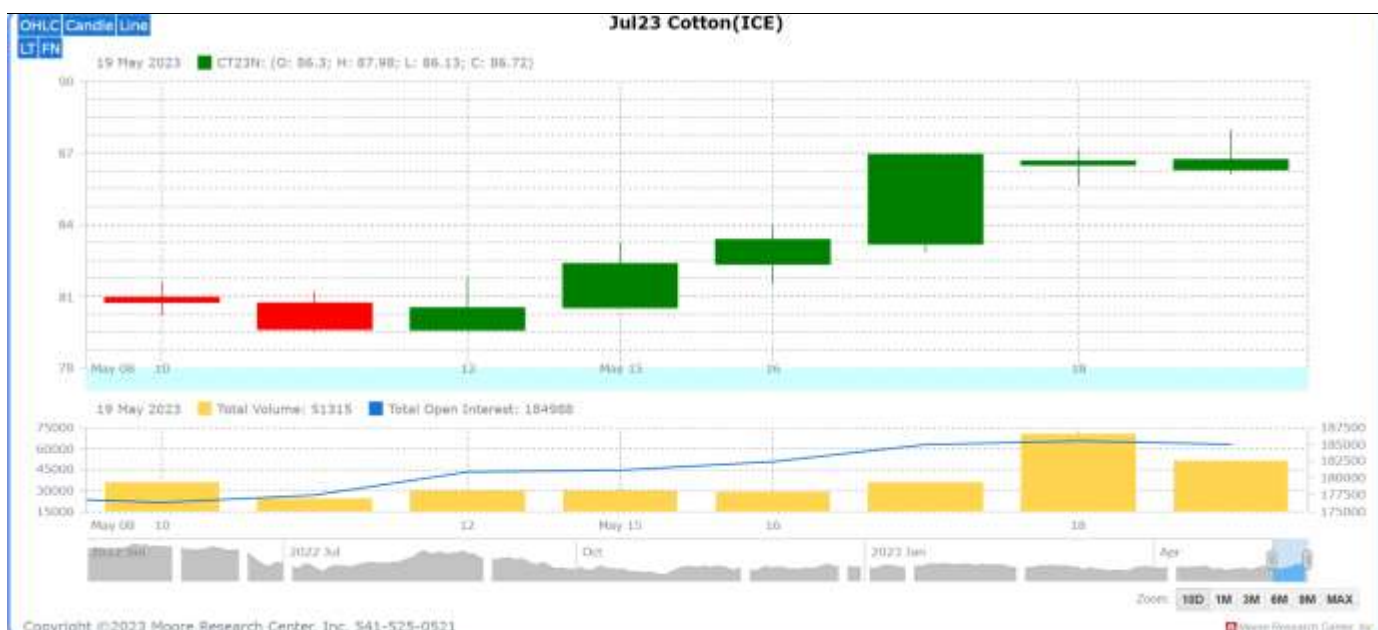
Technical Commentary:

- As evident from the above, prices have corrected during the last week. However, prices may take support at 2610 level and can move range bound.

- Currently trading below 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	May	2501	2551	2617	2777	2792
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	May	Sell	2627	2592	2567	2648

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



- The May'23 contract has moved up and intact during the last week.
- Total volume decreased & Open Interest slightly increased 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	84-90

Expected Support and Resistance

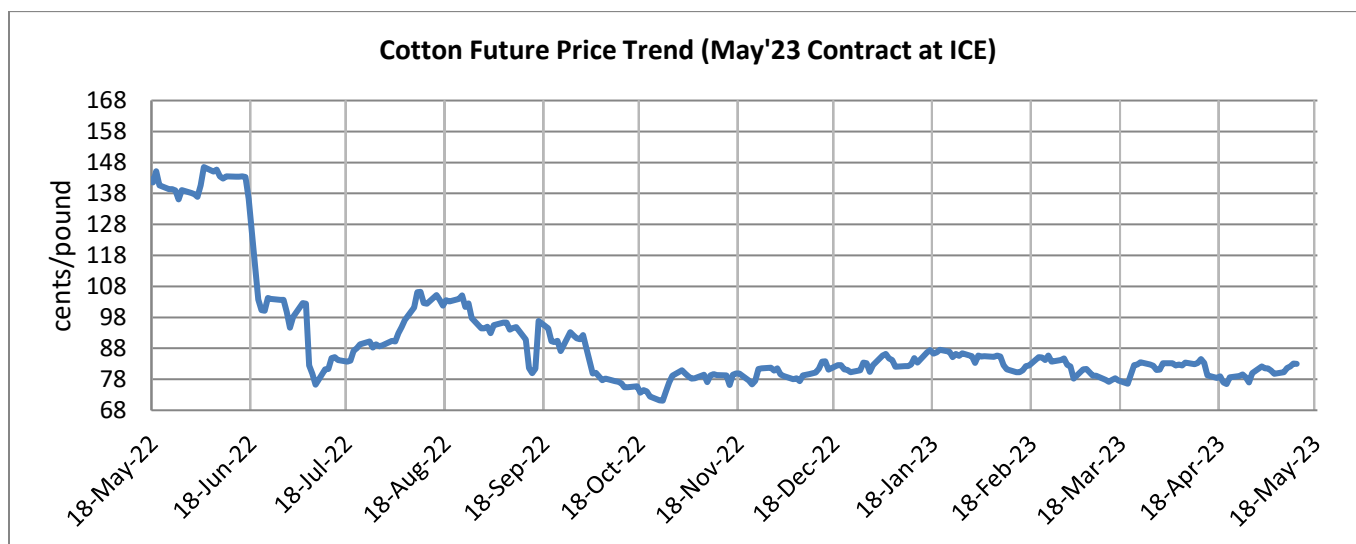
Support 1	Support 2	Resistance 1	Resistance 2
80.80	78.35	84.50	88.75

