

COTTON WEEKLY RESEARCH REPORT

26th Jun 2023

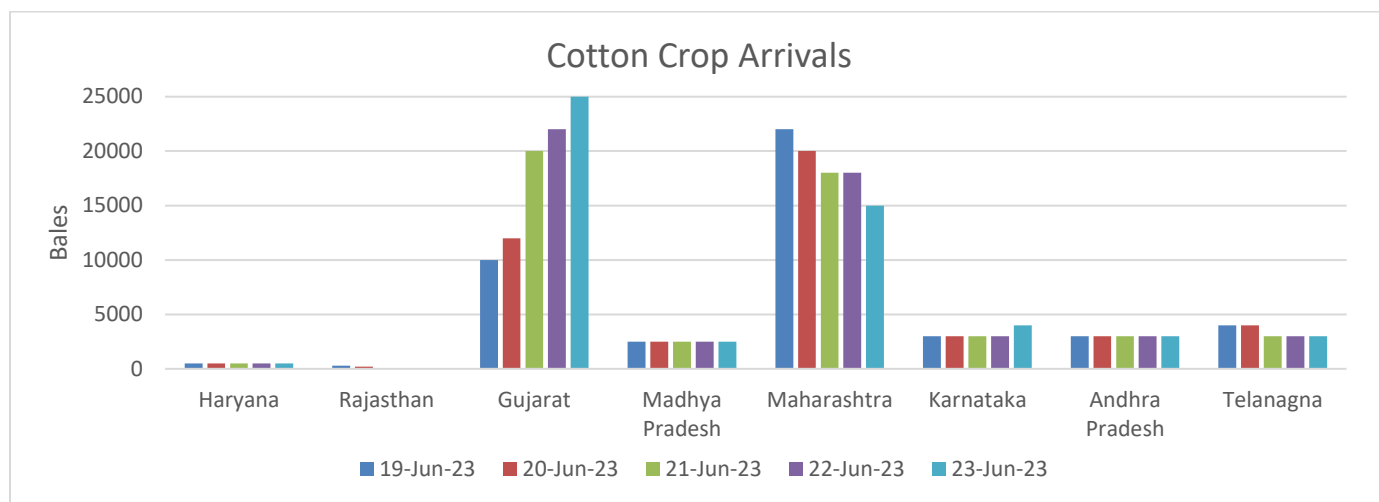
Domestic market summary
Major Market Highlights:

- Cotton sowing progress has been slow for the 2023-24 season in some parts of central India as monsoon is delayed.
- Daily arrival of cotton in India has declined to approximately 34,000 - 46,000 bales last week.
- As per IMD, conditions are favorable for further advancement of SW-monsoon and by end of June to early July, the key growing states are likely to receive some rainfall activity. In Rajasthan and Gujarat, rainfall activities have remained unsatisfactory so far and rain deficiency has been noticed in the other major cotton producing states Maharashtra and Madhya Pradesh also.
- Due to cyclone “Biparjoy” Rajasthan and Gujarat have received excess rainfall. However, other key states are in deficit to large deficit category – MP (-87%), MH (-86%), UP (-93%), KAR (-71%), TEL (-82%) and CG (-95%) till June 18th, 2023 amid delayed monsoon.
- Pink Bollworm infestation in cotton has been spotted in some fields of Abohar district in Punjab. However, the infestation is below economic threshold level (ETL) and mostly the early sown cotton crop is affected; the agriculture department is on alert and guiding farmers to use preventive measures.

Sowing Update:

State	Cotton Sowing progress as on 23rd June'23		
	(Lakh Ha)		% Change
	2023	2022	
Andhra Pradesh	0.31	0.33	-6.06
Gujarat	6.896	5.89	17.08
Haryana	6.4	6.505	-1.61
Karnataka	1.277	1.991	-35.86
Madhya Pradesh	3.06	1.65	85.45
Maharashtra	1.317	4.53	-70.93
Punjab	1.7	2.49	-31.73
Rajasthan	6.82	5.38	26.77
Tamil Nadu	0.067	0.065	3.08
Telangana.	0	3.572	-
Uttar Pradesh	0.17	0.257	-33.85
Total	28.02	32.671	-14.24
Source: NFSM			

Cotton Crop Arrival



All India Cotton Arrivals 2022-23	
This Week	5 Lakh Bales
Cumulative Arrival	273 Lakh Bales
Cotton Consumption	213 Lakh Bales
Exports	12.0 lakh Bales
Import	11.40 lakh Bales

Price Forecast for the coming week

Months	Past Week	Coming week
Price per quintal at Mehsana	7250	7200-7450

We expect prices to increase in the coming week as arrivals have started declining in the market. Daily arrival of cotton in India has declined to approximately 34,000 - 46,000 bales last week.

Cotton Stock Summary

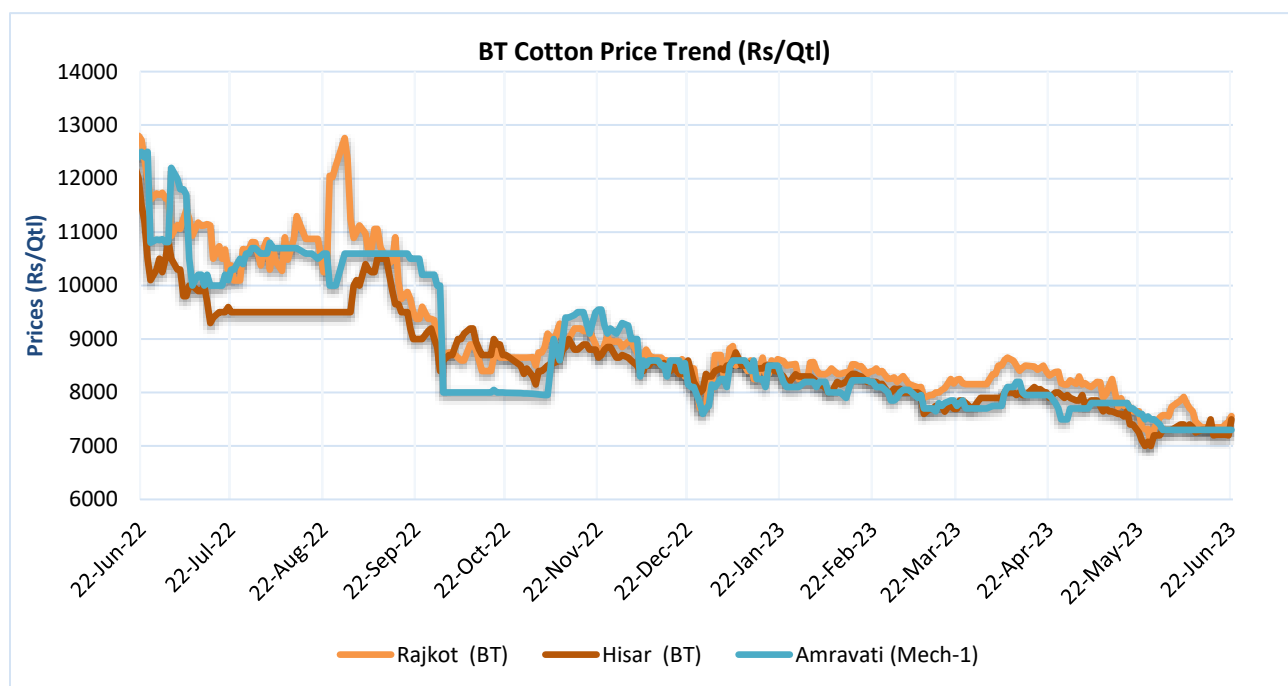
Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
47.00	37.00	84.00

