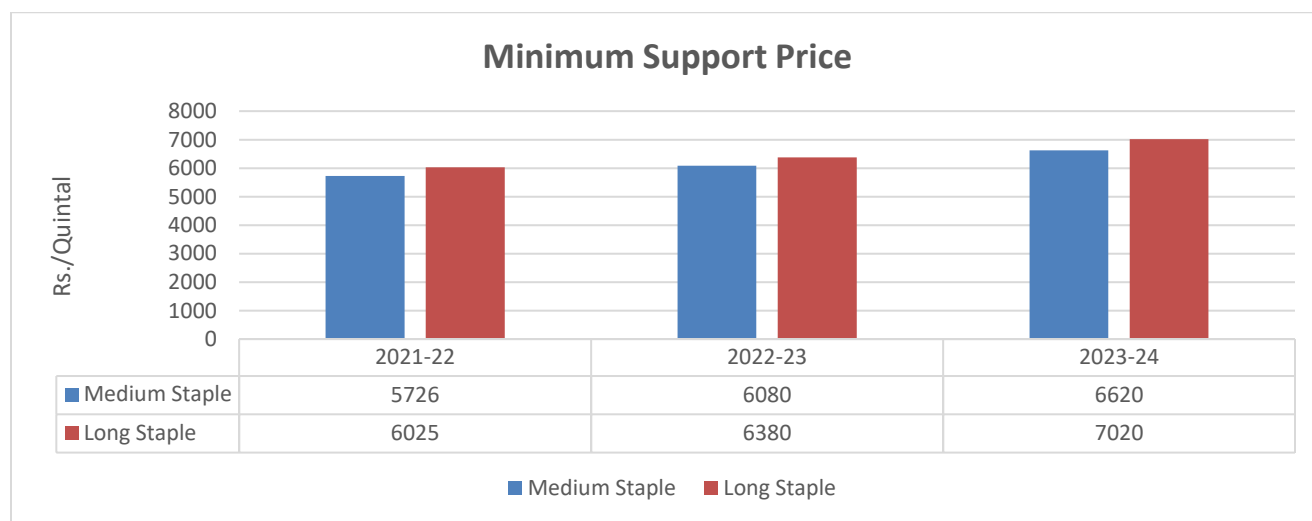


COTTON WEEKLY RESEARCH REPORT

12th Jun 2023

Domestic market summary
Major Market Highlights:

- Cotton sowing has begun for the 2023-24 season in some parts of northern and central India. During the previous 2022-23 season, around 128 lakh hectares was under cotton cultivation across India.
- The Cabinet Committee on Economic Affairs (CCEA) has approved the increase in the Minimum Support Prices (MSP) for all Kharif Crops for Marketing Season 2023-24. The MSP for cotton has been increased by 8.15% for medium staple cotton at Rs. 6620 per quintal from previous season Rs. 6080 per quintal and for long staple by 9.11% at Rs. 7020 per quintal from previous 6,380 per quintal in the 2022-23 season.



- Agriwatch expects cotton acreage to increase in central and southern India. Cotton sowing has begun for the 2023-24 season across India.
- Daily arrival of cotton in India has declined to approximately 75,000 to 85,000 bales last week. In the prevailing bullish sentiment, farmers might opt to retain their kapas (seed cotton) instead of immediately selling it. It could potentially result in decrease in arrival numbers in the upcoming week.

Sowing Update:

- **Punjab:** Agriwatch estimates that cotton sowing in Punjab will reduce in the 2023-24 season despite the state government offering a 33% subsidy on BT cotton seed for the 2023-24 season. Currently,

cotton sowing has only covered around 1.75 lakh hectares against 2.48 lakh hectares during the last season at this time, as per data released by the state government.

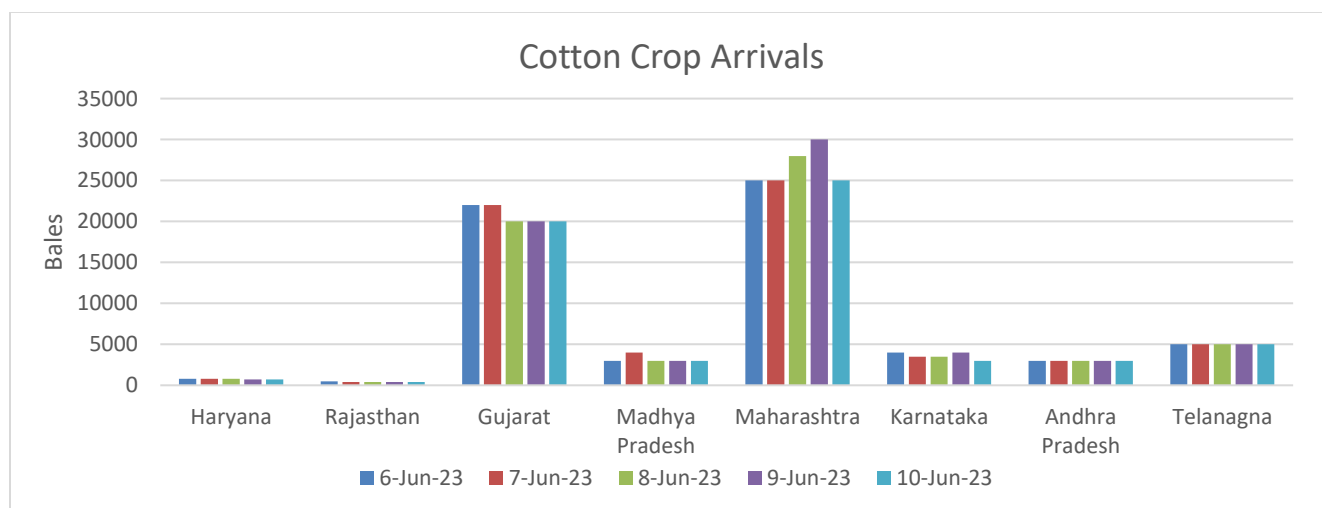
- **Madhya Pradesh:** Cotton sowing has been progressing in Indore division mainly in Khandwa and Khargone. Around 5.46 lakh hectares is likely to be covered in the 2023-24 season. During the previous season around 5.40 lakh hectares was sown under cotton crop.

