

COTTON WEEKLY RESEARCH REPORT

03rd Jul 2023

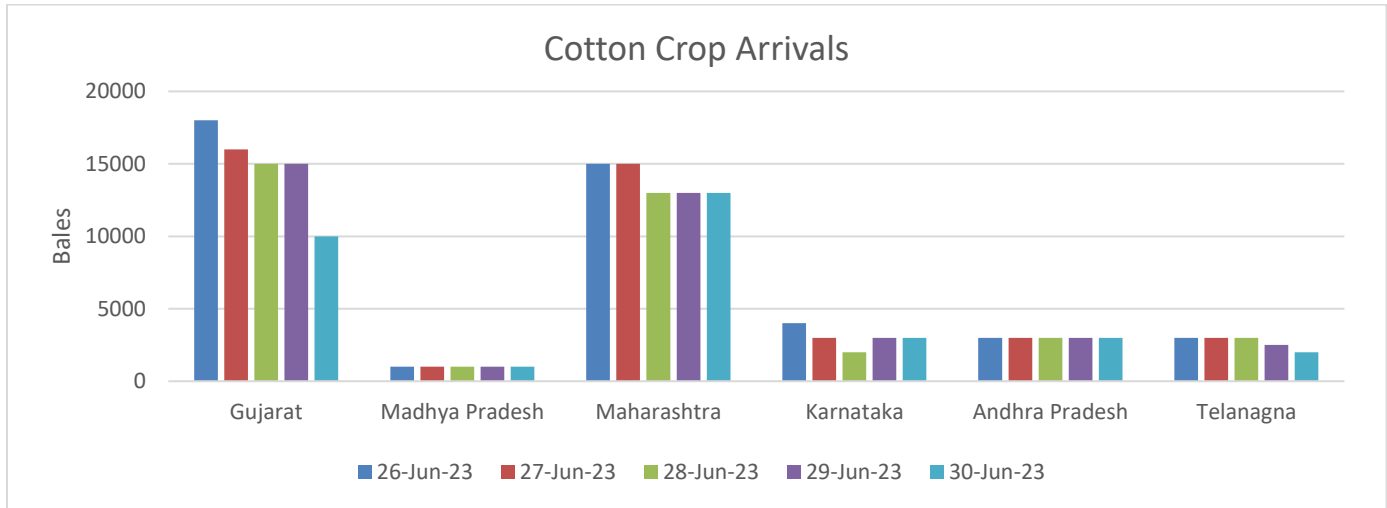
Domestic market summary
Major Market Highlights:

- Cotton sowing progress has been progressing for the 2023-24 season as the SW Monsoon reached parts of northern and central India during the past week.
- Arrivals in Gujarat have resumed after the cyclone and currently around 20,000 bales per day of cotton is being reported. However, overall acreage is not likely to increase much in Gujarat as groundnut prices were comparatively higher during the last season. Therefore, farmers may shift to groundnut in the coming 2023-24 season.

Sowing Update:

State	Cotton Sowing progress as on 30th June'23		
	(Lakh Ha)		% Change
	2023	2022	
Andhra. Pradesh	0.37	0.6	-38.33
Gujarat	13.07	10.85	20.46
Haryana	6.54	6.5	0.62
Karnataka	0.79	2.88	-72.57
Madhya. Pradesh	3.29	1.32	149.20
Maharashtra	2.42	9.31	-74.01
Punjab	1.7	2.48	-31.45
Rajasthan	7.06	5.56	26.98
Tamil. Nādu	0.067	0.065	3.08
Telangana.	4.96	6.91	-28.22
Uttar. Pradesh	0.17	0.25	-32.00
Total	40.49	47.03	-13.91
Source: NFSM			

Cotton Crop Arrival



All India Cotton Arrivals 2022-23	
This Week	4 Lakh Bales
Cumulative Arrival	277 Lakh Bales
Cotton Consumption	215 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 Rajkot	7325	7200-7350

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 30,000 - 32,000 bales last week.

Cotton Stock Summary

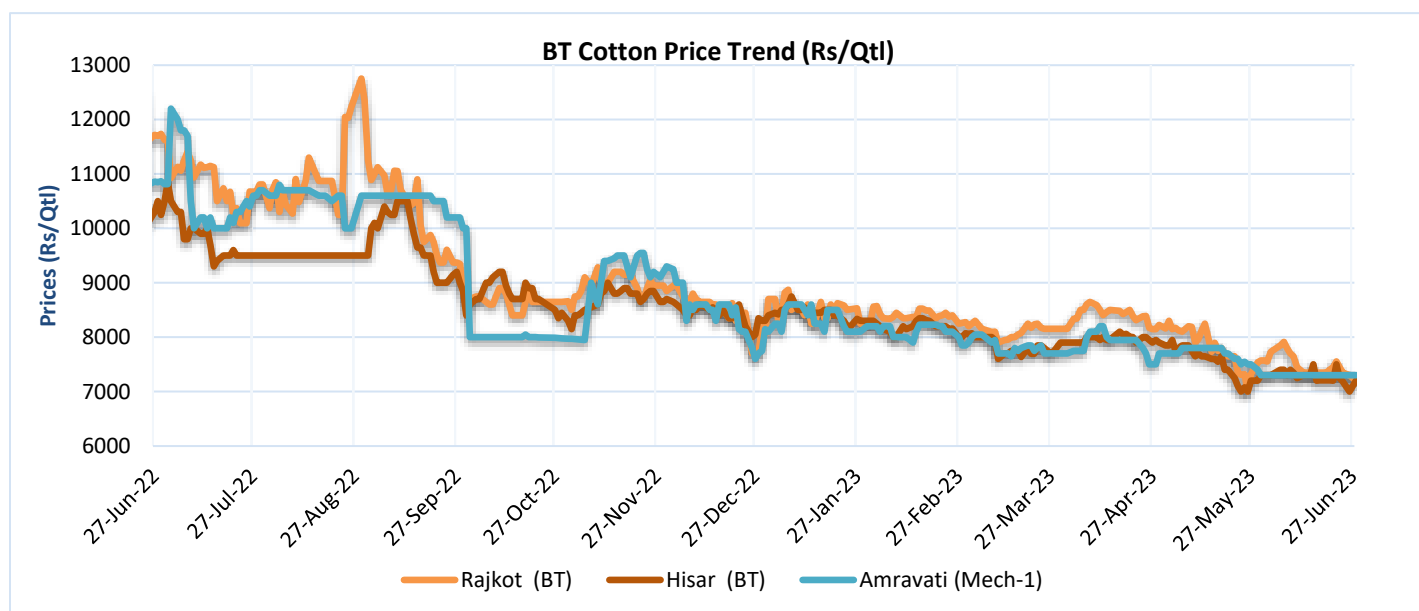
Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
45.00	36.00	81.00