Unit: Lakh Bales

Domestic Cotton Prices Scenario

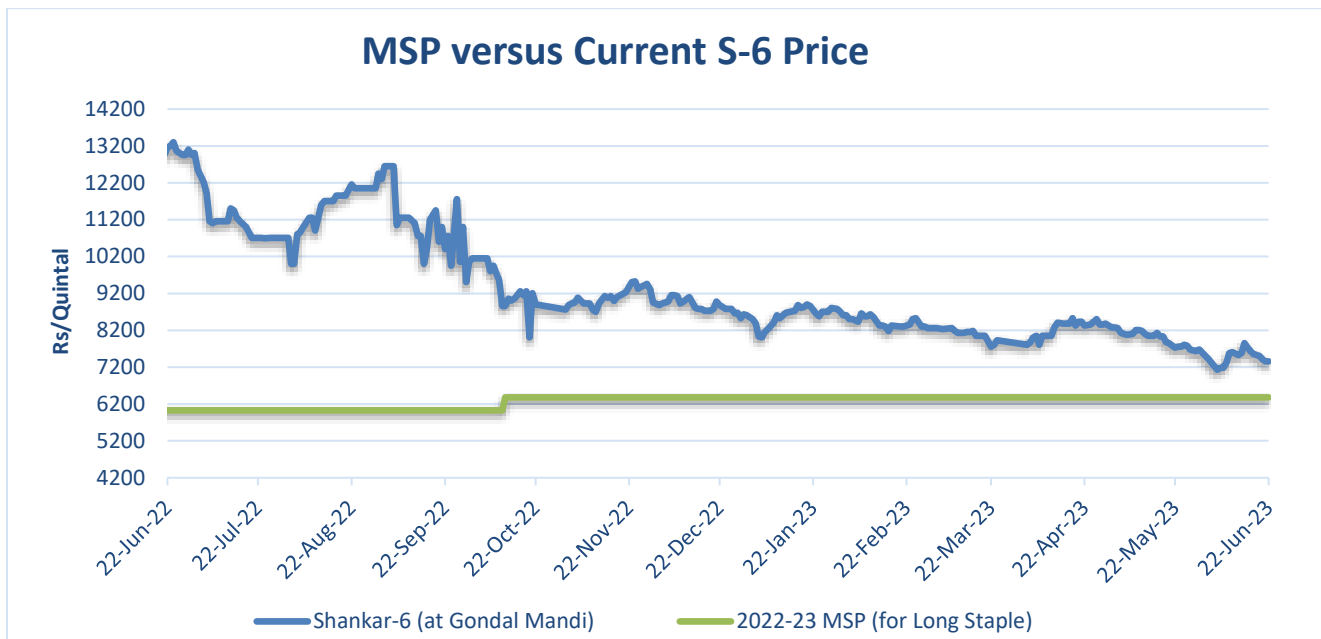
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly higher at Rs. 7,438/Qtl compared to the previous week's Rs. 7,350/Qtl. Cotton prices in Hisar too were at Rs. 7280 per quintal during the past week. Arrivals have comparatively decreased during the past week.



