



# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT      14-MAR-2020

### Market Movement from 09th Mar 2020 to 14th Mar 2020

- News of spread of corona virus in Europe and USA dominated all markets. Sharp fall in stock markets across the world also dragged all commodity markets down. NY May Future lost 230 points during this week.
- March WASDE report showed supply side increased by higher production numbers and due to reduction of Chinese consumption, over all consumption demand reduced which resulted in higher ending stock. Over all WASDE was neutral to bearish.
- U.S. Export Sales was excellent and the highest during the year. Chinese buying was more than one million bales. Now U.S. poised to cross USDA target of 16.5 million bales and carry nearly one million bales in next year. Shipments were first time higher than the requirement to meet the target.
- Indian physical market was well supported by CCI purchase. Gujcot Rate remained in small range of 38,300 to 38,600 for 29 mm Shankar-6. With Sharp fall in NY future hedge players like merchants offering at very low price for forward buying. Arrival of low quality is increasing and price of lower quality variety is declining faster while super quality is well supported.
- Indian rupee around 74 Rs a US Dollar can support the export.
- All India daily arrivals remained between 1,20,000 to 1,35,000 bales.
- Daily arrivals in Gujarat was between 30,000 to 35,000 bales.
- Indian basis remained between 5.04 to 6.29.
- Indian Rupee remained weaker between 73.63 to 74.22 during this week.



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### Global

#### US Weekly Export Sales

- Net UPLAND sales of 4,84,200 RB for 2019-2020--a marketing-year high--were up 22 percent from the previous week and 62 percent from the prior 4-week average. Increases primarily for Pakistan (1,61,600 RB), China (90,900 RB, including decreases of 900 RB), Turkey (84,100 RB), Vietnam (47,400 RB, including 700 RB switched from Japan), and Bangladesh (32,800 RB), were offset by reductions primarily for Japan (3,900 RB) and Thailand (1,200 RB).
- For 2020-2021, net UPLAND sales of 1,60,400 RB were primarily for Mexico (91,600 RB), Turkey (20,100 RB), China (15,900 RB), Pakistan (11,400 RB), and Honduras (6,100 RB).
- UPLAND Exports of 4,24,600 RB were down 11 percent from the previous week, but up 8 percent from the prior 4-week average. Exports were primarily to Vietnam (94,600 RB), Pakistan (86,200 RB), Turkey (60,400 RB), China (55,100 RB), and Bangladesh (34,800 RB).
- Net sales of PIMA totaling 17,300 RB were up 91 percent from the previous week and 20 percent from the prior 4-week average. Increases were primarily for Vietnam (6,600 RB), Bangladesh (3,600 RB), China (2,200 RB), El Salvador (1,000 RB), and Bahrain (900 RB).
- PIMA Exports of 14,800 RB were down 6 percent from the previous week, but up 15 percent from the prior 4-week average. The destinations were primarily to Pakistan (4,200 RB), India (4,100 RB), Vietnam (1,600 RB), Egypt (900 RB), and Bahrain (900 RB).

US Export Sales	05-Mar-2020
<b>Marketing Year 2019-20</b>	
Upland Gross Sales	5,01,200
Cancellation	17,000
<b>Net Upland Sales</b>	<b>4,84,200</b>
PIMA Gross Sales	17,300
Cancellation	0
<b>Net PIMA Sales</b>	<b>17,300</b>
Total Gross Sales	5,18,500
Total Cancellation	17,000
<b>Total Net Sales</b>	<b>5,01,500</b>
<b>Shipments</b>	
UPLAND	4,24,600
PIMA	14,800
<b>Total Shipment</b>	<b>4,39,400</b>
<b>Marketing Year 2020-21</b>	
Net Upland Sales	1,60,400
Net PIMA Sales	0
<b>Total Net Sales</b>	<b>1,60,400</b>
All Figures in US Running Bale	

#### WASDE – MAR – 2020

This month's 2019/20 U.S. cotton forecasts show lower production, price, and ending stocks relative to last month. Production is reduced 300,000 bales to 19.8 million, based on the March 10 Cotton Ginnings report. The final estimates for this season's U.S. area, yield, and production will be published in the May 2020 Crop Production report. Domestic mill use and exports are unchanged from last month, and ending stocks are lowered 300,000 bales to 5.1 million. The projected marketing year average price received by upland producers of 60.0 cents per pound is down 2 cents from last month.

The global cotton supply and demand estimates show larger production and ending stocks. Consumption is forecast 850,000 bales lower, as a 1-million-bale cut in China's expected consumption is only partially offset by increases for Bangladesh and Turkey. Production is up about 250,000 bales as larger expected crops in Brazil, Chad, and Tajikistan offset a lower U.S. crop and some smaller declines elsewhere. Ending stocks for 2019/20 are projected 1.3 million bales higher this month and 3.2 million bales higher than in 2018/19.



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## WEEKLY REPORT 14-MAR-2020

### Gujarat Spot Rate Weekly Changes

Variety	Staple Length	Mic.	07-03-2020	14-03-2020	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29 mm	3.8	38,750	38,400	-350	-0.91%
Shankar 6	28.5 mm	3.7	38,250	38,000	-250	-0.66%
V-797	13 % Trash		29,900	28,700	-1,200	-4.18%
MCX Spot Rate			18,640	18,370	-270	-1.47%
USD-INR Exchange			73.75	73.91	0.16	0.22%

### Average Rate of Last week

Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	38,300	38,600	38,483
Shankar 6	28.5	3.7	37,950	38,200	38,075
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3.0	No Quote	No Quote	No Quote
V-797	13% Trash		28,700	29,750	29,233
MCX Spot Rate			18,370	18,480	18,415
USD Exchange Rate			73.63	74.22	73.98