Unit: Lakh Bales

Domestic Cotton Prices Scenario

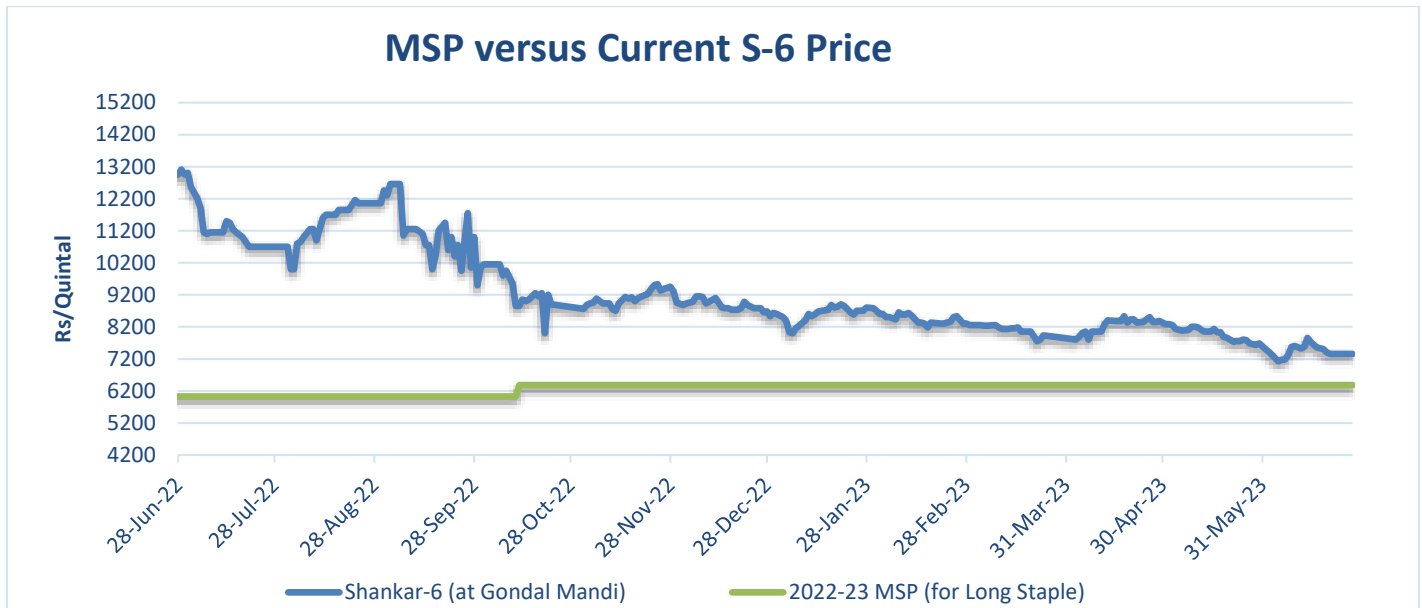
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly lower at Rs. 7,250/Qtl compared to the previous week's Rs. 7,438/Qtl. Cotton prices in Hisar too were at Rs. 7100 per quintal during the past week.