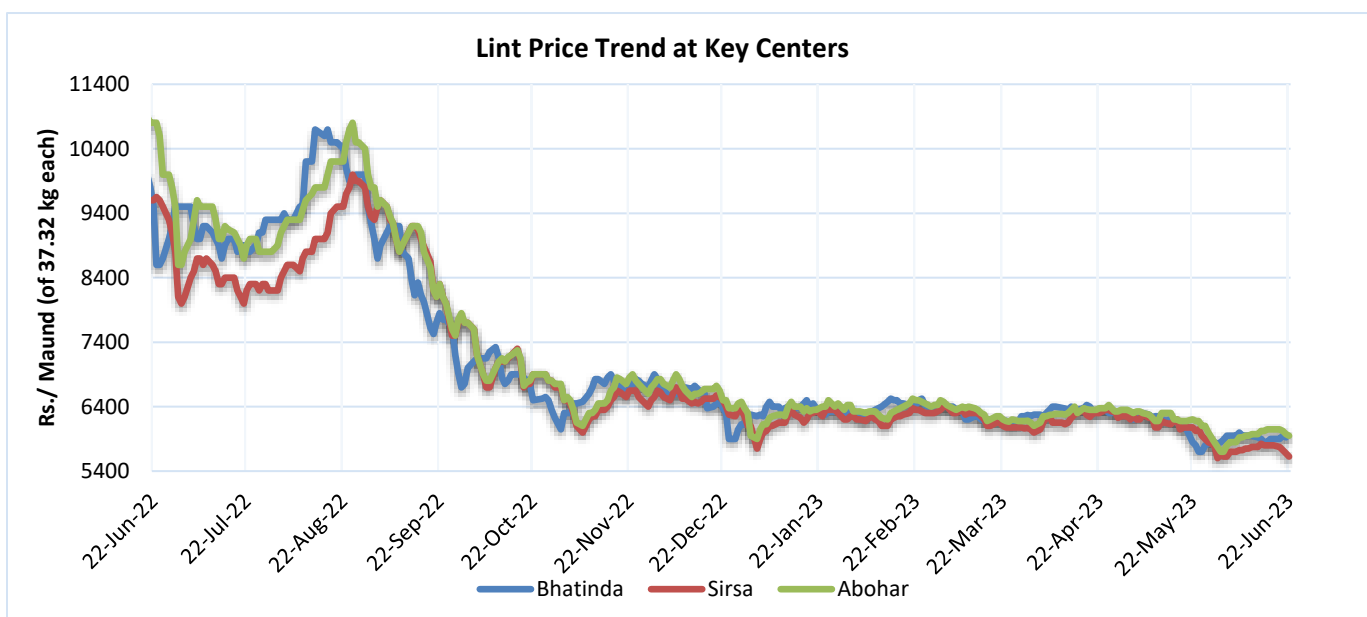
Spot Price Comparison

Cotton Shanker-6 at Gondal market was slightly higher at Rs.7,405 per quintal against the previous week price of Rs. 7,355 per quintal. The minimum support price of cotton for the 2022-23 season is at Rs. 6,380 per quintal.



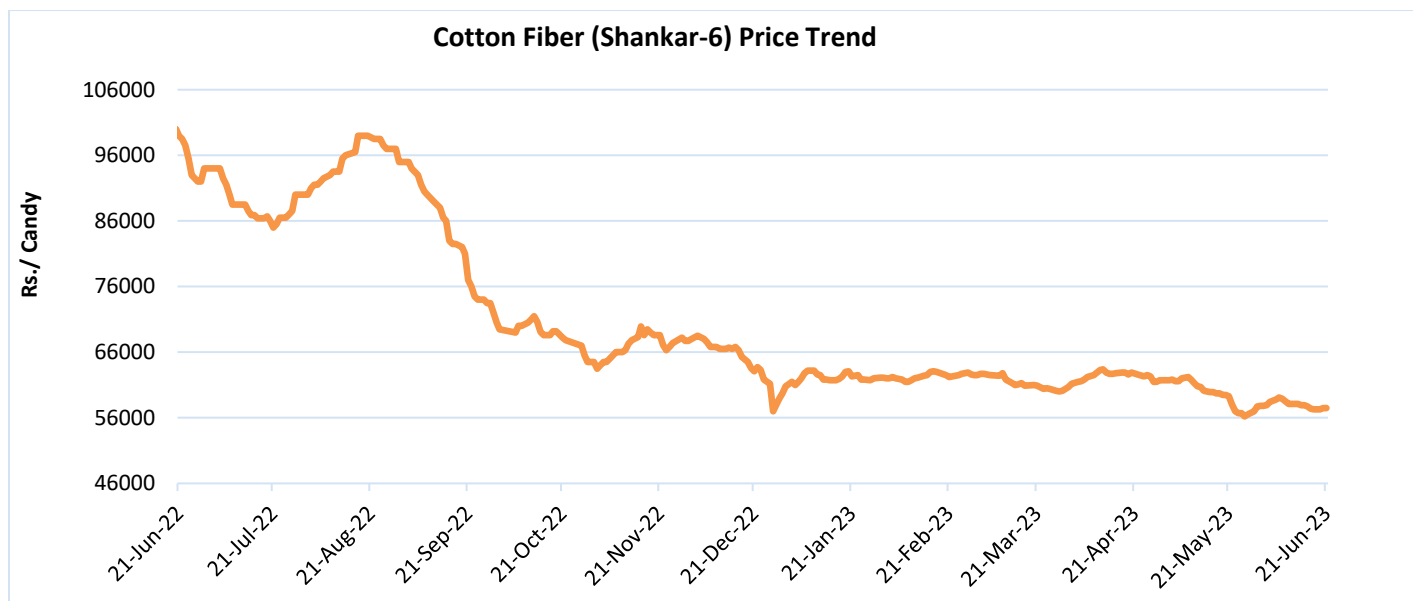
Lint price Outlook

The average price stood almost lower at Rs. 5975/maund slightly lower from the previous week in Abohar, in Bhatinda prices were lower at Rs. 5918/maund, and in Sirsa were at Rs. 5650/maund from Rs. 5720/maund previous week.



Cotton Fiber Price Outlook

The average cotton fiber (Shankar-6) premium quality is currently at Rs.57,500/candy and is likely to move rangebound in the coming week as cotton arrivals have decreased in the market.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

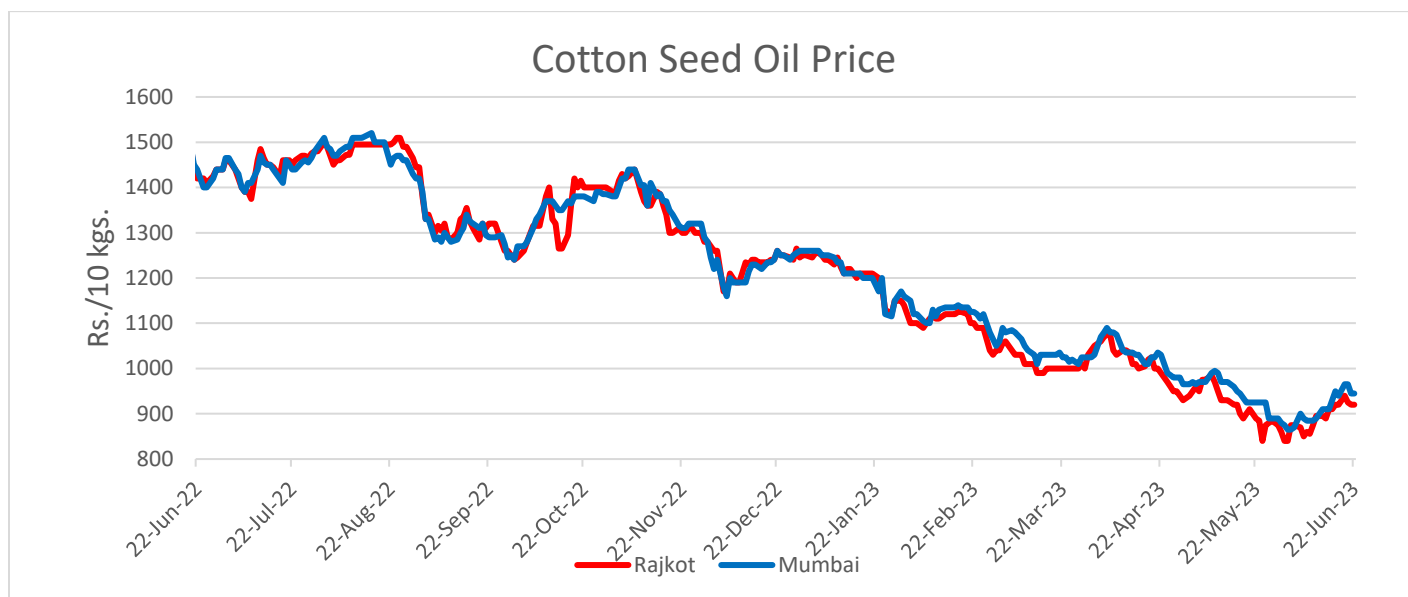
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a bullish trend across the major centers during the week ending on 21st June 2023 in tandem with all the edible oils. The demand during the past week has improved due to cyclone Biparjoy situation.