Production Estimate:

- The Committee on Cotton Production and Consumption (COCPC) has conducted a review and released a new estimate for the 2022-23 season:

Details	2022-23	
	(In lakh bales)	(In thousand Tons)
Supply		
Opening Stock	39.48	671.16
Crop	343.47	5838.99
Imports	10	170
Total Supply	392.95	6680.15
Demand		
Mill Consumption	194.7	3309.9
Consumption by SSI Units	100.3	1705.1
Non- Mill Consumption	16	272
Total Domestic Demand	30	510
Exports	341	5797
Closing Stock	51.95	883.15

Cotton Crop Arrival



All India Cotton Arrivals 2022-23	
This Week	7 Lakh Bales
Cumulative Arrival	256 Lakh Bales
Cotton Consumption	192 Lakh Bales
Exports	11.50 lakh Bales
Import	11.00 lakh Bales

Price Forecast for the coming week

Months	Past Week	Coming week
Price per quintal at Rajkot (Average of the month)	7650	7350-7850

Cotton Stock Summary

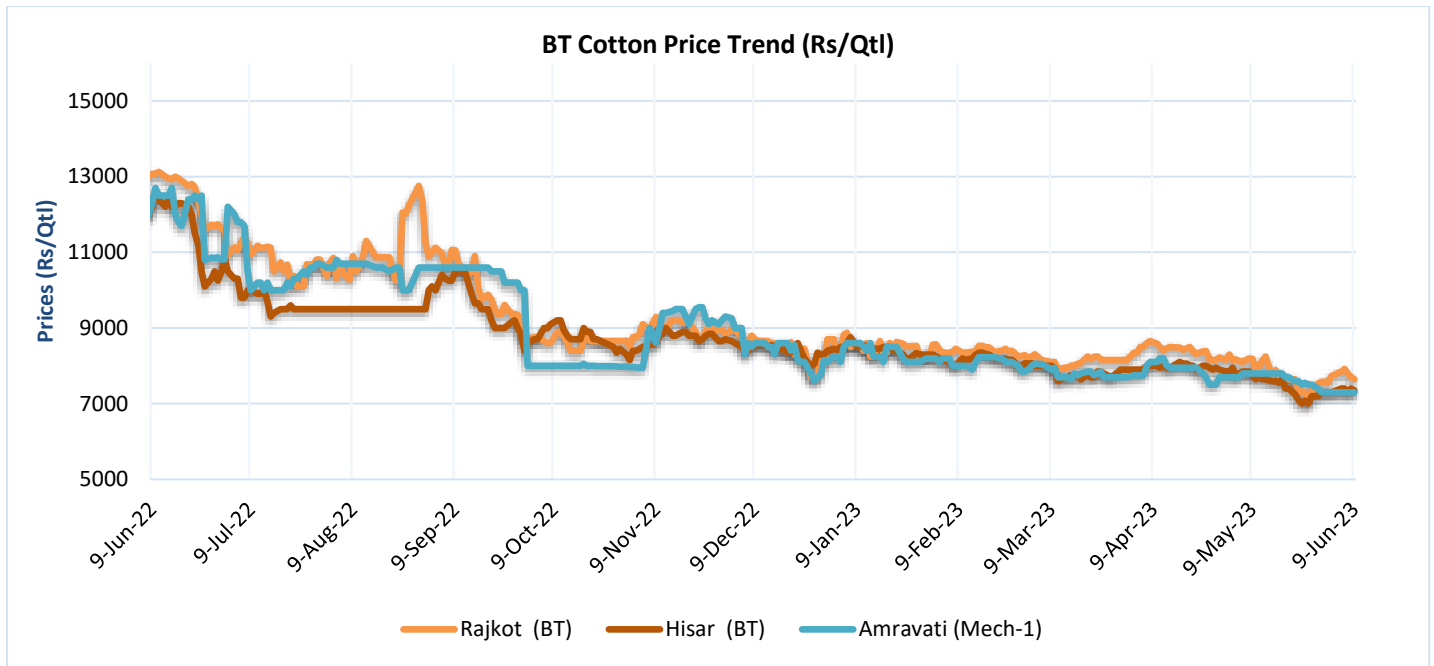
Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
52.00	36.00	88.00

Unit: Lakh Bales

Domestic Cotton Prices Scenario

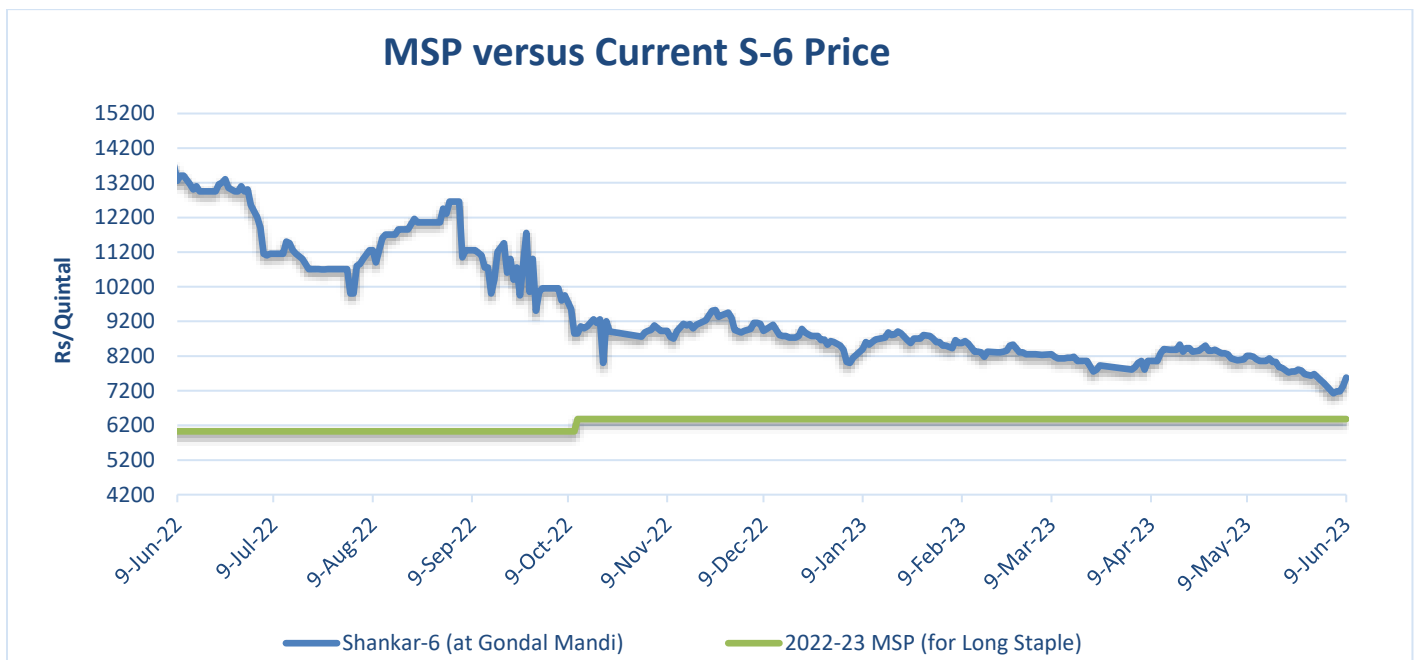
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly higher at Rs. 7,783/Qtl compared to the previous week's Rs. 7,594/Qtl. Cotton prices in Hisar too were lower at Rs. 7370 per quintal during the past week.