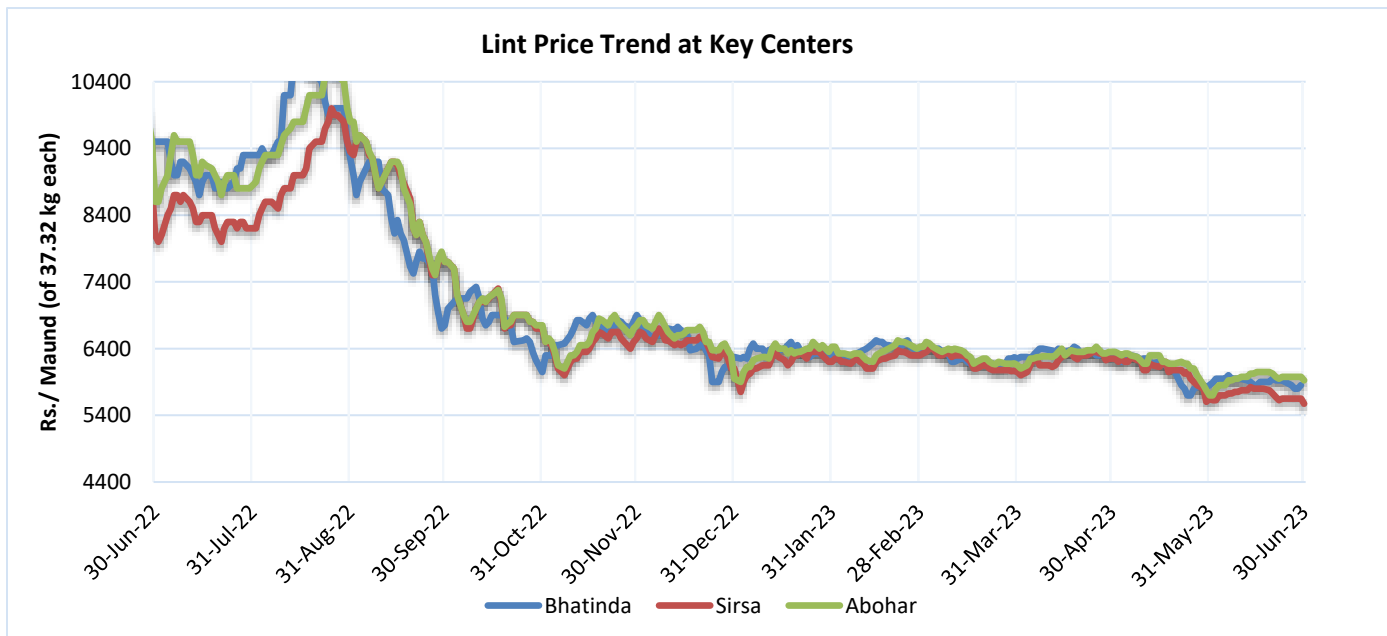
Spot Price Comparison

Cotton Shanker-6 at Gondal market was slightly higher at Rs.7,146 per quintal against the previous week price of Rs. 7,405 per quintal. The minimum support price of cotton for the 2022-23 season is at Rs. 6,380 per quintal.



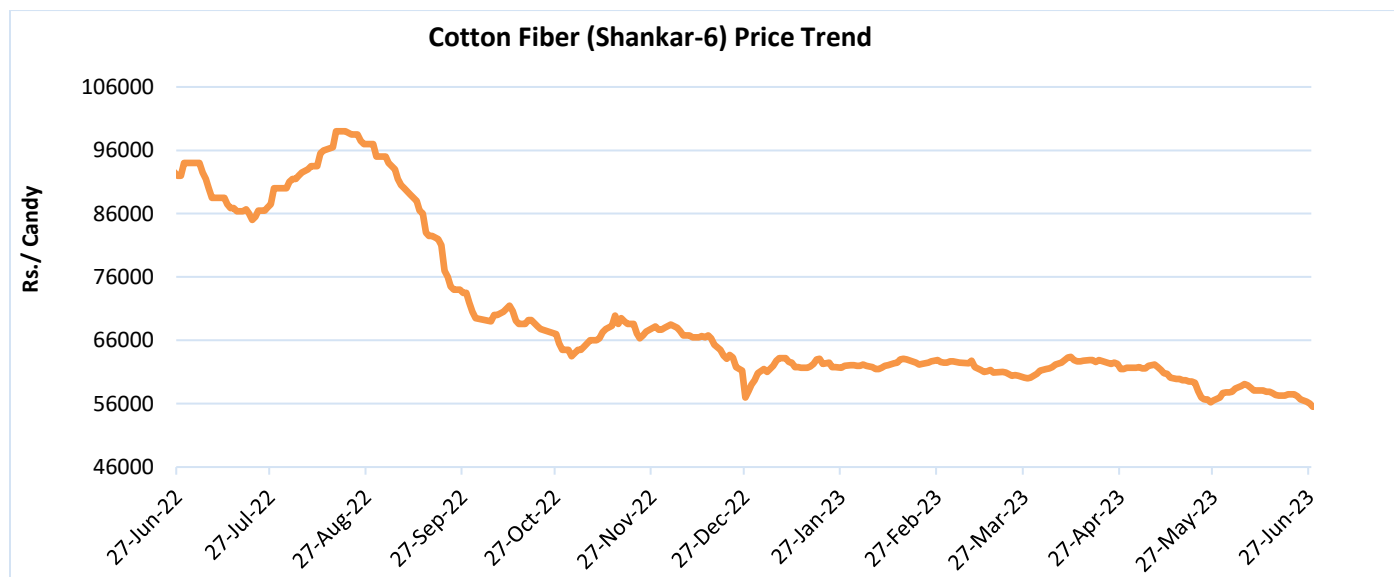
Lint price Outlook

The average price stood lower at Rs. 5835/maund slightly lower from the previous week in Abohar, in Bhatinda prices were lower at Rs. 5840/maund, and in Sirsa were at Rs. 5490/maund from Rs. 5650/maund previous week.



Cotton Fiber Price Outlook

The average cotton fiber (Shankar-6) premium quality is currently at Rs.55,666/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