Centre	Weekly Average Price as on (Rs/10 kg.)		% Change
	22-Jun-23	16-Jun-23	
Rajkot	919	903	1.79
Mumbai	948	917	3.42

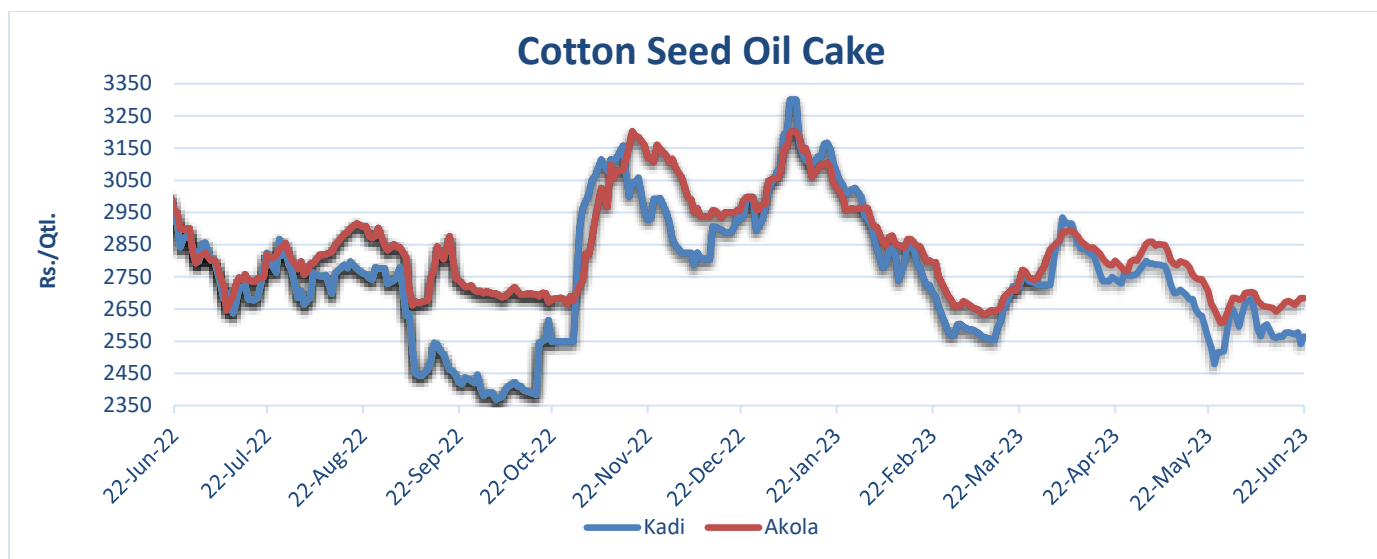
Source: Agriwatch



Cotton Seed Oil Cake Weekly Price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased due to weak demand as compared to the previous week. Prices in Kadi were at Rs. 2568 per quintal from Rs. 2572 per quintal and in Akola prices were at Rs. 2675 per quintal from Rs. 2656 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	22-Jul-23	16-Jul-23	
Kadi	2568	2572	-0.15
Akola	2675	2656	0.73



Source: Agriwatch

NCDEX Cottonseed oilcake

Expiry Date	16.06.23	23.06.23	Change
Jul	2590	2522	-68
Aug	2624	2557	-67

International Market Scenario

- The USDA's crop progress report for the week ending on 18th June '23 indicates that 89% of the cotton crop was planted which was 81% in the previous week and 95% in the previous year. Cotton squaring stands at 19% which was 11% in the previous season. Around 41% of the crops are in good condition as compared to previous week 33%, while around 13% of the crop is in poor condition.
- According to the Brazilian Cotton Growers Association, cotton trade between China and Brazil is expected to be handled in yuan, in the near future. In the upcoming years, Brazilian cotton exports to China are anticipated to surpass those of the United States.
- China imported 382,000 tonnes of cotton in the first four months.

USDA Balance Sheet

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,299	32,486	31,724
Yield	774	775	798
Opening Stock	98,234	86,217	86,159
Production	1,11,273	1,15,780	1,16,315
Imports	48,561	42,620	37,132
Exports	48,872	42,998	37,783
Domestic Consumption	1,23,118	1,15,899	1,09,093
Ending Stock	86,217	86,159	92,887