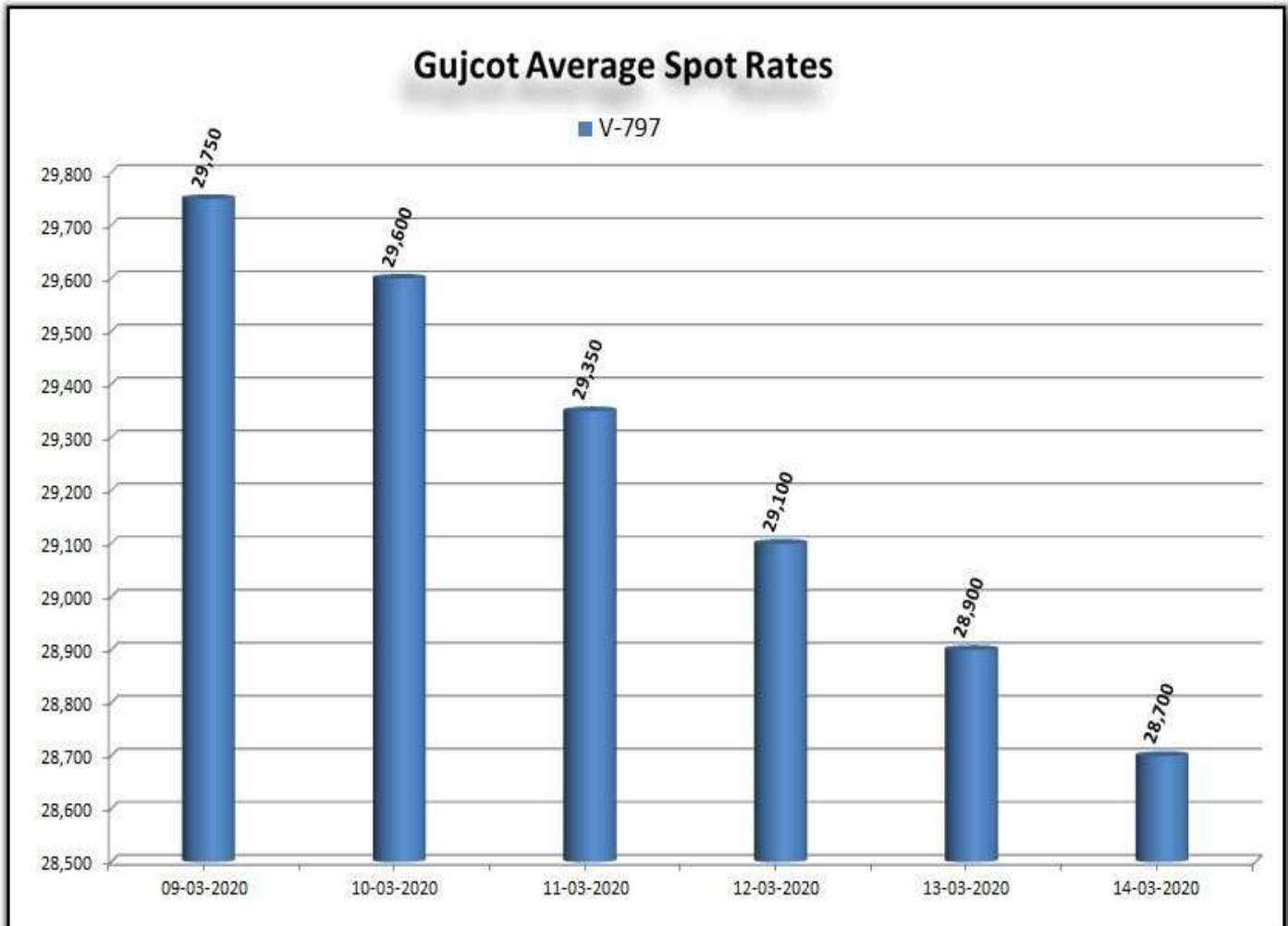
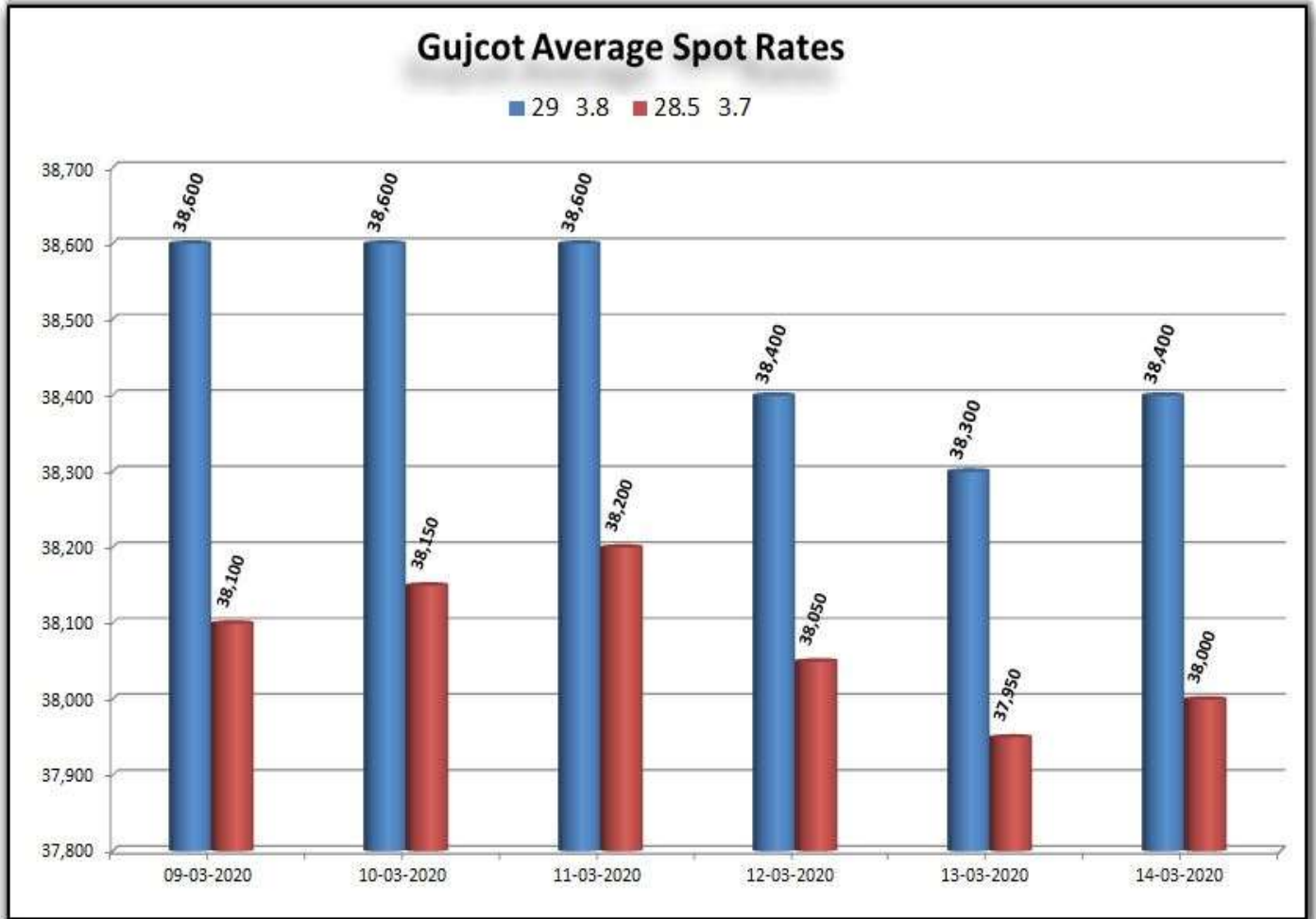
### Rate of Last Week