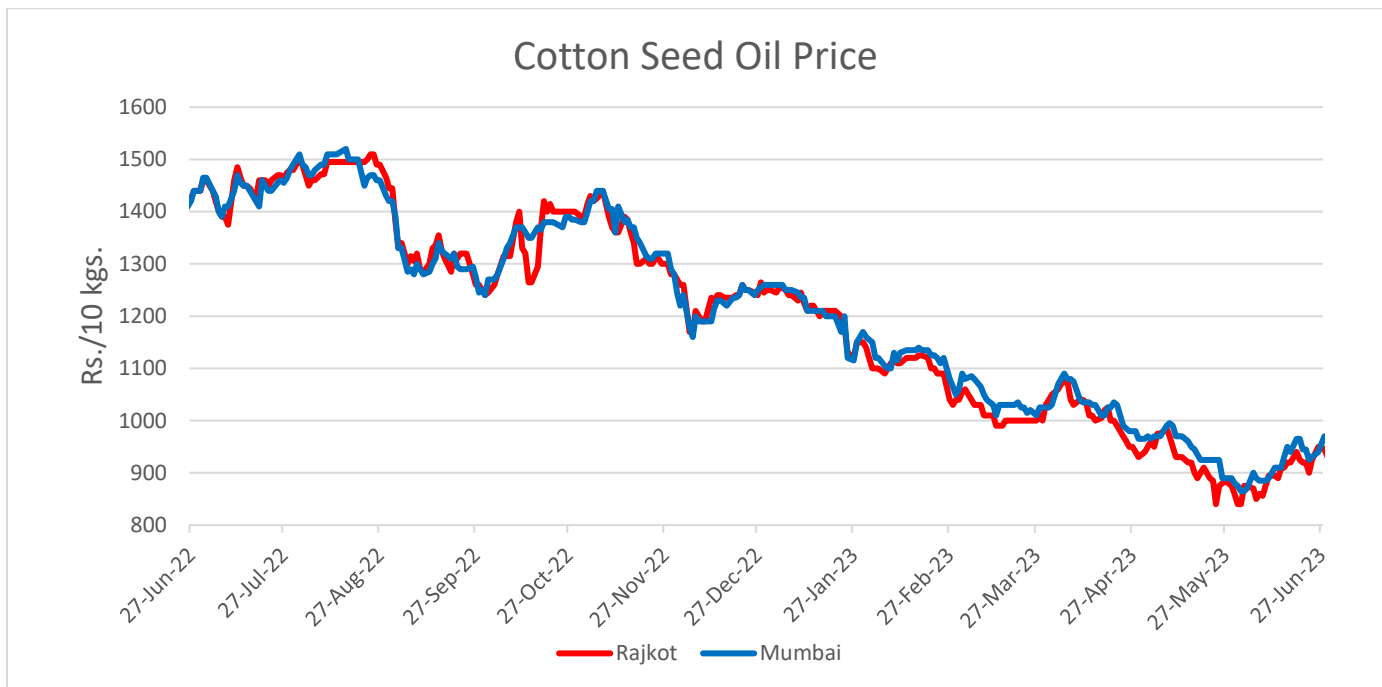
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a mixed trend across the major centers during the week ending on 29th June 2023 in tandem with all the edible oils.

Centre	Weekly Average Price as on (Rs/10 kg.)		% Change
	29-Jun-23	25-Jun-23	
Rajkot	933	924	1.01
Mumbai	948	952	-0.39

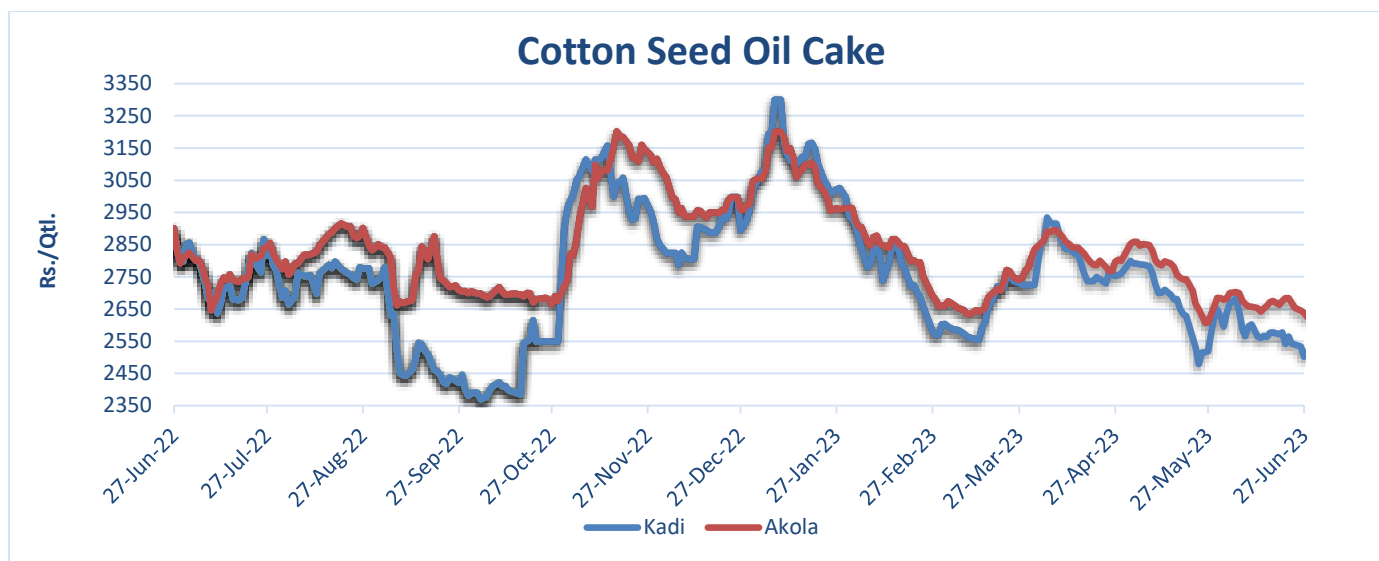
Source: Agriwatch



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. 2527 per quintal from Rs. 2568 per quintal and in Akola prices were at Rs. 2643 per quintal from Rs. 2675 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	29-Jul-23	24-Jul-23	
Kadi	2527	2568	-1.62
Akola	2643	2675	-1.19



Source: Agriwatch

NCDEX Cottonseed oilcake

Expiry Date	30.06.23	23.06.23	Change
Jul	2518	2522	-4
Aug	2543	2557	-14

International Market Scenario

- Pakistan cotton market remained stable and volumes traded low.. The rate of new cotton crop in Sindh is between Rs 17,500 to Rs 17,800 per head. The rate of footi in Sindh is between Rs 7,000 to Rs 8,000 per 40 kg. The spot rate remained unchanged at Rs 17,500 per head. Polyester fiber was available at Rs 355 per kg.
- The USDA's crop progress report for the week ending on 25th June '23 indicates that 95% of the cotton crop was planted which was 89% in previous week and 99% in previous year. Cotton squaring stands at 28% which was 19% in the previous season. Around 43% of the crops are in good condition as compared to previous week 33%, around 12% of the crop is in poor condition.