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

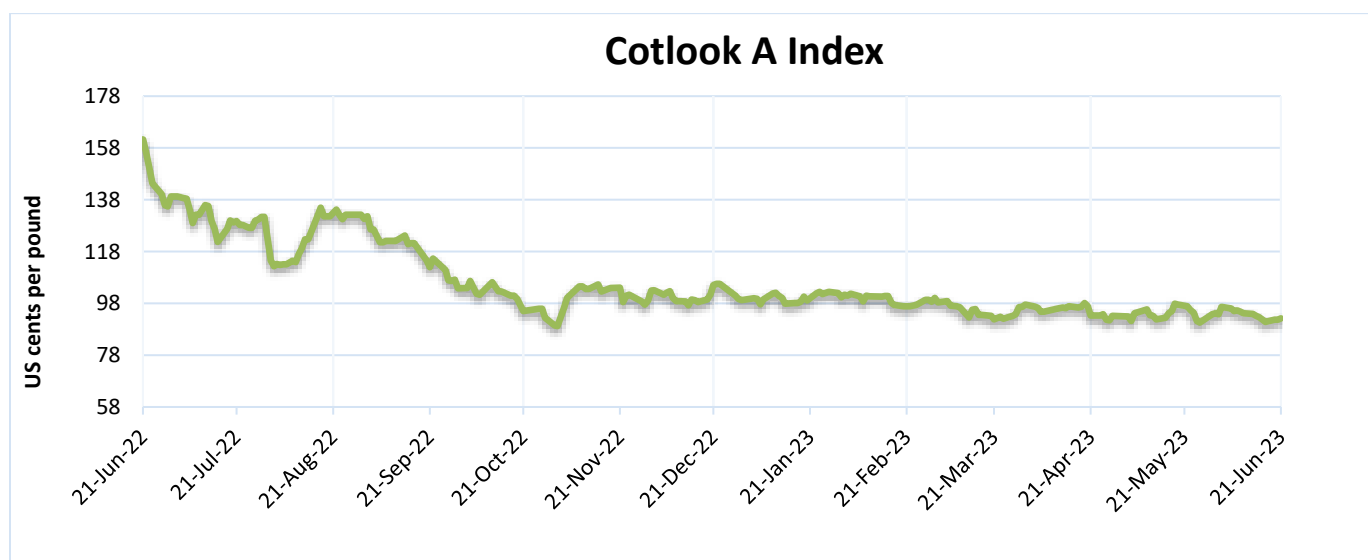
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was slightly lower this week at 91.63 cents/lb lower by 1.65% as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	21-Jun-23	15-Jun-23	
Prices	91.63	93.17	-1.65
Prices in US cents per Pound			

Source: Cotlook

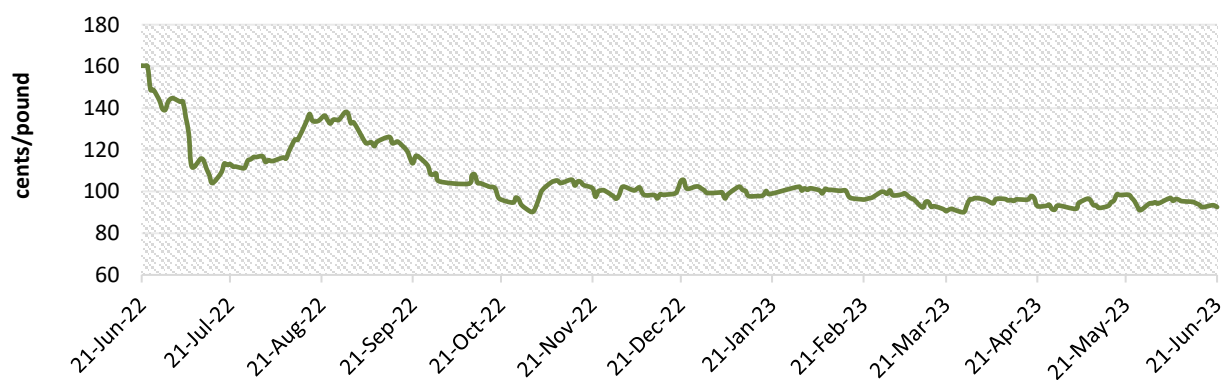


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	21-Jun-23	16-Jun-23	
FC (S)	95.07	96.11	-1.09
FC (M)	93.07	94.08	-1.08
FC (L)	92.07	93.08	-1.08
Prices in US cents per Pound			

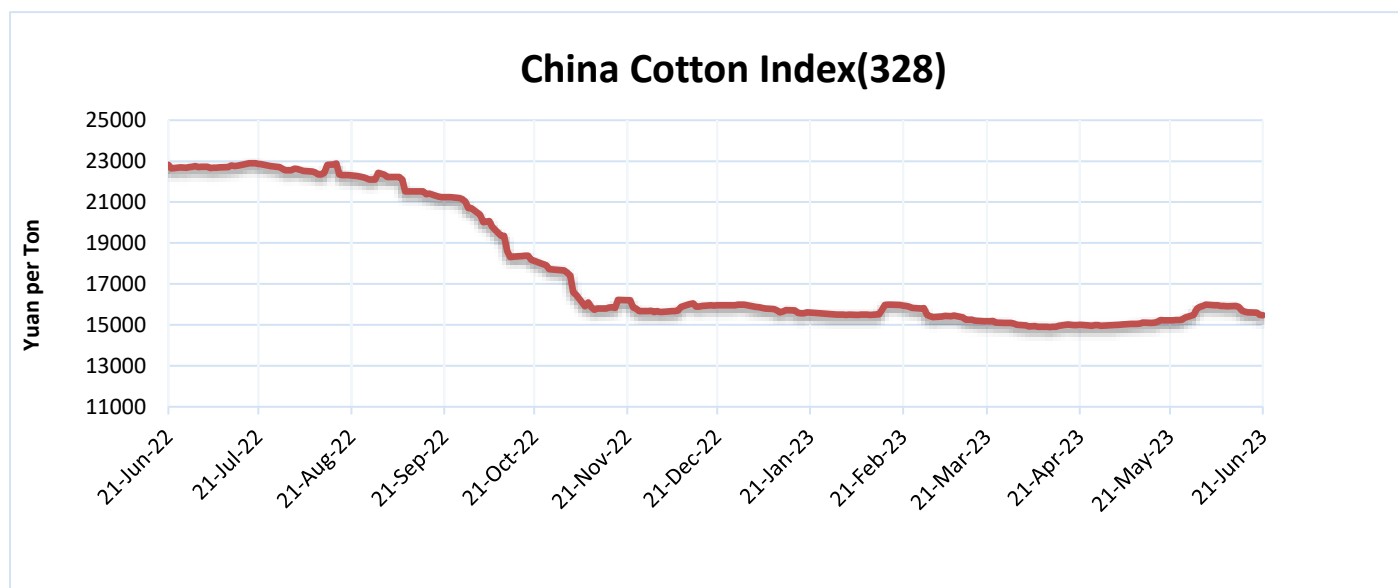
Source: China Cotton Association

FC Index (M)