Date	29 3.8	28.5 3.7	V-797	MCX Spot Rate	USD-INR Exchange
09-03-2020	38,600	38,100	29,750	18,410	74.09
10-03-2020	38,600	38,150	29,600	18,410	74.09
11-03-2020	38,600	38,200	29,350	18,480	73.63
12-03-2020	38,400	38,050	29,100	18,450	74.22
13-03-2020	38,300	37,950	28,900	18,370	73.91
14-03-2020	38,400	38,000	28,700	18,370	73.91



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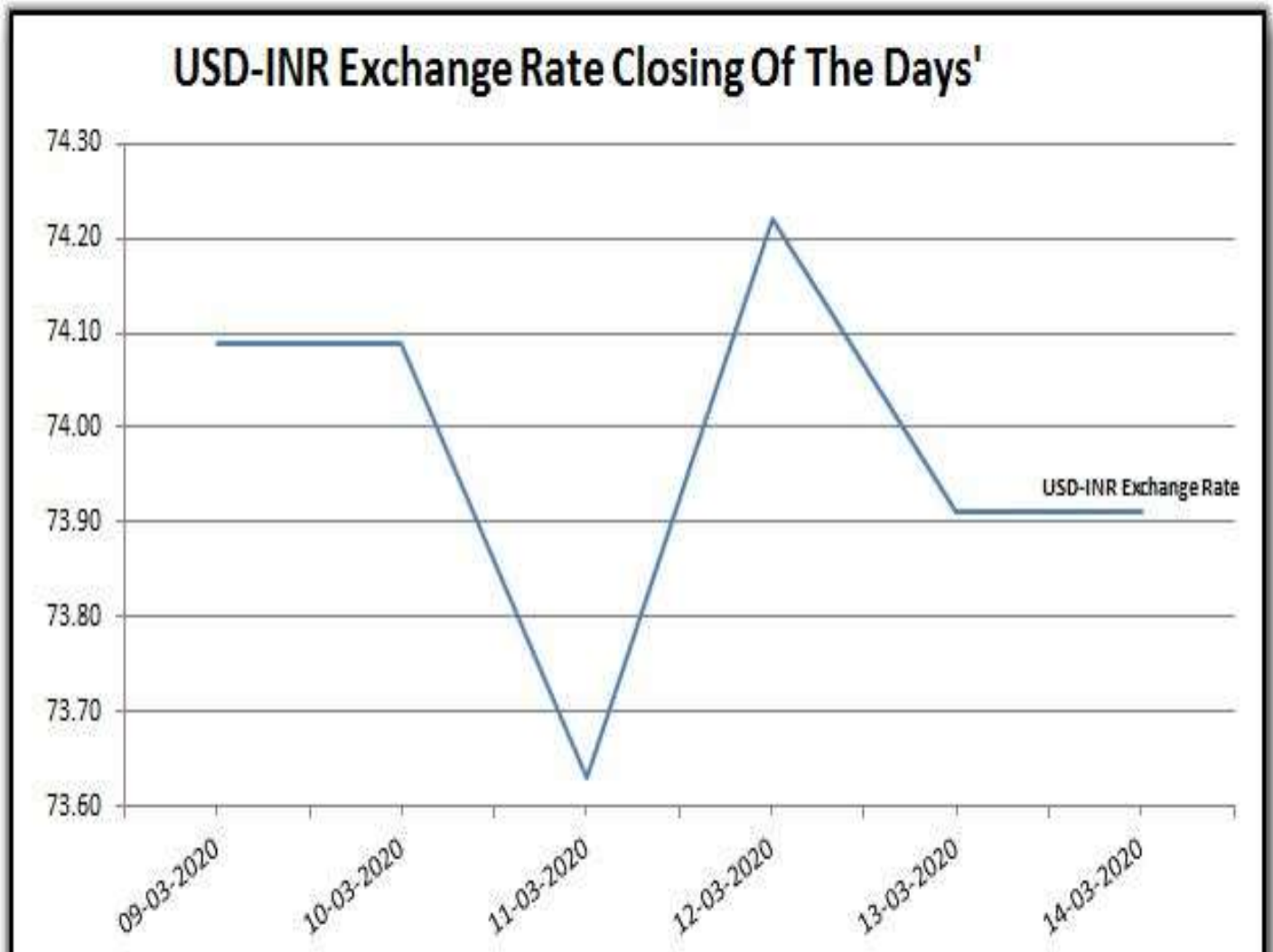
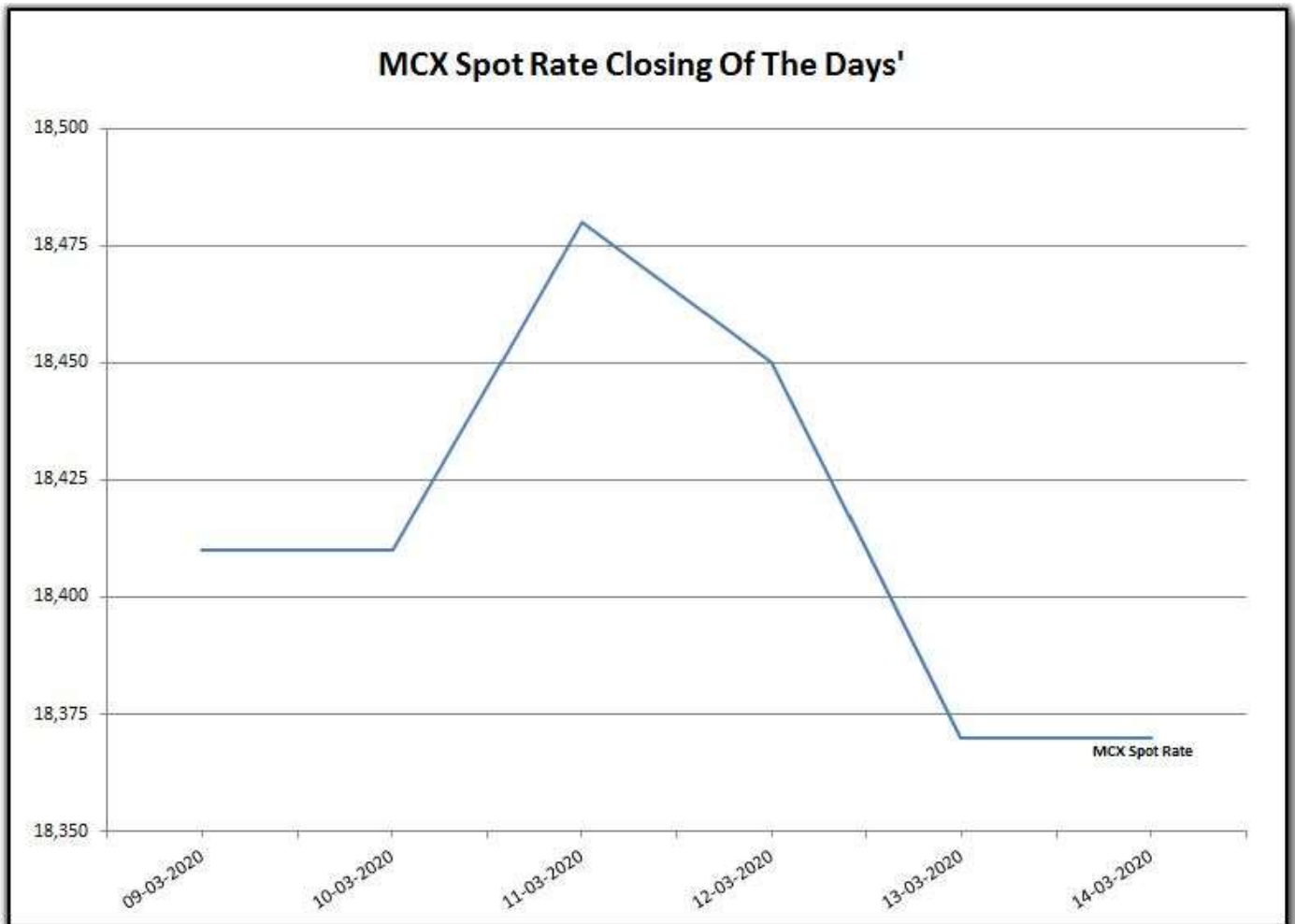
## WEEKLY REPORT 14-MAR-2020