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 at 90.36 cents/lb lower by 1.39% as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	28-Jun-23	21-Jun-23	
Prices	90.36	91.63	-1.39
Prices in US cents per Pound			

Source: Cotlook

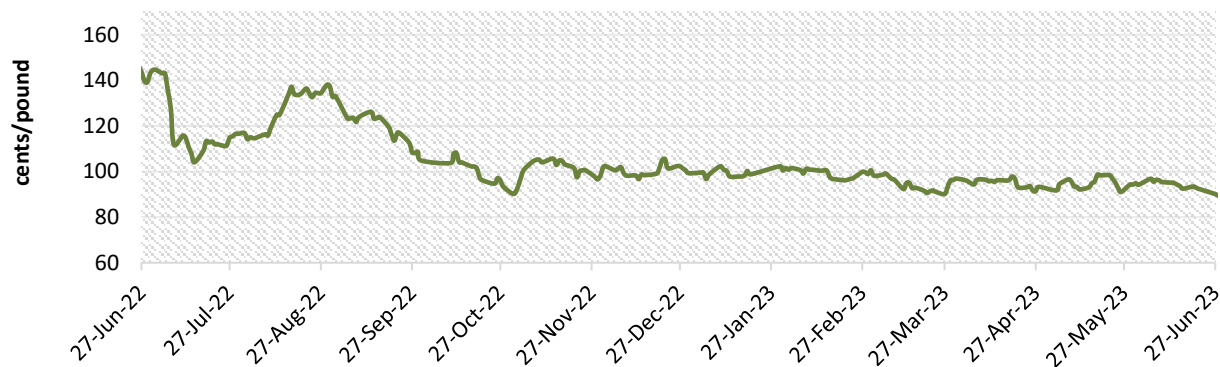


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	27-Jun-23	21-Jun-23	
FC (S)	91.94	95.07	-3.29
FC (M)	89.74	93.07	-3.58
FC (L)	88.72	92.07	-3.64
Prices in US cents per Pound			

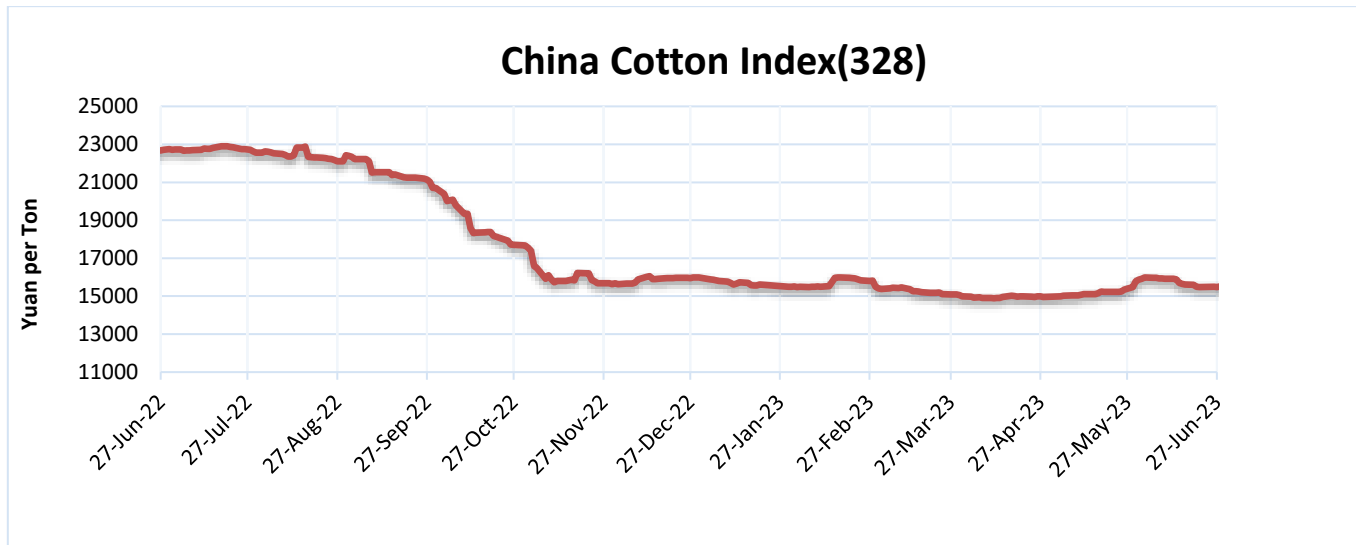
Source: China Cotton Association

FC Index (M)



Cotton Index	Weekly Average Price as on		% Change
	29-Jun-23	21-Jun-23	
CCIndex(328)	17331.25	17486.40	-0.89
CCIndex(527)	16042.60	16117.60	-0.47
CCIndex(229)	17584.00	17697.00	-0.64
Prices in Yuan per ton			