Cotton Index	Weekly Average Price as on		% Change
	21-Jun-23	16-Jun-23	
CCIndex(328)	17486.40	17480.00	0.04
CCIndex(527)	16117.60	16104.20	0.08
CCIndex(229)	17697.00	17705.60	-0.05
Prices in Yuan per ton			

Source: China Cotton Association

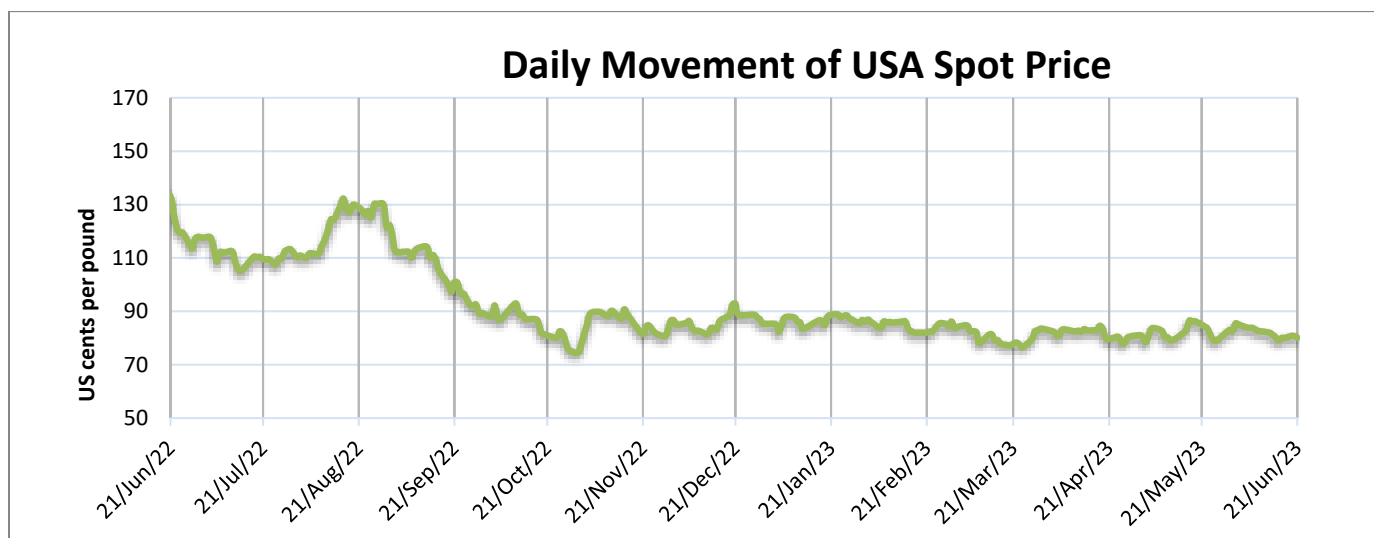


USA Spot Prices

U.S.A spot prices was at 80.34 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	21-Jun-23	15-Jun-23	
Prices	80.34	81.04	-0.87
Prices in US cents per Pound			

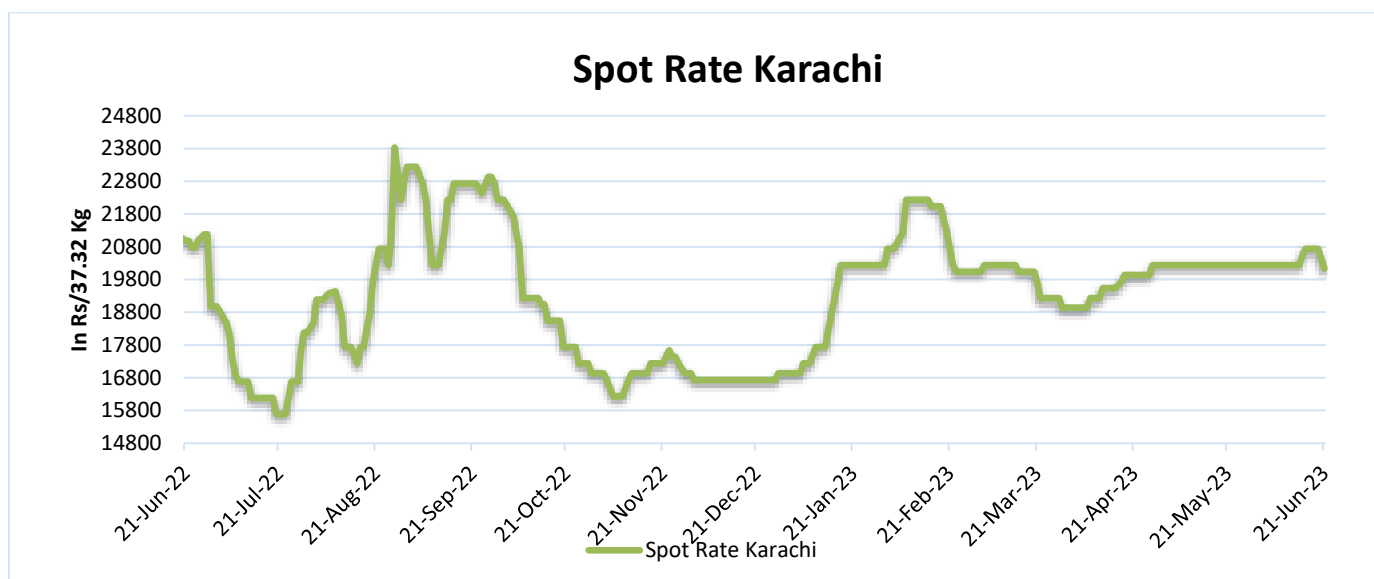
Source: USDA



Pakistan Spot Prices

The Karachi spot price traded lower and were at Rs. 19760/q from the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	21-Jun-23	15-Jun-23	
Prices	19760	20660	-4.36
Prices in Rs per 37.32 Kg			