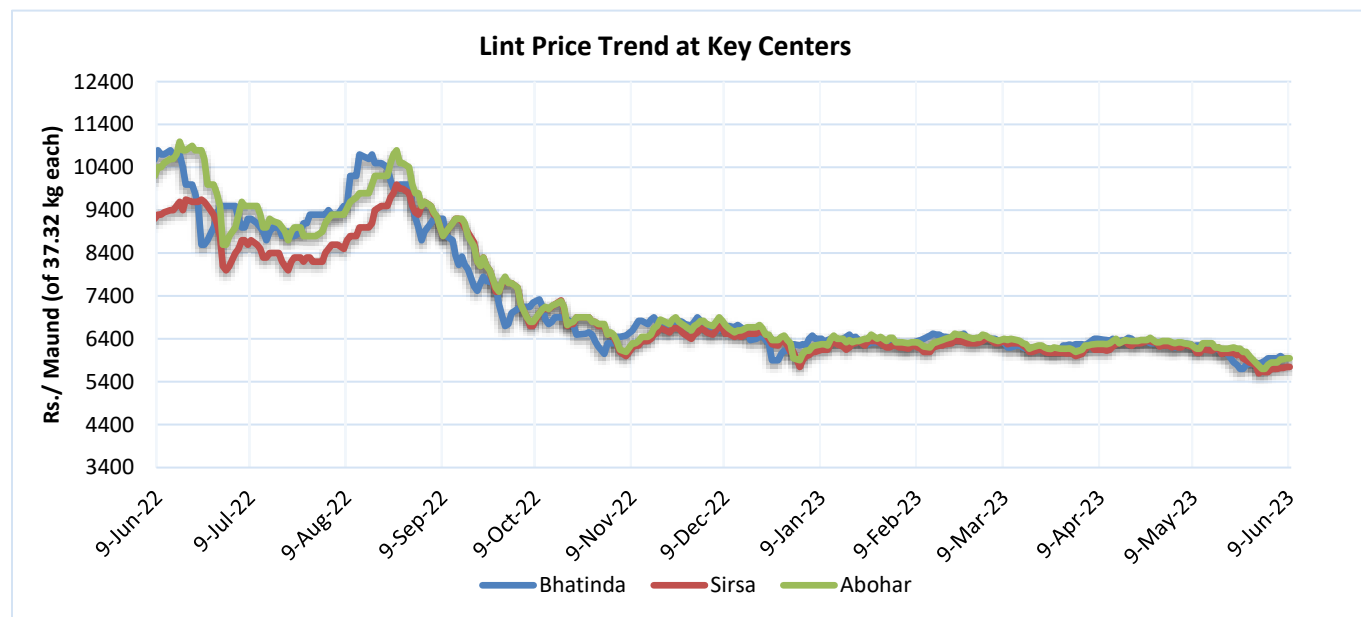
Spot Price Comparison

Cotton Shanker-6 at Gondal market traded higher at Rs.7,655 per quintal against the previous week price of Rs. 7,573 per quintal. The minimum support price of cotton for the 2022-23 season is at Rs. 6,380 per quintal.



Lint price Outlook

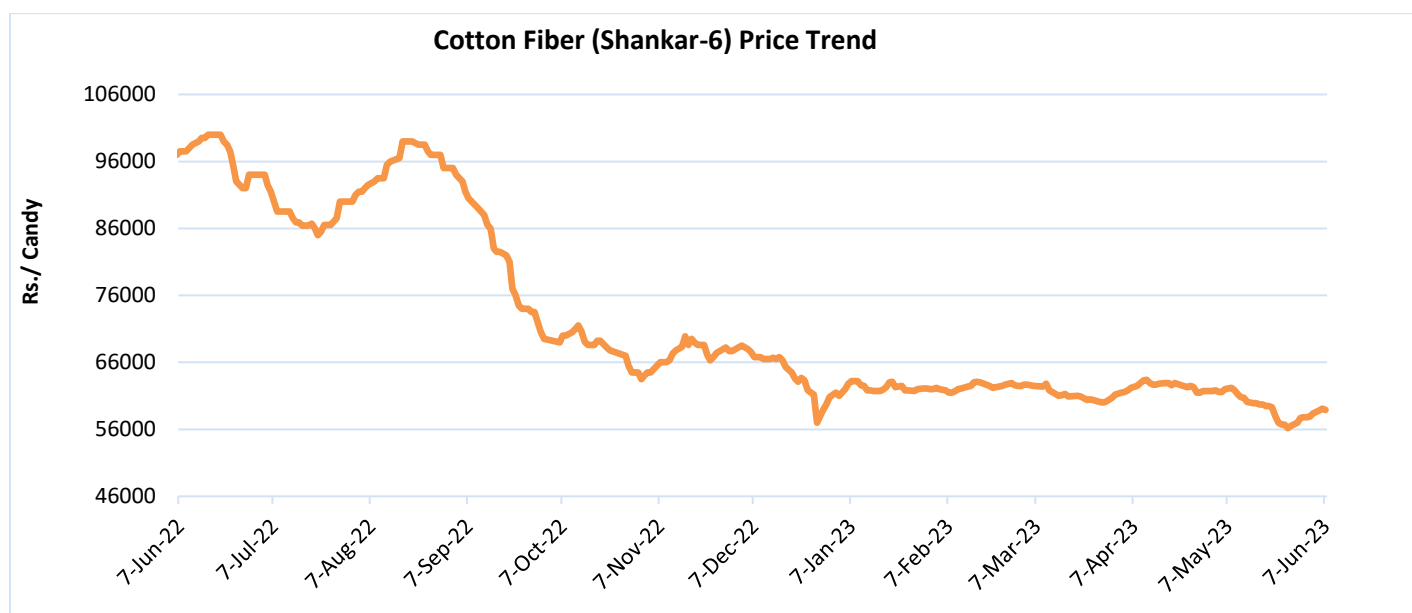
The average price stood higher at Rs. 6010/maund this week compared to Rs. 5900/maund previous week in Abohar, in Bhatinda prices were higher at Rs. 5960/maund, and in Sirsa were at Rs. 5795/maund from Rs. 5720/maund previous week.