Source: China Cotton Association

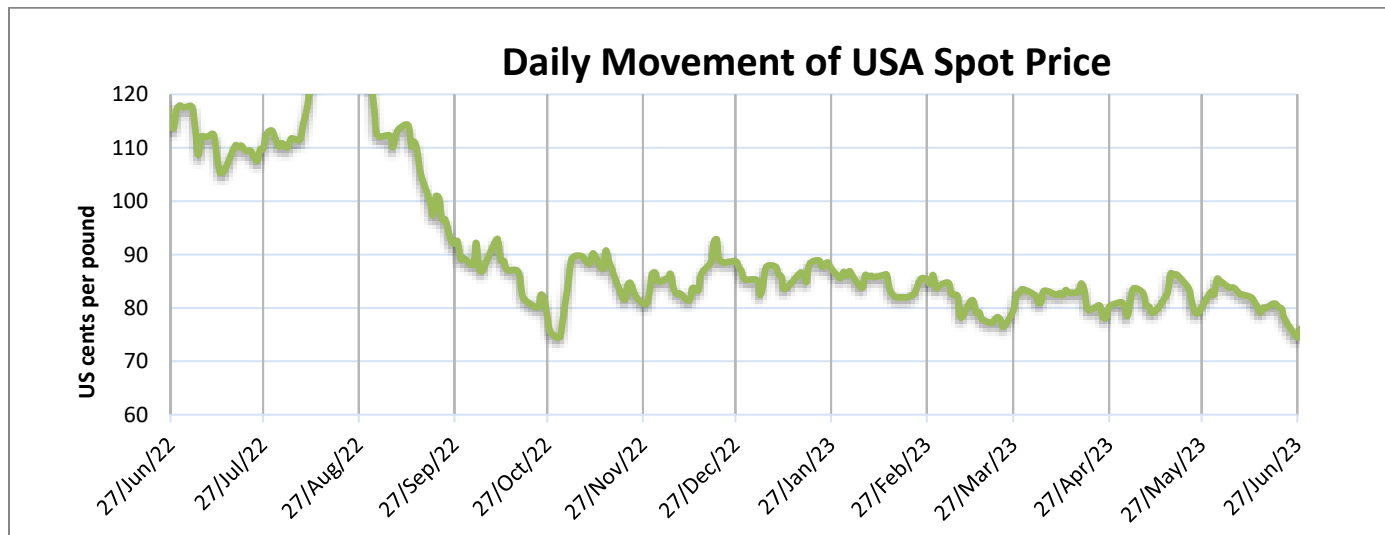


USA Spot Prices

U.S.A spot prices was at 77.66 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	28-Jun-23	21-Jun-23	
Prices	77.66	80.34	-3.33
Prices in US cents per Pound			

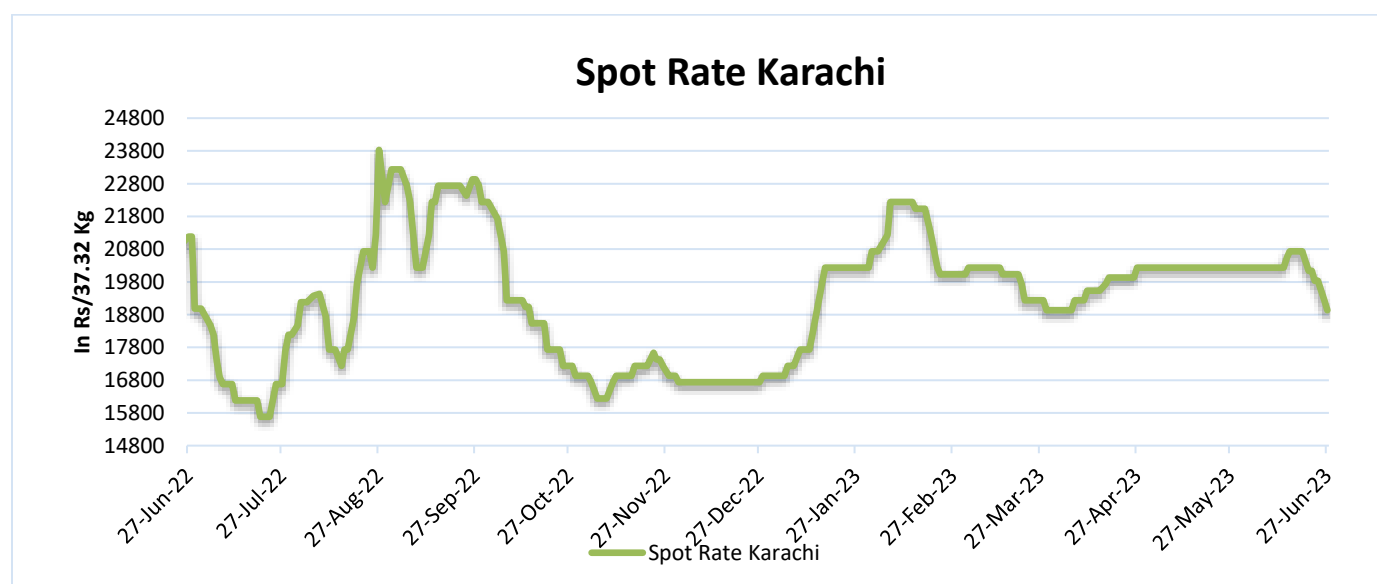
Source: USDA



Pakistan Spot Prices

The Karachi spot price traded lower and were at Rs. 17960/q from the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	27-Jun-23	21-Jun-23	
Prices	17960	19460	-7.71
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 conditions 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	2401	2451	2517	2677	2692
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Jul	Wait	2527	2492	2467	2548

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



- Total volume decreased & Open Interest slightly decreased compared to the previous week.
- We expect cotton prices to correct in the coming week.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	80-82