Commodity: Cotton seed oilcake
Exchange: MCX
Contract: July
Expiry: Jul 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	Jul	2412	2462	2528	2688	2703
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Jul	Wait	2538	2503	2478	2559

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



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

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	80-82

Expected Support and Resistance

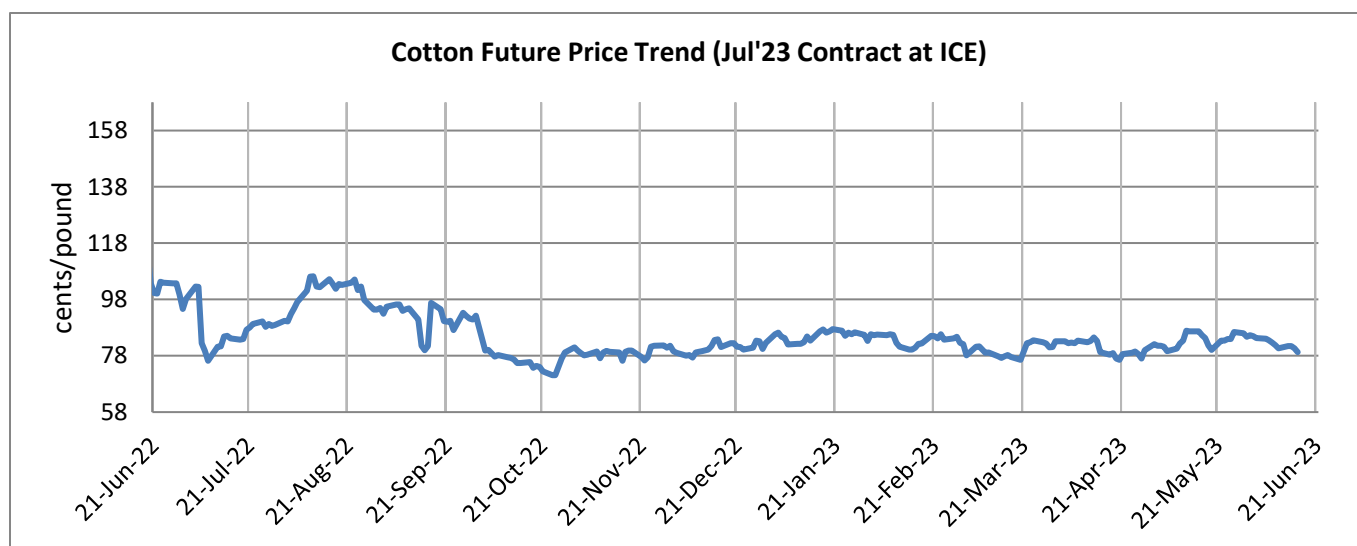
Support 1	Support 2	Resistance 1	Resistance 2
76.40	78.35	80.20	82.50

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	21-Jun-23	22-May-23	23-Mar-22	23-Dec-22	21-Jun-22	% Change over a month	% Change over previous year
Jul-23	79.31	85.32	78.19	84.91	143.51	-7.04	-44.74
Oct-23	82.11	84.32	79.26	82.96	120.66	-2.62	-31.95
Dec-23	80.52	83.38	79.26	82.52	113.85	-3.43	-29.28
Mar-24	80.70	83.19	79.03	85.21	109.67	-2.99	-26.42
May-24	80.87	82.86	77.58	85.18	107.01	-2.40	-24.43

Future Price Trend (Active Contract):



Cotton Yarn

- As per the market sources, North Indian cotton yarn market witnessed stable demand and pricing during the past week.
- Prices for cotton yarn have remained unchanged in the Ludhiana, Delhi, and Panipat markets.

Cotton Domestic Weekly Price:

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	19th Jun'23 to 24th June'23	12th Jun'23 to 17th June'23	
Gujarat	Ahmedabad	Shankar-6	7425	7500	-75
	Gondal	Shankar-6	7393	7355	38
	Rajkot	B.T. Cotton	7441	7400	41
	Patan	B.T. Cotton	7362	7490	-128
	Kadi	B.T. Cotton	7100	7250	-150
	Deesa	B.T. Cotton	1130	-	-
	Dhrol	B.T. Cotton	7056	-	-
Haryana	Bhiwani	B.T. Cotton	7283	7326	-43
	Adampur	B.T. Cotton	7269	7292	-23
	Fatehabad	B.T. Cotton	7085	7138	-53
Rajasthan	Hanumangarh	B.T. Cotton	7540	7550	-10
	Rawatsar	B.T. Cotton	7325	5970	1355
Madhya Pradesh	Khandwa	Mech-1	-	-	-
	Khargaon	Mech-1	7224	7325	-101
Telangana	Adilabad	Un-Ginned	6165	6820	-656
Andhra Pradesh	Adoni	Un-Ginned	7194	7239.8	-46
Karnataka	Bijapur	Bunny	7501	7623	-121
	Raichur	H-44 Cotton	7250	7171	79
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	19th Jun'23 to 24th June'23	12th Jun'23 to 17th June'23	
Punjab	Bhatinda	J-34	5921	5896	25
	Abohar	J-34	5967	6004	-38
Haryana	Sirsa	J-34	5638	5708	-71
Rajasthan	Sri-Ganganagar	J-34	5640	5687	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas	Weekly Sum Arrivals (Quintal)	Change
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State	Centre	Variety	19th Jun'23 to 24th June'23	12th Jun'23 to 17th June'23	
Gujarat	Ahmedabad	Shankar-6	42500	34000	8500
	Gondal	Shankar-6	6980	6875	105
	Rajkot	B.T. Cotton	1616	600	1016
	Patan	B.T. Cotton	1281	1172	109
	Kadi	B.T. Cotton	10333	15000	-4667
	Dhrol	B.T. Cotton	44	-	-
Haryana	Bhiwani	B.T. Cotton	283	426	-143
	Adampur	B.T. Cotton	490	374	116
	Fatehabad	B.T. Cotton	45	25	20
Rajasthan	Hanumangarh	B.T. Cotton	-	280	-
	Rawatsar	B.T. Cotton	-	280	-
Madhya Pradesh	Khandwa	Mech-1	-	-	-
	Khargaon	Mech-1	1560	2621	-1061
Telangana	Adilabad	Un-Ginned	210	749	-539
Andhra Pradesh	Adoni	Un-Ginned	930	884	46
Karnataka	Bijapur	Bunny	1182	2226	-1043
	Raichur	H-44 Cotton	7	8	-1
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	19th Jun'23 to 24th June'23	12th Jun'23 to 17th June'23	
Punjab	Bhatinda	J-34	-	-	-
	Abohar	J-34	74	59	15
Haryana	Sirsa	J-34	68	85	-17