Source: Agriwatch

Cotton Fiber Price Outlook

The average cotton fiber (Shankar-6) premium quality is currently at trading Rs.58,825/candy and is likely to trade rangebound in the coming weeks as cotton arrivals have decreased in the market.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

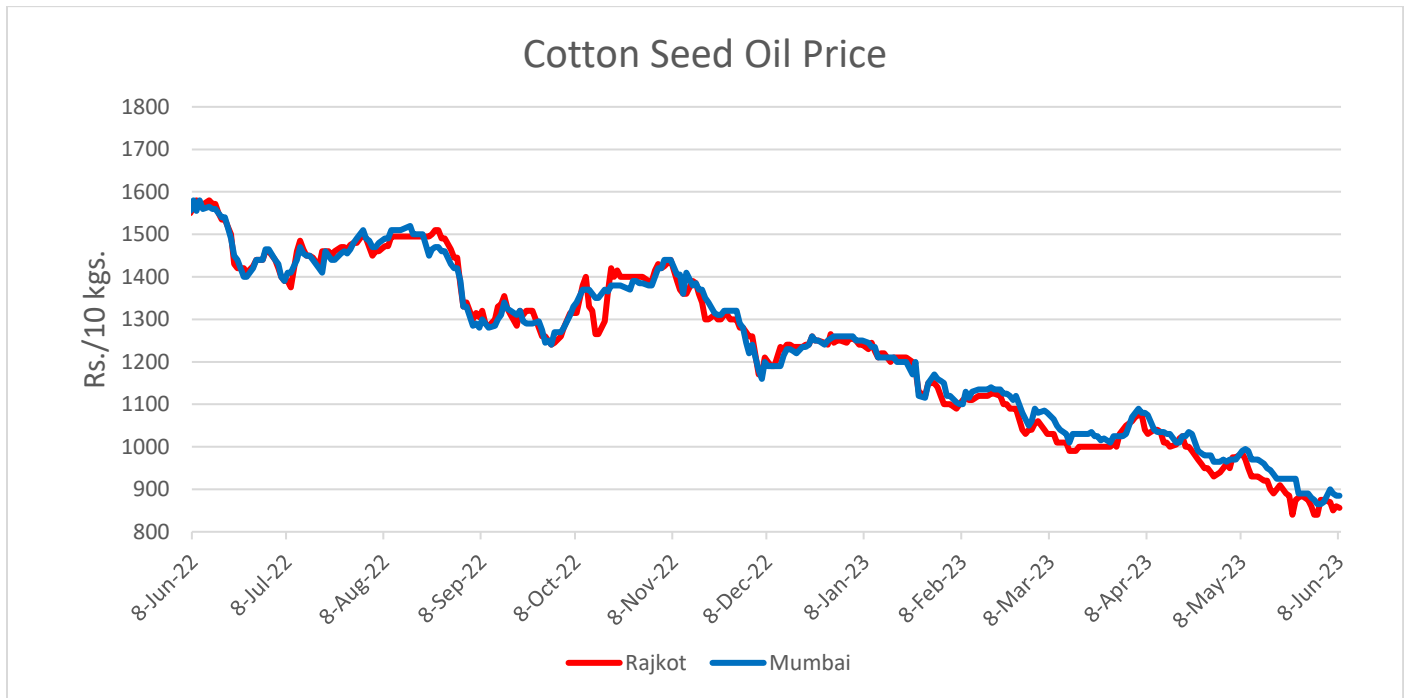
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 08th June 2023 in tandem with all the edible oils.

Centre	Weekly Average Price as on (Rs/10 kg.)		% Change
	08-Jun-23	03-Jun-23	
Rajkot	864	863	0.15
Mumbai	883	878	0.51

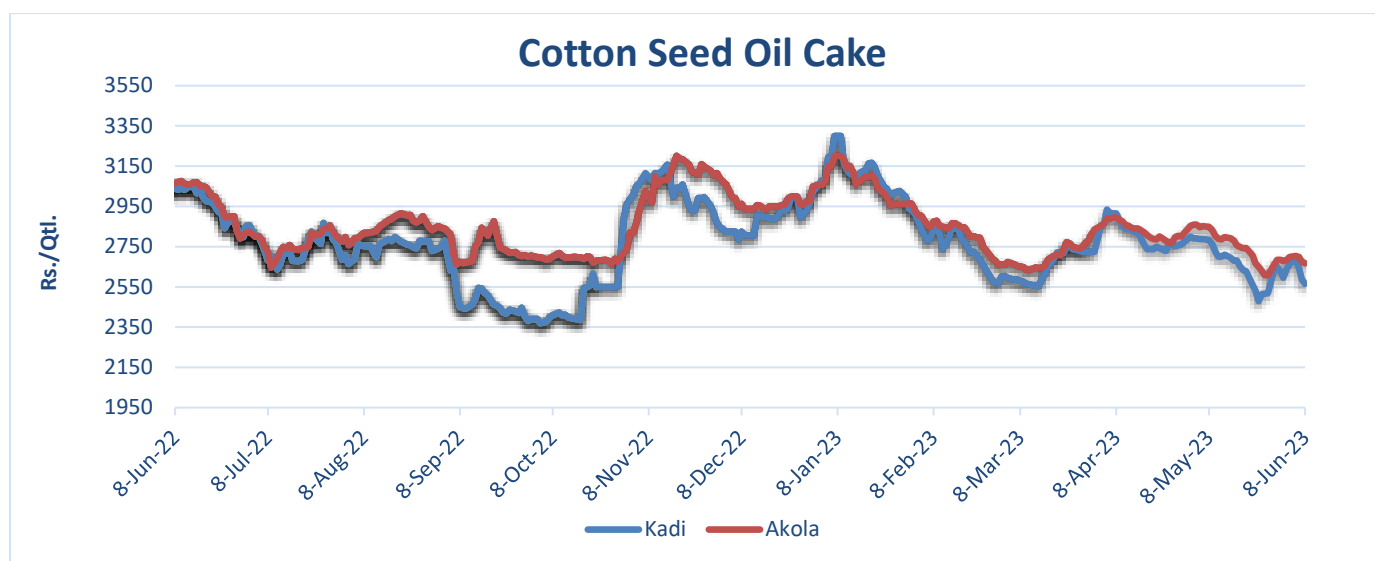
Source: Agriwatch



Cotton Seed Oil Cake Weekly Price Scenario

The average price of cottonseed oilcake in the Kadi market has increased due to increased demand as compared to the previous week. Prices in Kadi were at Rs. 2631 per quintal from Rs. 2610 per quintal and in Akola prices were at Rs. 2688 per quintal from Rs. 2666 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	08-Jul-23	02-Jul-23	
Kadi	2631	2610	0.80
Akola	2688	2666	0.81



Source: Agriwatch

NCDEX Cottonseed oilcake

Expiry Date	02.06.23	09.06.23	Change
Jun	2625	2506	-119
Jul	2653	2530	-123

International Market Scenario

USDA's crop progress report for the week ending on 04th June '23 indicates that 71% of the cotton crop was planted which was 60% in previous week and 82% in previous year. Cotton squaring stands at 6% which was 10% in the previous season. Around 43% of the crop is in good condition as compared to previous week's 41%, around 11% of the crop is in poor condition.