Expected Support and Resistance

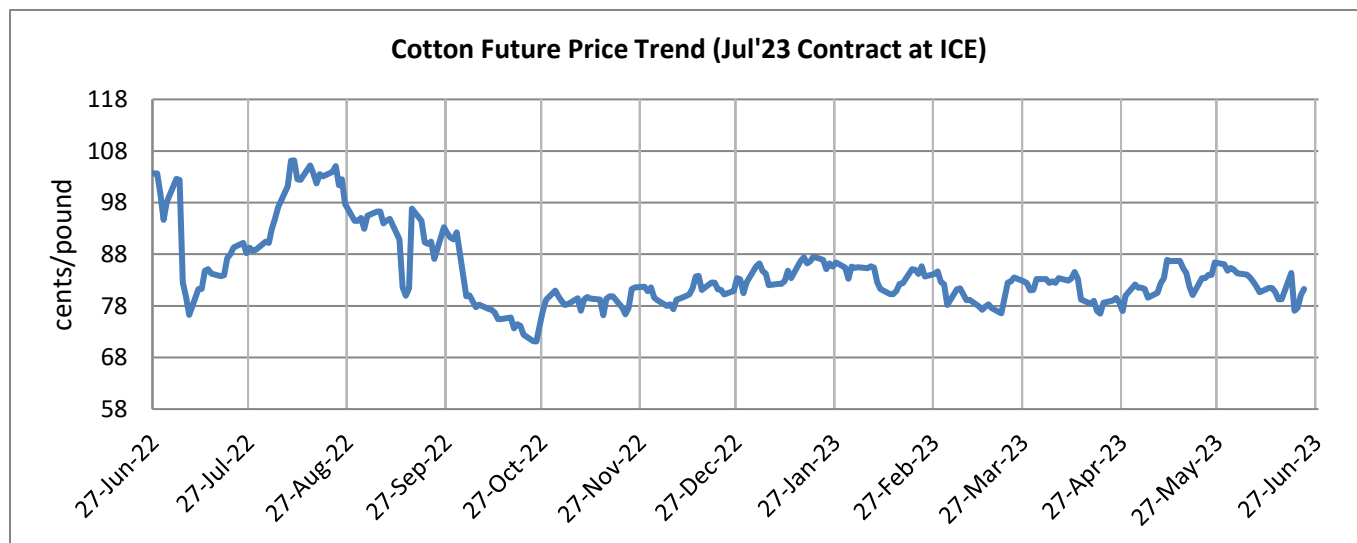
Support 1	Support 2	Resistance 1	Resistance 2
80.20	78.35	80.50	82.80

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	29-Jun-23	30-May-23	31-Mar-22	31-Dec-22	29-Jun-22	% Change over a month	% Change over previous year
Jul-23	81.25	83.99	83.10	83.38	104.28	-3.26	-22.08
Oct-23	79.21	80.91	83.36	80.74	104.98	-2.10	-24.55
Dec-23	79.03	80.21	83.42	80.88	97.48	-1.47	-18.93
Mar-24	79.04	80.22	83.20	83.37	93.40	-1.47	-15.37
May-24	79.19	80.32	82.78	83.45	91.02	-1.41	-13.00

Future Price Trend (Active Contract):



Cotton Yarn

- Cotton yarn prices remained steady in north India during the week. In Delhi market, 30 count combed yarn was traded at Rs. 260-265 per kg, 40 count combed at Rs.285-290 per kg, 30 count carded at Rs.232-237 per kg and 40 count carded at Rs.262-267 per kg.
- Recycled yarn and raw materials like cotton comber and recycled polyester fiber remained stable amid poor demand.

Cotton Domestic Weekly Price:

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	26th Jun'23 to 01st July'23	19th Jun'23 to 24th June'23	
Gujarat	Ahmedabad	Shankar-6	7135	7425	-290
	Gondal	Shankar-6	7150	7393	-243
	Rajkot	B.T. Cotton	7250	7441	-191
	Patan	B.T. Cotton	7131	7362	-231
	Kadi	B.T. Cotton	6988	7100	-113
	Deesa	B.T. Cotton	1062	1130	-68
	Dhrol	B.T. Cotton	6701	7056	-355
Haryana	Bhiwani	B.T. Cotton	7117	7283	-167
	Adampur	B.T. Cotton	7075	7269	-194
	Fatehabad	B.T. Cotton	6950	7085	-135
Rajasthan	Hanumangarh	B.T. Cotton	6967	7540	-573
	Rawatsar	B.T. Cotton	7080	7325	-245
Madhya Pradesh	Khandwa	Mech-1	-	-	-
	Khargaon	Mech-1	7100	7224	-124
Andhra Pradesh	Adoni	Un-Ginned	6587.75	7194	-606
Karnataka	Bijapur	Bunny	7154	7501	-347
	Raichur	H-44 Cotton	7055	7250	-195
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	26th Jun'23 to 01st July'23	19th Jun'23 to 24th June'23	
Punjab	Bhatinda	J-34	5850	5921	-71
	Abohar	J-34	5846	5967	-121
Haryana	Sirsa	J-34	5500	5638	-138
Rajasthan	Sri-Ganganagar	J-34	5531	5640	-110

Cotton Arrivals in Key Centers:

Commodity	Kapas	Weekly Sum Arrivals (Quintal)	Change
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State	Centre	Variety	26th Jun'23 to 01st July'23	19th Jun'23 to 24th June'23	
Gujarat	Ahmedabad	Shankar-6	25160	42500	-17340
	Gondal	Shankar-6	6996	6980	16
	Rajkot	B.T. Cotton	960	1616	-656
	Patan	B.T. Cotton	607	1281	-673
	Kadi	B.T. Cotton	6100	10333	-4233
	Dhrol	B.T. Cotton	44	44	0
Haryana	Bhiwani	B.T. Cotton	183	283	-100
	Adampur	B.T. Cotton	374	490	-116
	Fatehabad	B.T. Cotton	-	45	-
Rajasthan	Hanumangarh	B.T. Cotton	483	-	-
	Rawatsar	B.T. Cotton	483	-	-
Madhya Pradesh	Khandwa	Mech-1	-	-	-
	Khargaon	Mech-1	825	1560	-735
Telangana	Adilabad	Un-Ginned	-	210	-
Andhra Pradesh	Adoni	Un-Ginned	580	930	-351
Karnataka	Bijapur	Bunny	634	1182	-548
	Raichur	H-44 Cotton	6	7	-1
Commodity	Lint		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	26th Jun'23 to 01st July'23	19th Jun'23 to 24th June'23	Change
Punjab	Abohar	J-34	-	74	-
	Mansa	J-34	-	-	-
Haryana	Sirsa	J-34	170	68	102