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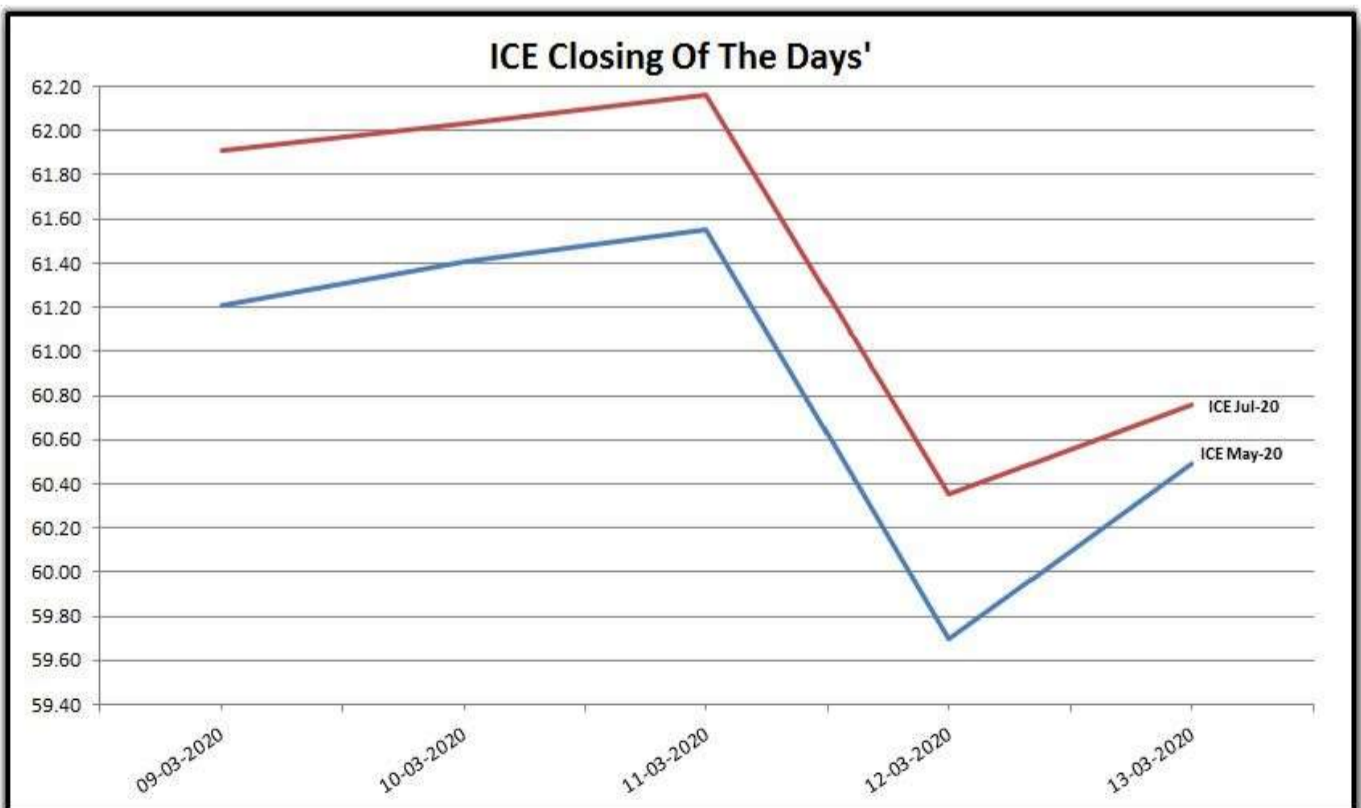
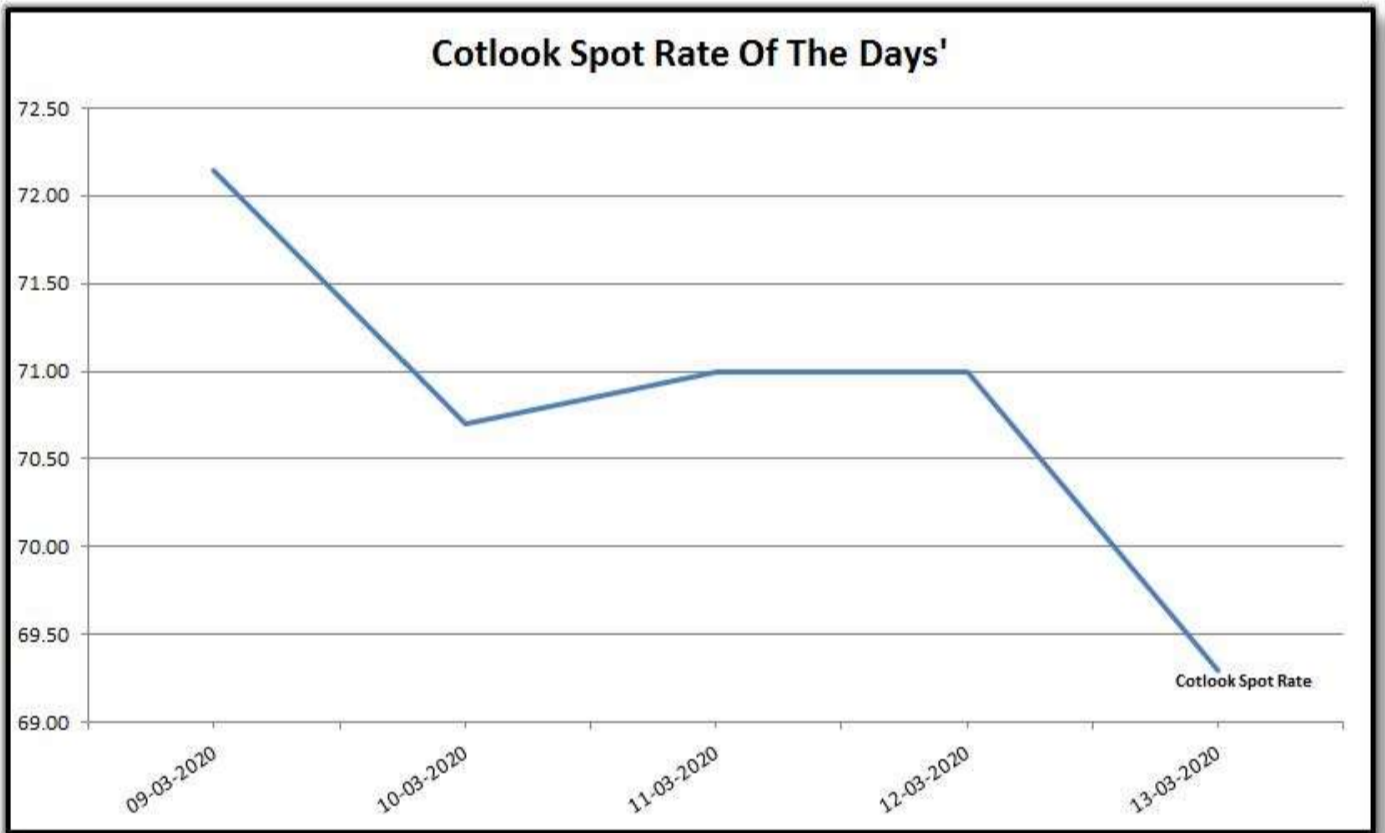