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	18-May-23	18-Apr-23	17-Feb-22	19-Nov-22	18-May-22	% Change over a month	% Change over previous year
May-23	82.99	84.55	81.50	83.86	119.19	-1.85	-30.37
Jul-23	86.66	84.83	82.35	84.18	144.47	2.16	-40.02
Oct-23	84.53	84.98	82.16	82.28	136.05	-0.53	-37.87
Dec-23	83.72	84.21	82.25	82.32	129.18	-0.58	-35.19
Mar-23	83.44	83.87	80.25	83.39	124.11	-0.51	-32.77

Future Price Trend (Active Contract):



Cotton Yarn

- South India's cotton yarn market witnessed low demand during the week under review. ~~While~~ and prices remained ed 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.

Cotton Domestic Weekly Price

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Gujarat	Ahmedabad	Shankar-6	7513	7733	-221
	Gondal	Shankar-6	7722	7880	-158
	Rajkot	B.T. Cotton	7754	8106	-352
	Patan	B.T. Cotton	7796	7887	-91
	Kadi	B.T. Cotton	7708	8025	-317
	Deesa	B.T. Cotton	1096	1097	-1
	Dhrol	B.T. Cotton	7233	7513	-280
Haryana	Bhiwani	B.T. Cotton	7525	7700	-175
	Adampur	B.T. Cotton	7533	7708	-175
	Fatehabad	B.T. Cotton	7266	7508	-242
Rajasthan	Hanumangarh	B.T. Cotton	7592	7717	-125
	Rawatsar	B.T. Cotton	7529	7734	-205
Madhya Pradesh	Khandwa	Mech-1	7438	7778	-341
	Khargaon	Mech-1	7365	7690	-325
Maharashtra	Amravati	Mech-1	Closed	7800	-
Telangana	Adilabad	Un-Ginned	7150	7272	-122
Andhra Pradesh	Adoni	Un-Ginned	7543	7659.5	-117
Karnataka	Bijapur	Bunny	7880	8146	-267
	Raichur	H-44 Cotton	7620	7800	-180
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Punjab	Bhatinda	J-34	6150	6250	-100
	Abohar	J-34	6154	6225	-71
Haryana	Sirsa	J-34	6013	6129	-117
Rajasthan	Sri-Ganganagar	J-34	5969	6024	-55

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Gujarat	Ahmedabad	Shankar-6	54683	54683	Unch
	Gondal	Shankar-6	7217	7640	-423
	Rajkot	B.T. Cotton	2005	1815	190
	Patan	B.T. Cotton	3115	3364	-249
	Kadi	B.T. Cotton	15000	30833	-15833
	Dhrol	B.T. Cotton	45	71	-26
Haryana	Bhiwani	B.T. Cotton	567	400	167
	Adampur	B.T. Cotton	567	595	-28
	Fatehabad	B.T. Cotton	30	37	-7
Rajasthan	Hanumangarh	B.T. Cotton	750	800	-50
	Rawatsar	B.T. Cotton	750	800	-50
Madhya Pradesh	Khandwa	Mech-1	1938	2500	-563
	Khargaon	Mech-1	7250	8450	-1200
Maharashtra	Amravati	Mech-1	Closed	28000	-
Telangana	Adilabad	Un-Ginned	13125	11064	2061
Andhra Pradesh	Adoni	Un-Ginned	1204	1403	-200
Karnataka	Bijapur	Bunny	1535	4362	-2827
	Raichur	H-44 Cotton	12	9	3
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
	Abohar	J-34	111	159	-48
Haryana	Sirsa	J-34	368	453	-85

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	19-May-23	12-May-23	19-Apr-23	19-May-22
Gujarat	Ahmedabad	Shankar-6	7375	7625	8500	14500
	Gondal	Shankar-6	7630	7730	8355	14405
	Rajkot	B.T. Cotton	7700	8125	8460	13900