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	30-Jun-23	23-Jun-23	31-May-23	30-Jun-22
Gujarat	Ahmedabad	Shankar-6	7125	7400	7550	0
	Gondal	Shankar-6	7055	7355	0	11555
	Rajkot	B.T. Cotton	7225	7450	0	11625
	Patan	B.T. Cotton	6900	7340	7755	0

	Kadi	B.T. Cotton	7000	7100	7125	0
	Deesa	B.T. Cotton	NA	NA	1000	1950
	Dhrol	B.T. Cotton	NA	NA	7190	10980
Haryana	Bhiwani	B.T. Cotton	7100	7400	7100	0
	Adampur	B.T. Cotton	7050	7250	7300	10500
	Fatehabad	B.T. Cotton	NA	7140	0	0
Rajasthan	Hanumangarh	B.T. Cotton	7000	7700	7100	0
	Rawatsar	B.T. Cotton	7000	7350	0	0
Madhya Pradesh	Khandwa	Mech-1	NA	-	-	-
	Khargaon	Mech-1	NA	7200	0	0
Maharashtra	Amravati	Mech-1	NA	0	7300	12800
	Jamner	Medium Staple	NA	0	7200	11400
Telangana	Adilabad	Un-Ginned	NA	0	6900	0
Andhra Pradesh	Adoni	Un-Ginned	NA	7155	7309	10966
Karnataka	Bijapur	Bunny	7000	0	7645	11108
	Raichur	H-44 Cotton	7000	7100	7200	11000
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	30-Jun-23	23-Jun-23	31-May-23	30-Jun-22
Punjab	Bhatinda	J-34	5850	5925	5825	9500
	Abohar	J-34	5800	5975	5925	9600
Haryana	Sirsa	J-34	5500	5650	5725	8700
Rajasthan	Sri-Ganganagar	J-34	5452	5640	5640	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	30-Jun-23	23-Jun-23	31-May-23	30-Jun-22
Gujarat	Ahmedabad	Shankar-6	37400	42500	34000	0
	Gondal	Shankar-6	7000	7000	0	9000
	Rajkot	B.T. Cotton	800	2200	0	325
	Patan	B.T. Cotton	95	1950	912	0
	Kadi	B.T. Cotton	6500	10000	15000	0
	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	NA	0	51	1
Haryana	Bhiwani	B.T. Cotton	200	300	150	0
	Bhiwani	Desi	NA	0	0	0

	Adampur	B.T. Cotton	NA	340	NA	1360
	Fatehabad	B.T. Cotton	NA	100	NA	NA
	Rawatsar	B.T. Cotton	NA	0	NA	NA
Madhya Pradesh	Khandwa	Mech-1	NA	0	NA	NA
	Khargaon	Mech-1	NA	800	NA	0
Maharashtra	Amravati	Mech-1	NA	NA	0	3000
	Jamner	Medium Staple	NA	NA	0	20
Telangana	Adilabad	Un-Ginned	NA	NA	5426.5	0
Andhra Pradesh	Adoni	Un-Ginned	NA	1280	448	5
Karnataka	Bijapur	Bunny	6	0	1677	143
	Raichur	H-44 Cotton	6	9	10	7
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	30-Jun-23	23-Jun-23	31-May-23	30-Jun-22
Punjab	Bhatinda	J-34	NA	0	0	0
	Abohar	J-34	NA	51	0	0
Haryana	Sirsa	J-34	85	85	34	0

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				26th Jun'23 to 01st July'23	19th Jun'23 to 24th June'23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62400	62750	-350
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	62900	63250	-350
J-34(202)	26mm	3.5 - 4.9	23	52300	53650	-1350
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	53700	55250	-1550
Shankar-6(105)	29mm	3.5 - 4.9	28	55660	57117	-1457
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	56700	58150	-1450
DCH-32(107)	34mm	3.0 - 3.8	33	70600	71333	-733

Cottonseed and oilcake Prices:

Cotton Seed & Oil Cake Weekly

Cotton Seed Oil Cake Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	26th Jun'23 to 01st Jul'23	19th Jun'23 to 24th Jun'23	
Punjab	Bhatinda (Pakki)	3300	3300	Unch
Punjab	Ludiana	3673	3710	-37
Haryana	Sirsa	2984	2980	4
Haryana	Hisar	3004	3000	4
Rajasthan	Hanumangarh	2904	2900	4
Rajasthan	Vijaynagar	2954	2950	4
Madhya Pradesh	Indore	2911	3005	-94
Madhya Pradesh	Khargone	2887	2930	-43
Maharastra	Wani	2920	3055	-135
Maharastra	Malkapur	2845	2955	-110
Telegana	Warangal	2800	2800	Unch
Telegana	Adilabad	2792	2800	-8
Karnatka	Dharwad	2800	2800	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2769	2814	-44

Cotton Seed Prices		Weekly Average Prices (Rs./Quintal)		Change
State	Market	26th Jun'23 to 01st Jul'23	19th Jun'23 to 24th Jun'23	
Punjab	Mansa	3150	3183	-33
Punjab	Bhatinda	3150	3150	Unch
Haryana	Adampur	3238	3255	-17
Haryana	Charkhi Dadari	3088	3105	-17
Rajasthan	Hanumangarh	3283	3300	-17
Rajasthan	Bikaner	3317	3350	-33
Madhya Pradesh	Sendhwa	2792	2829	-38
Madhya Pradesh	Barwaha	2867	2929	-63
Maharastra	Malkapur	2851	2980	-129
Maharastra	Akot	2980	3113	-133
Telegana	Madnoor	3013	3070	-58
Telegana	Jangaon	3000	2954	46

Karnatka	Bijapur	2717	2737	-20
Karnatka	Hubli	2717	2737	-20
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2867	2883	-17
Gujarat	Kadi	2813	2838	-25

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