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## WEEKLY REPORT 14-MAR-2020

Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	May-20	Jul-20
09-03-2020	72.15	61.21	61.91
10-03-2020	70.70	61.41	62.03
11-03-2020	71.00	61.55	62.16
12-03-2020	71.00	59.70	60.35
13-03-2020	69.30	60.49	60.76



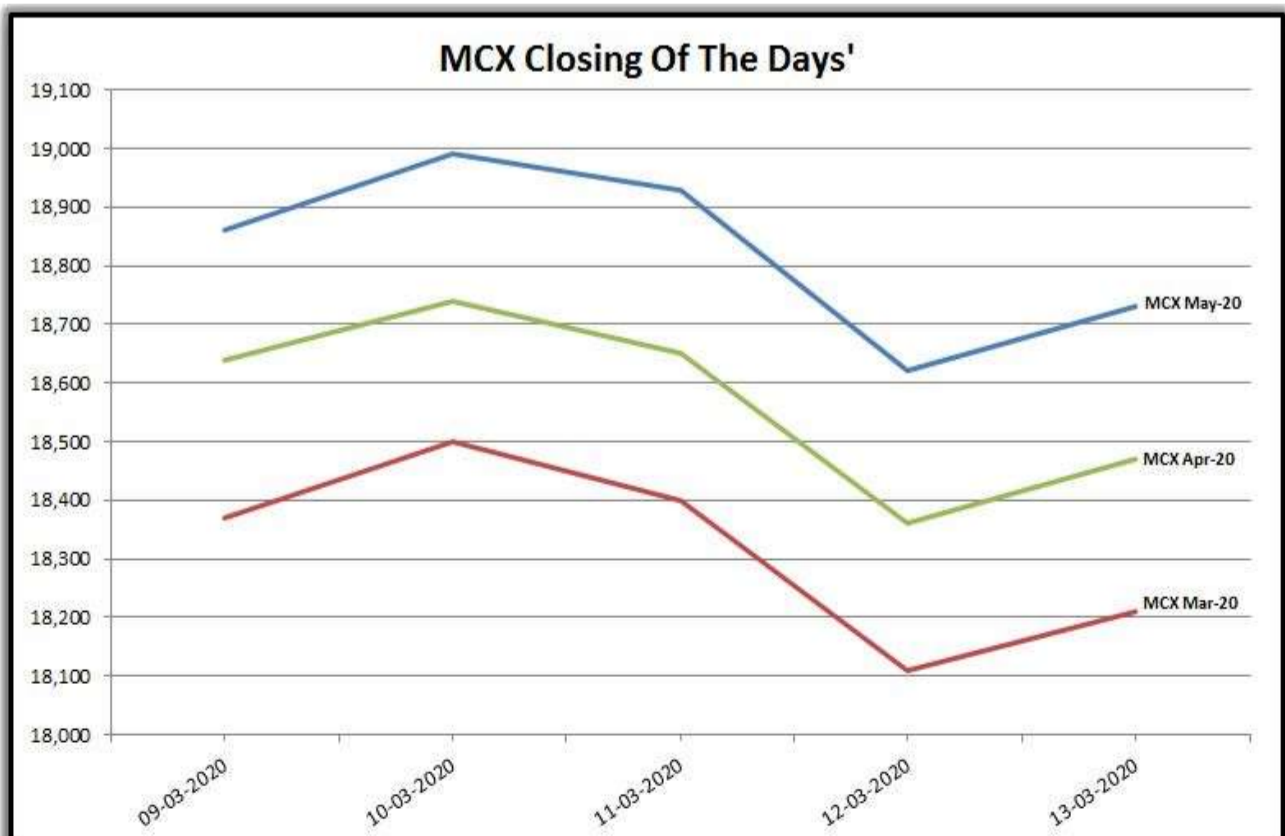
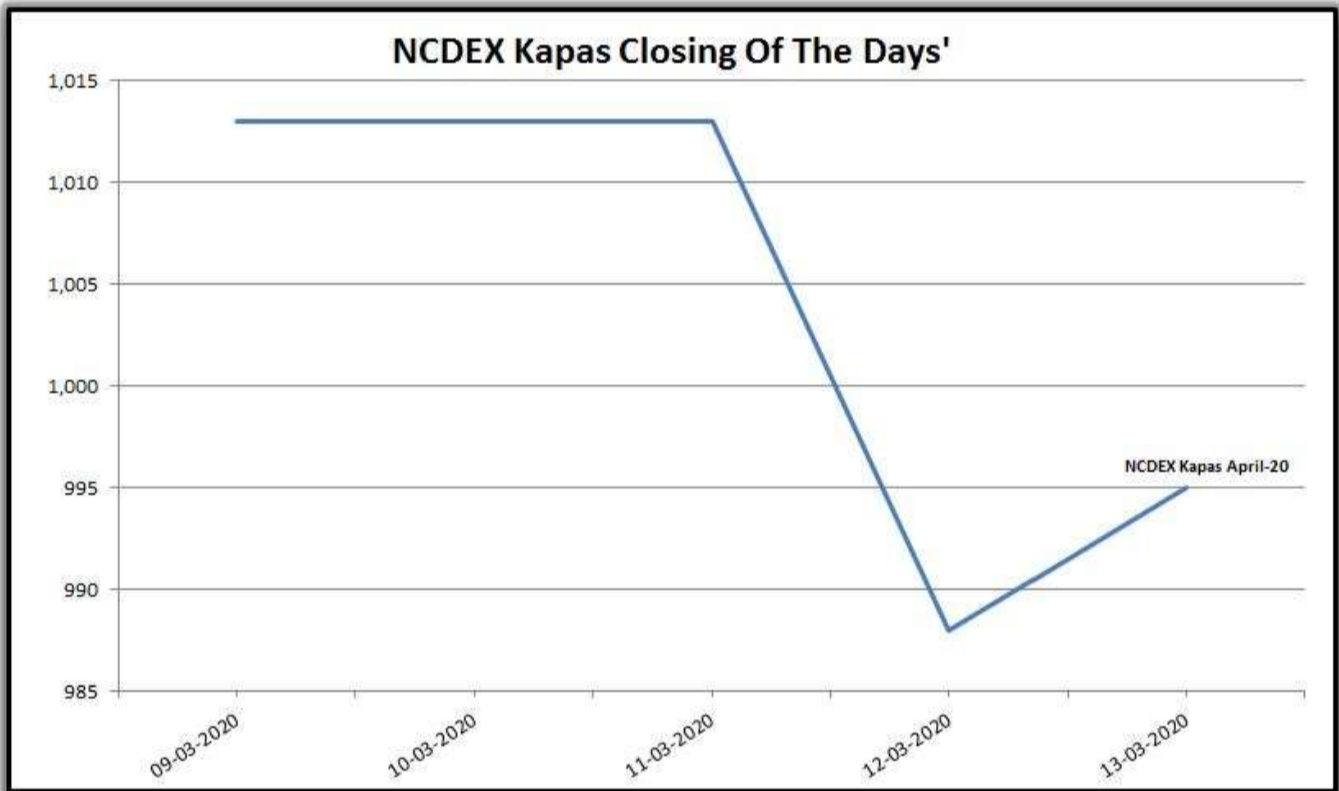