Indian cotton prices are rising consistently, driven by bullish sentiment in the market. This surge is further amplified by limit up trade in China's Zhengzhou Commodity Exchange (ZCE), and the continuous upward trend in New York (NY) futures.

USDA Balance Sheet

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,299	32,486	31,855
Yield	774	775	795
Opening Stock	98,234	86,217	86,159
Production	1,11,273	1,15,780	1,16,355
Imports	48,561	42,620	37,867
Exports	48,872	42,997	38,274
Domestic Consumption	1,23,118	1,15,900	1,09,631
Ending Stock	86,217	86,159	92,633

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

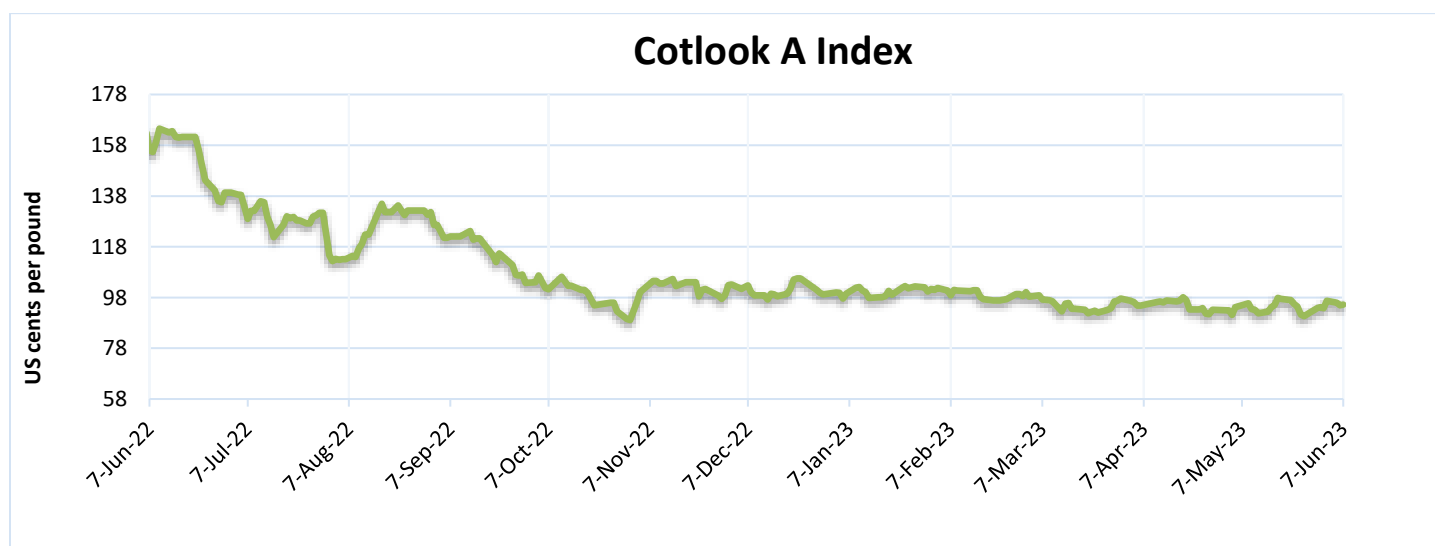
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was slightly higher this week at 95.33 cents/lb higher by 2.83% as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	07-Jun-23	01-Jun-23	
Prices	95.33	92.71	2.83
Prices in US cents per Pound			

Source: Cotlook

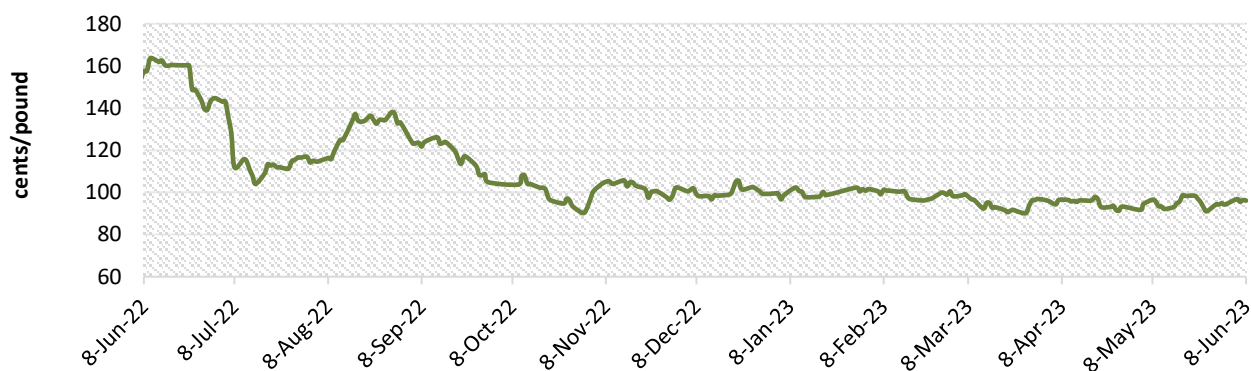


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	08-Jun-23	01-Jun-23	
FC (S)	97.67	95.51	2.26
FC (M)	95.81	93.72	2.23
FC (L)	94.79	92.71	2.25
Prices in US cents per Pound			