	Patan	B.T. Cotton	7750	7750	8200	0
	Kadi	B.T. Cotton	7750	8000	8500	0
	Deesa	B.T. Cotton	1015	1060	1325	1980
	Dhrol	B.T. Cotton	6950	7300	8100	11850
Haryana	Bhiwani	B.T. Cotton	7500	7700	8050	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	7400	7650	8060	13000
	Fatehabad	B.T. Cotton	7160	7375	7750	0
Rajasthan	Hanumangarh	B.T. Cotton	7500	7800	8100	0
	Rawatsar	B.T. Cotton	7390	7700	8100	0
Madhya Pradesh	Khandwa	Mech-1	Closed	7700	7900	0
	Khargaon	Mech-1	Closed	7485	7800	0
Maharashtra	Amravati	Mech-1	NR	0	7950	12000
	Jamner	Medium Staple	NA	0	0	13000
Telangana	Adilabad	Un-Ginned	NA	7200	7450	0
Andhra Pradesh	Adoni	Un-Ginned	NA	0	8064	13607
Karnataka	Bijapur	Bunny	7869	7980	8260	13346
	Raichur	H-44 Cotton	NR	7800	8100	13850
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	19-May-23	12-May-23	19-Apr-23	19-May-22
Punjab	Bhatinda	J-34	6100	6250	6425	11000
	Abohar	J-34	6100	6175	6425	11000
	Mansa	J-34	NA	0	6200	0
Haryana	Sirsa	J-34	5950	6050	6350	10500
Rajasthan	Sri-Ganganagar	J-34	NR	5969	0	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	19-May-23	12-May-23	19-Apr-23	19-May-22
Gujarat	Ahmedabad	Shankar-6	59500	54400	68000	13600
	Gondal	Shankar-6	7350	7755	7725	10000
	Rajkot	B.T. Cotton	1700	2850	2800	1100
	Patan	B.T. Cotton	2866	2822	5695	0
	Kadi	B.T. Cotton	15000	30000	35000	0

	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	35	41	69	13
Haryana	Bhiwani	B.T. Cotton	300	300	800	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	680	340	408	1020
	Fatehabad	B.T. Cotton	20	45	15	0
Rajasthan	Hanumangarh	B.T. Cotton	1000	500	1000	0
	Rawatsar	B.T. Cotton	1000	500	1000	0
Madhya Pradesh	Khandwa	Mech-1	Closed	3000	4000	0
	Khargaon	Mech-1	Closed	8600	8900	0
Maharashtra	Amravati	Mech-1	NR	0	24000	12000
Telangana	Adilabad	Un-Ginned	NA	11213	121909.8	0
Andhra Pradesh	Adoni	Un-Ginned	NA	0	2101	272
Karnataka	Bijapur	Bunny	1149	727	4014	172
	Raichur	H-44 Cotton	NR	9	16	15
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	19-May-23	12-May-23	19-Apr-23	19-May-22
Punjab	Bhatinda	J-34	NA	0	0	0
	Abohar	J-34	68	102	0	0
	Mansa	J-34	NA	0	102	0
Haryana	Sirsa	J-34	170	340	170	170

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64840	65320	-480
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65340	65820	-480
J-34(202)	26mm	3.5 - 4.9	23	57500	58480	-980
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	57620	58860	-1240
Shankar-6(105)	29mm	3.5 - 4.9	28	59660	60940	-1280
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	60860	61920	-1060

DCH-32(107)	34mm	3.0 - 3.8	33	75200	75400	-200
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Cottonseed and oilcake Prices:

Cotton Seed & Oil Cake Weekly

Cotton Seed Oil Cake Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Punjab	Bhatinda (Pakki)	3408	3450	-42
Punjab	Ludiana	3785	3812	-27
Haryana	Sirsa	3134	3195	-61
Haryana	Hisar	3154	3215	-61
Rajasthan	Hanumangarh	3054	3115	-61
Rajasthan	Vijaynagar	3104	3165	-61
Madhya Pradesh	Indore	3090	3158	-68
Madhya Pradesh	Khargone	2998	3048	-50
Maharastra	Wani	3073	3108	-35
Maharastra	Malkapur	3015	3058	-43
Telegana	Warangal	2850	2900	-50
Telegana	Adilabad	2850	2880	-30
Karnatka	Dharwad	2850	2850	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2858	2960	-102

Cotton Seed Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	15th May'23 to 20th May'23	08th May'23 to 13th May'23	
Punjab	Mansa	3325	3358	-33
Punjab	Bhatinda	3408	3458	-50
Haryana	Adampur	3409	3472	-63
Haryana	Charkhi Dadari	3309	3372	-63
Rajasthan	Hanumangarh	3454	3517	-63
Rajasthan	Bikaner	3504	3567	-63
Madhya Pradesh	Sendhwa	2975	3046	-71
Madhya Pradesh	Barwaha	2875	2983	-108
Maharastra	Malkapur	2983	3113	-129

Maharashtra	Akot	3167	3263	-96
Telegana	Madnoor	3015	3090	-75
Telegana	Jangaon	3042	3125	-83
Karnatka	Bijapur	2905	2980	-75
Karnatka	Hubli	2905	2980	-75
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2867	2996	-129
Gujarat	Kadi	2900	3050	-150

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