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## WEEKLY REPORT 14-MAR-2020

### Indian Indices

Date	NCDEX Kapas	MCX		
	30-Apr-2020	Mar-20	Apr-20	May-20
09-03-2020	1,013.00	18,370	18,640	18,860
10-03-2020	1,013.00	18,500	18,740	18,990
11-03-2020	1,013.00	18,400	18,650	18,930
12-03-2020	988.00	18,110	18,360	18,620
13-03-2020	995.00	18,210	18,470	18,730



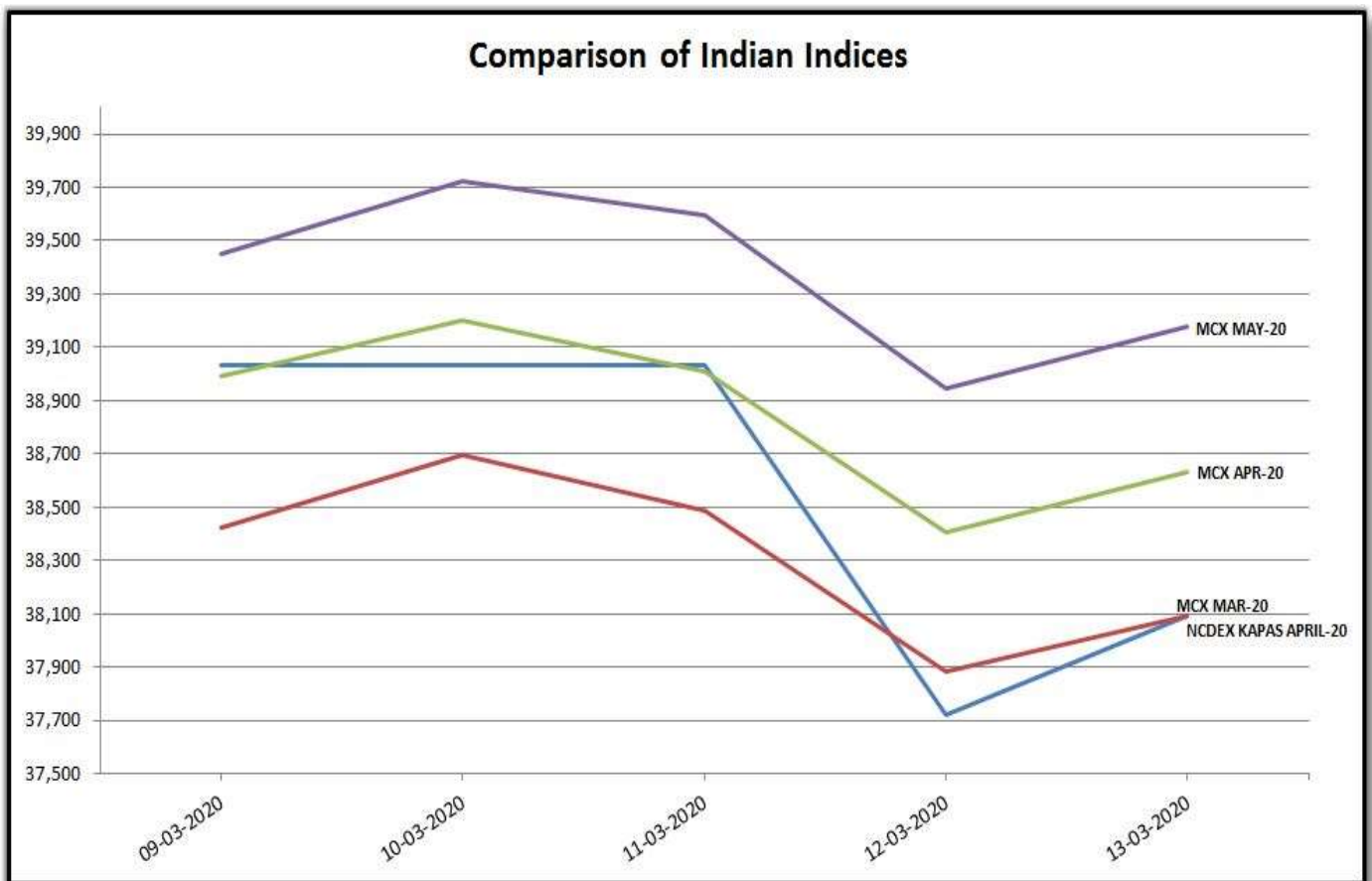


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## WEEKLY REPORT 14-MAR-2020