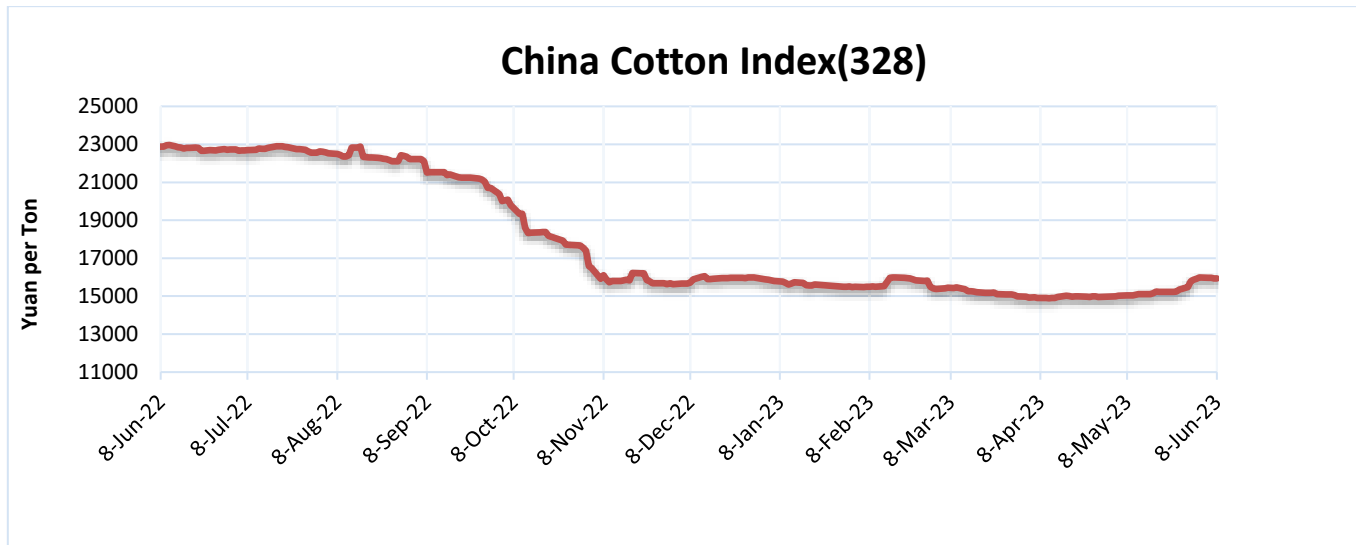
Source: China Cotton Association

FC Index (M)



Cotton Index	Weekly Average Price as on		% Change
	08-Jun-23	02-Jun-23	
CCIndex(328)	17058.80	16436.20	3.79
CCIndex(527)	15735.40	15108.60	4.15
CCIndex(229)	17295.00	16667.40	3.77
Prices in Yuan per ton			

Source: China Cotton Association

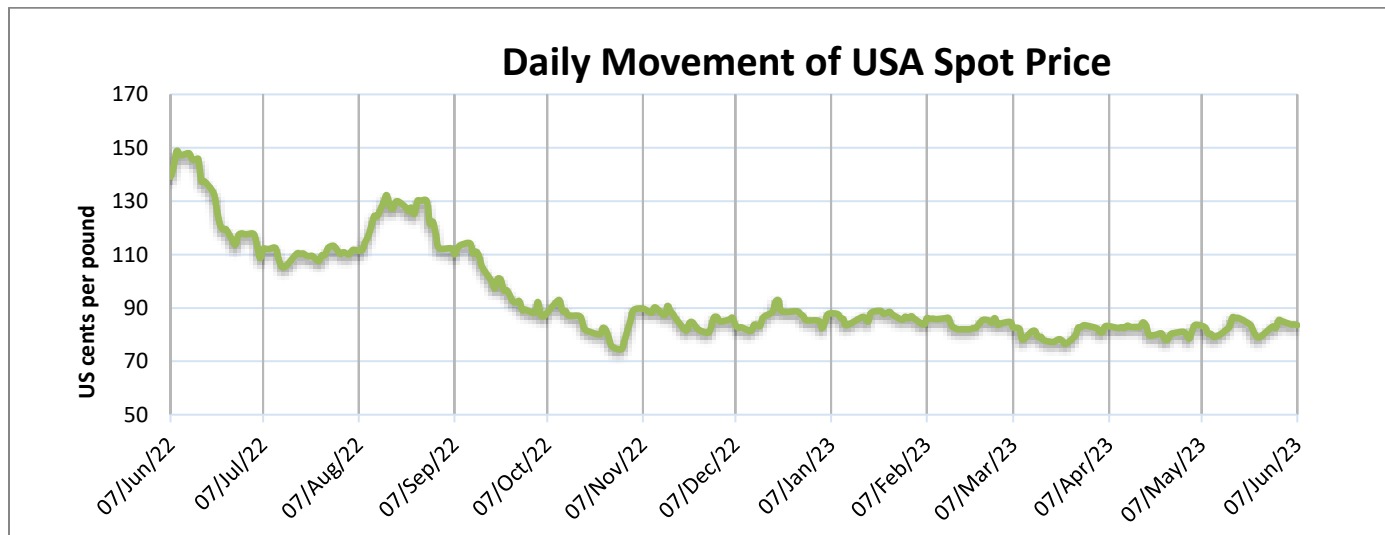


USA Spot Prices

U.S.A spot prices was at 84.32 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	07-Jun-23	01-Jun-23	
Prices	84.32	81.83	3.05
Prices in US cents per Pound			

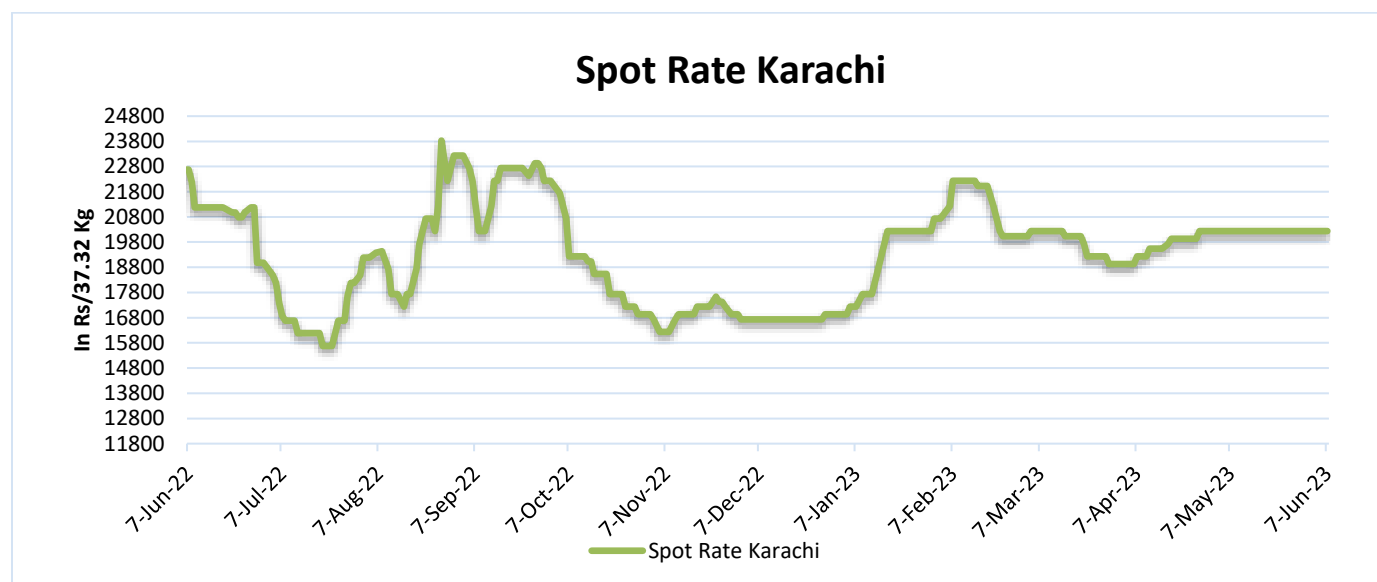
Source: USDA



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
	08-Jun-23	01-Jun-23	
Prices	20235	20235	-
Prices in Rs per 37.32 Kg			