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	23-Jun-23	16-Jun-23	24-May-23	23-Jun-22
Gujarat	Ahmedabad	Shankar-6	7400	-	7050	12500
	Gondal	Shankar-6	7355	-	7130	12555
	Rajkot	B.T. Cotton	7450	-	7310	12370
	Patan	B.T. Cotton	7340	-	7235	0

	Kadi	B.T. Cotton	7100	7250	7250	0
	Deesa	B.T. Cotton	NA	-	1015	1800
	Dhrol	B.T. Cotton	NA	-	6850	10000
Haryana	Bhiwani	B.T. Cotton	7400	-	7100	0
	Bhiwani	Desi	NA	-	0	0
	Adampur	B.T. Cotton	7250	7200	7000	11200
	Fatehabad	B.T. Cotton	7140	7150	0	0
Rajasthan	Hanumangarh	B.T. Cotton	7700	7500	7100	0
	Rawatsar	B.T. Cotton	7350	0	7000	0
Madhya Pradesh	Khandwa	Mech-1	NA	0	7200	0
	Khargaon	Mech-1	7200	7285	0	0
Telangana	Adilabad	Un-Ginned	NA	6750	6680	0
Andhra Pradesh	Adoni	Un-Ginned	7155	0	7069	12229
Karnataka	Bijapur	Bunny	NR	7448	7562	11629
	Raichur	H-44 Cotton	7100	7100	7100	12500
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	23-Jun-23	16-Jun-23	24-May-23	23-Jun-22
Punjab	Bhatinda	J-34	5925	5850	5800	9500
	Abohar	J-34	5975	5950	5775	9500
Haryana	Sirsa	J-34	5650	5625	5600	8800
Rajasthan	Sri-Ganganagar	J-34	5640	0	5640	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	23-Jun-23	16-Jun-23	24-May-23	23-Jun-22
Gujarat	Ahmedabad	Shankar-6	42500	0	51000	3400
	Gondal	Shankar-6	7000	0	6750	9500
	Rajkot	B.T. Cotton	2200	0	1400	680
	Patan	B.T. Cotton	1950	0	3035	0
	Kadi	B.T. Cotton	10000	15000	15000	0
	Dhrol	B.T. Cotton	NA	0	39	2
Haryana	Bhiwani	B.T. Cotton	300	0	600	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	340	374	340	510

	Fatehabad	B.T. Cotton	100	50	0	0
Rajasthan	Hanumangarh	B.T. Cotton	NA	0	500	0
	Rawatsar	B.T. Cotton	NA	0	500	0
Madhya Pradesh	Khandwa	Mech-1	NA	0	1500	0
	Khargaon	Mech-1	800	2500	0	0
Maharashtra	Amravati	Mech-1	NA	NA	NA	4000
	Jamner	Medium Staple	NA	NA	NA	24
Telangana	Adilabad	Un-Ginned	NA	1233	20880	0
Andhra Pradesh	Adoni	Un-Ginned	1280	0	2029	225
Karnataka	Bijapur	Bunny	NR	1395	1873	83
	Raichur	H-44 Cotton	9	7	9	3
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	23-Jun-23	16-Jun-23	24-May-23	23-Jun-22
Punjab	Bhatinda	J-34	NA	0	0	0
	Abohar	J-34	51	85	170	0
	Mansa	J-34	NA	0	0	0
Haryana	Sirsa	J-34	85	43	85	0

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				19th Jun'23 to 24th June'23	12th Jun'23 to 17th June'23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62750	64080	-1330
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	63250	64580	-1330
J-34(202)	26mm	3.5 - 4.9	23	53650	54920	-1270
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	55250	55620	-370
Shankar-6(105)	29mm	3.5 - 4.9	28	57117	57640	-523
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	58150	58580	-430
DCH-32(107)	34mm	3.0 - 3.8	33	71333	71761	-428

Cottonseed and oilcake Prices:

Cotton Seed & Oil Cake Weekly

Cotton Seed Oil Cake Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	19th Jun'23 to 24th Jun'23	12th Jun'23 to 17th Jun'23	
Punjab	Bhatinda (Pakki)	3300	3358	-58
Punjab	Ludiana	3710	3725	-15
Haryana	Sirsa	2980	3005	-25
Haryana	Hisar	3000	3025	-25
Rajasthan	Hanumangarh	2900	2925	-25
Rajasthan	Vijaynagar	2950	2975	-25
Madhya Pradesh	Indore	3005	3025	-20
Madhya Pradesh	Khargone	2930	2950	-20
Maharastra	Wani	3055	3075	-20
Maharastra	Malkapur	2955	2975	-20
Telegana	Warangal	2800	2820	-20
Telegana	Adilabad	2800	2780	20
Karnatka	Dharwad	2800	2800	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2814	2831	-17

Cotton Seed Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	19th Jun'23 to 24th Jun'23	12th Jun'23 to 17th Jun'23	
Punjab	Mansa	3183	3208	-25
Punjab	Bhatinda	3150	3175	-25
Haryana	Adampur	3255	3271	-16
Haryana	Charkhi Dadari	3105	3138	-33
Rajasthan	Hanumangarh	3300	3325	-25
Rajasthan	Bikaner	3350	3375	-25
Madhya Pradesh	Sendhwa	2829	2846	-17
Madhya Pradesh	Barwaha	2929	2917	13
Maharastra	Malkapur	2980	2972	8
Maharastra	Akot	3113	3072	42
Telegana	Madnoor	3070	2950	120
Telegana	Jangaon	2954	2900	54

Karnatka	Bijapur	2737	2793	-57
Karnatka	Hubli	2737	2793	-57
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2883	2767	117
Gujarat	Kadi	2838	2800	38

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