Indian Indices in Candy Rate				
Date	NCDEX Kapas	MCX		
	April	Mar-20	Apr-20	May-20
09-03-2020	39,031	38,425	38,989	39,449
10-03-2020	39,031	38,696	39,198	39,721
11-03-2020	39,031	38,487	39,010	39,596
12-03-2020	37,724	37,881	38,404	38,947
13-03-2020	38,090	38,090	38,634	39,178

**Remark :- For NCDEX Kapas we have taken seed rate 475/20 Kg to convert in Candy.**



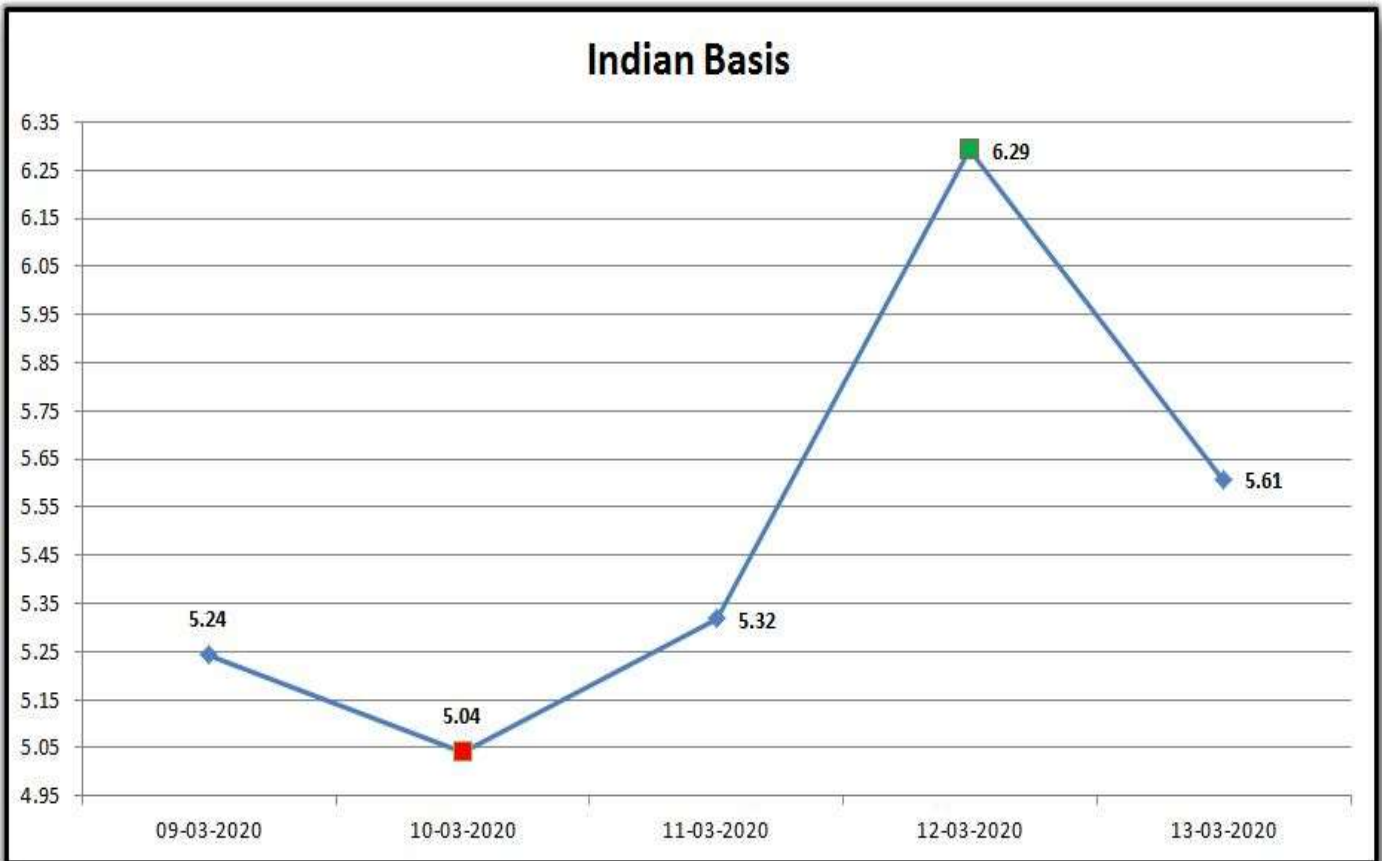




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Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE MAY	BASIS
09-03-2020	38,600	74.09	66.45	61.21	5.24
10-03-2020	38,600	74.09	66.45	61.41	5.04
11-03-2020	38,600	73.63	66.87	61.55	5.32
12-03-2020	38,400	74.22	65.99	59.70	6.29
13-03-2020	38,300	73.91	66.10	60.49	5.61





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## IN THE WEEK AHEAD

- Today at 2:30 p.m. Central – Commitments of Traders
- Thursday at 7:30 a.m. Central – Export Sales Report
- Thursday at 2:30 p.m. Central – Cotton-On-Call

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