Commodity: Cotton seed oilcake**Exchange: MCX**

Contract: June

Expiry: Jun 30, 2023

Cottonseed Oilcake

Technical Chart:



Technical Commentary:

- As evident from the chart, candlestick formation indicates sideways market condition during the last week.
- Both momentum indicator MACD and Oscillator RSI further pointing towards a weak market condition.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Jun	2395	2445	2511	2671	2686
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Jun	-	2521	2486	2461	2542

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



- The Jul'23 contract has moved sideways during the last week.
- Total volume decreased & Open Interest slightly increased compared to the previous week.
- We expect cotton prices to trade sideways in the coming week.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	84-88

Expected Support and Resistance

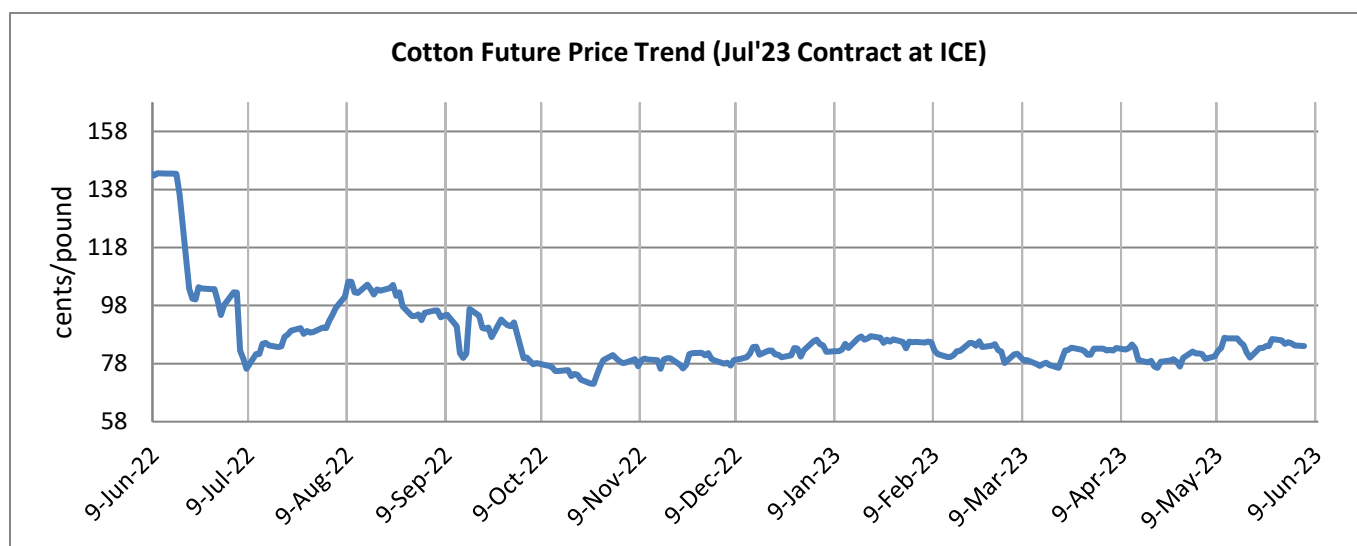
Support 1	Support 2	Resistance 1	Resistance 2
82.80	80.35	87.50	88.75

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	09-Jun-23	10-May-23	11-Mar-22	11-Dec-22	09-Jun-22	% Change over a month	% Change over previous year
Jul-23	84.04	81.24	78.94	79.41	146.51	3.45	-42.64
Oct-23	83.85	80.76	79.71	78.27	132.07	3.83	-36.51
Dec-23	81.82	80.81	80.25	77.37	124.93	1.25	-34.51
Mar-24	81.61	80.83	80.29	79.39	120.11	0.96	-32.05
May-24	81.52	80.76	78.18	79.48	116.47	0.94	-30.01

Future Price Trend (Active Contract):



Cotton Yarn

- As per the market sources, Cotton yarn prices across north India declined due to weak demand, with significant drops in Ludhiana and Delhi market. In Ludhiana market, prices have seen a decline of Rs. 2 per kg in cotton yarn prices, reflecting bearish market sentiment as buyers remained scarce. The 30-count cotton combed yarn was traded at Rs. 262-272 per kg; 20 and 25 count combed yarn were sold at Rs. 252-257 per kg and Rs.257-262 per kg respectively.

Cotton Domestic Weekly Price

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	05th Jun'23 to 10th June'23	29th May'23 to 03rd June'23	
Gujarat	Ahmedabad	Shankar-6	7558	7575	-17
	Gondal	Shankar-6	7613	7595	18
	Rajkot	B.T. Cotton	7731	7649	82
	Patan	B.T. Cotton	7730	7714	16
	Kadi	B.T. Cotton	7500	7250	250
	Deesa	B.T. Cotton	1102	995	107
	Dhrol	B.T. Cotton	7508	7207	302
Haryana	Bhiwani	B.T. Cotton	7350	7183	167
	Adampur	B.T. Cotton	7363	7283	79
	Fatehabad	B.T. Cotton	7116	7042	75
Rajasthan	Hanumangarh	B.T. Cotton	7383	7100	283
	Rawatsar	B.T. Cotton	7340	7188	153
Madhya Pradesh	Khandwa	Mech-1	Closed	7300	-
	Khargaon	Mech-1	7429	7290	139
Maharashtra	Amravati	Mech-1	Closed	7320	-
	Jamner	Medium Staple	Closed	7175	-
Telangana	Adilabad	Un-Ginned	7033	6853	180
Andhra Pradesh	Adoni	Un-Ginned	7328.4	7160.6	168
Karnataka	Bijapur	Bunny	7898	7669	229
	Raichur	H-44 Cotton	7263	7320	-58
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	05th Jun'23 to 10th June'23	29th May'23 to 03rd June'23	
Punjab	Bhatinda	J-34	5958	5875	83
	Abohar	J-34	6013	5908	104
Haryana	Sirsa	J-34	5796	5725	71
Rajasthan	Sri-Ganganagar	J-34	5687	5625	63

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	05th Jun'23 to 10th June'23	29th May'23 to 03rd June'23	
Gujarat	Ahmedabad	Shankar-6	49867	45900	3967
	Gondal	Shankar-6	7025	6979	46
	Rajkot	B.T. Cotton	1274	1550	-276
	Patan	B.T. Cotton	1081	1033	48
	Kadi	B.T. Cotton	12500	15833	-3333
	Dhrol	B.T. Cotton	62	50	12
Haryana	Bhiwani	B.T. Cotton	400	308	92
	Adampur	B.T. Cotton	425	442	-17
	Fatehabad	B.T. Cotton	23	30	-8
Rajasthan	Hanumangarh	B.T. Cotton	400	500	-100
	Rawatsar	B.T. Cotton	400	500	-100
	Khargaon	Mech-1	3520	2967	553
Telangana	Adilabad	Un-Ginned	1075	3674	-2599
Andhra Pradesh	Adoni	Un-Ginned	391	441	-50
Karnataka	Bijapur	Bunny	1520	1198	322
	Raichur	H-44 Cotton	11	9	2
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	05th Jun'23 to 10th June'23	29th May'23 to 03rd June'23	
Punjab	Bhatinda	J-34	#DIV/0!	#DIV/0!	-
	Abohar	J-34	82	56	26
Haryana	Sirsa	J-34	78	57	21

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	9-Jun-23	2-Jun-23	10-May-23	9-Jun-22
Gujarat	Ahmedabad	Shankar-6	7500	7625	7750	12500
	Gondal	Shankar-6	7505	7580	7880	12855
	Rajkot	B.T. Cotton	7650	7730	7905	13075
	Patan	B.T. Cotton	Closed	7815	7905	0

	Kadi	B.T. Cotton	7500	7250	8100	0
	Deesa	B.T. Cotton	1200	950	1050	1825
	Dhrol	B.T. Cotton	7630	7150	7655	11200
Haryana	Bhiwani	B.T. Cotton	7400	7250	7650	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	7350	7300	7650	12200
	Fatehabad	B.T. Cotton	7115	7000	7450	0
Rajasthan	Hanumangarh	B.T. Cotton	7400	7100	7700	0
	Rawatsar	B.T. Cotton	7400	7250	7750	0
Madhya Pradesh	Khandwa	Mech-1	NA	0	7700	0
	Khargaon	Mech-1	7430	7330	0	0
Maharashtra	Amravati	Mech-1	NA	7300	0	12300
	Jamner	Medium Staple	NA	0	0	12000
Telangana	Adilabad	Un-Ginned	7000	6830	7280	0
Andhra Pradesh	Adoni	Un-Ginned	7299	0	7700	12259
Karnataka	Bijapur	Bunny	NR	7729	0	11863
	Raichur	H-44 Cotton	7250	7500	0	13000
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	9-Jun-23	2-Jun-23	10-May-23	9-Jun-22
Punjab	Bhatinda	J-34	5950	5950	6225	10600
	Abohar	J-34	6025	5950	6200	10700
Haryana	Sirsa	J-34	5800	5750	6175	9500
Rajasthan	Sri-Ganganagar	J-34	5687	5640	6063	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	9-Jun-23	2-Jun-23	10-May-23	9-Jun-22
Gujarat	Ahmedabad	Shankar-6	45900	42500	59500	7650
	Gondal	Shankar-6	7000	7000	7605	10500
	Rajkot	B.T. Cotton	1450	1150	1520	610
	Patan	B.T. Cotton	Closed	1620	2990	0
	Kadi	B.T. Cotton	15000	15000	30000	0
	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	37	41	73	4

Haryana	Bhiwani	B.T. Cotton	450	400	400	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	408	340	850	340
	Fatehabad	B.T. Cotton	35	25	50	0
Rajasthan	Hanumangarh	B.T. Cotton	NA	500	1500	0
	Rawatsar	B.T. Cotton	NA	500	1500	0
Madhya Pradesh	Khandwa	Mech-1	NA	0	2000	0
	Khargaon	Mech-1	2500	1800	0	0
Telangana	Adilabad	Un-Ginned	2456	1895.5	11865.5	0
Andhra Pradesh	Adoni	Un-Ginned	518	0	1743	188
Karnataka	Bijapur	Bunny	NR	1145	0	172
	Raichur	H-44 Cotton	10	8	0	5
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	9-Jun-23	2-Jun-23	10-May-23	9-Jun-22
Punjab	Bhatinda	J-34	NA	0	0	0
	Abohar	J-34	85	17	170	0
	Mansa	J-34	NA	0	0	0
Haryana	Sirsa	J-34	85	34	510	0
Rajasthan	Sri-Ganganagar	J-34	NA	0	0	0

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				05th Jun'23 to 10th June'23	29th May'23 to 03rd June'23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64360	64340	20
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64860	64840	20
J-34(202)	26mm	3.5 - 4.9	23	55000	54780	220
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	57140	56180	960
Shankar-6(105)	29mm	3.5 - 4.9	28	58540	57920	620
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	60180	59380	800
DCH-32(107)	34mm	3.0 - 3.8	33	72140	72400	-260

Cottonseed and oilcake Prices:

Cotton Seed & Oil Cake Weekly

Cotton Seed Oil Cake Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	05th Jun'23 to 10th Jun'23	29th May'23 to 03rd Jun'23	
Punjab	Bhatinda (Pakki)	3403	3400	3
Punjab	Ludiana	3753	3750	3
Haryana	Sirsa	3055	3092	-37
Haryana	Hisar	3075	3083	-8
Rajasthan	Hanumangarh	2975	2983	-8
Rajasthan	Vijaynagar	3025	3025	Unch
Madhya Pradesh	Indore	3060	3066	-6
Madhya Pradesh	Khargone	2985	2995	-10
Maharastra	Wani	3123	3145	-23
Maharastra	Malkapur	3010	3020	-10
Telegana	Warangal	2870	2848	22
Telegana	Adilabad	2780	2780	Unch
Karnatka	Dharwad	2800	2833	-33
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2828	2853	-25

Cotton Seed Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	05th Jun'23 to 10th Jun'23	29th May'23 to 03rd Jun'23	
Punjab	Mansa	3253	3250	3
Punjab	Bhatinda	3303	3300	3
Haryana	Adampur	3330	3338	-8
Haryana	Charkhi Dadari	3230	3238	-8
Rajasthan	Hanumangarh	3375	3383	-8
Rajasthan	Bikaner	3425	3433	-8
Madhya Pradesh	Sendhwa	2913	2908	4
Madhya Pradesh	Barwaha	2933	2908	25
Maharastra	Malkapur	2950	2950	Unch
Maharastra	Akot	3092	3100	-8
Telegana	Madnoor	3067	3008	58
Telegana	Jangaon	3046	2975	71

Karnatka	Bijapur	2942	2900	42
Karnatka	Hubli	2942	2900	42
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2813	2821	-8
Gujarat	Kadi	2825	2892	-67

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