



# GUJCOT TRADE ASSOCIATION

**WEEKLY REPORT      09-Dec-2023**

## **Market Movement from 04th Dec 2023 to 09th Dec 2023.**

- NY future experienced a limit-up session on Thursday, concluding the week with a notable gain of 202 points.
- The December 2023 USDA-WASDE report for cotton indicates a reduction in the U.S. production forecast by 3,14,000 bales to 12.8 million, primarily due to a significant 5,00,000-bale decrease in the Texas crop. U.S. mill use is also down by 1,50,000 bales, reaching its lowest point since 1884 at 1.9 million bales, attributed to lagging spinning activity. Ending stocks are projected at 3.1 million bales, a decrease of 1,00,000 bales from November, constituting 22 percent of disappearance. The season-average farm price remains unchanged at 77 cents per pound. Globally, the balance sheet for December 2023-24 reflects lower consumption, mainly in China, Turkey, the United States, and Mexico, while Bangladesh shows an increase. Worldwide production is forecasted 5,40,000 bales lower due to reductions in the United States, Turkey, and Mexico, offset by an increase in Pakistan. Despite slight declines in world trade, China's larger imports partially offset reductions in other countries. Global ending stocks are 9,00,000 bales higher, with China's stocks up by 1.5 million bales, resulting in total global stocks of 82.4 million bales, equivalent to 72 percent of use.
- In the latest U. S. Export Sales Report for the week ending 30-Nov-2023, U. S. Export Sales for the 2023-2024 season revealed net



# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT

09-Dec-2023

upland sales of 1,16,400 bales, with upland shipments totaling 1,39,200 bales. Additionally, there were net Pima sales of 3,200 bales and Pima shipments of 4,000 bales, resulting in a combined total of 1,19,600 bales for the specified period. Looking ahead to the 2024-2025 season, net upland sales amounted to 29,600 bales, while there were no recorded net Pima sales, bringing the overall total for the season to 29,600 bales.

- The Indian physical market closely followed the NY futures, with the Gujcot spot rate gaining to 55,500 Rs per candy by the end of the week. Despite a sluggish demand from mills, a bullish sentiment prevailed, driving the rates in an upward trend.
- The overall cotton arrival in All India ranged between 1,25,000 to 1,40,000 bales, with Gujarat contributing 35,000 bales per day.
- The increase in NY futures has resulted in a relatively improved Indian basis.
- The USD-INR exchange rate exhibited slight fluctuations throughout the weekdays. Starting on Monday at 83.36, the rate saw a marginal increase to 83.38 on Tuesday, followed by a dip to 83.32 on Wednesday. Thursday witnessed a modest uptick to 83.35, and the week concluded on Friday with the exchange rate returning to 83.38. The overall trend suggests a relatively stable performance with minor variations in the USD-INR exchange rate over the course of the week.



# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT

09-Dec-2023

## USDA-WASDE

This month's 2023/24 U.S. cotton forecasts include lower production, mill use, and ending stocks. Production is reduced 314,000 bales to 12.8 million largely due to a 500,000-bale decrease in the Texas crop. U.S. mill use is reduced 150,000 bales as spinning activity continues to lag, and at 1.9 million bales, is expected to be its lowest since 1884. Ending stocks are now projected 100,000 bales lower than in November at 3.1 million bales, or 22 percent of disappearance. The projected upland cotton season average farm price is unchanged at 77 cents per pound.

The global December 2023/24 cotton balance sheet includes lower consumption and higher ending stocks than last month. World consumption is projected 1.6 million bales lower, largely due to a 1.0-million-bale reduction in China. Turkey's consumption forecast is 400,000 bales lower, and the United States and Mexico are also down, while Bangladesh is up 100,000 bales.

Global production is forecast 540,000 bales lower than in November as reductions for the United States, Turkey, and Mexico more than offset a 200,000-bale increase for Pakistan. World trade is down only slightly as larger expected imports by China—up 500,000 bales—nearly offset reductions in Turkey, Pakistan, and Bangladesh. Larger expected exports by Turkey are more than offset by a 300,000-bale reduction for Brazil and smaller reductions elsewhere. World 2023/24 ending stocks are forecast 900,000 bales higher this month, with China's projected stocks up 1.5 million bales. Total projected global stocks of 82.4 million bales are 72 percent of use.



# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT      09-Dec-2023

### Global

#### US Weekly Export Sales

- Net UPLAND sales of 1,16,400 RB for 2023-2024 were down 47 percent from the previous week and 63 percent from the prior 4-week average. Increases primarily for China (59,100 RB), Macau (17,900 RB), Bangladesh (16,900 RB), Vietnam (11,000 RB, including 2,200 RB switched from Macau), and Guatemala (10,100 RB), were offset by reductions for Turkey (13,300 RB), Mexico (11,100 RB), and Japan (200 RB).
- Net UPLAND sales of 29,600 RB for 2024-2025 were reported for Turkey (13,200 RB), Guatemala (8,100 RB), Thailand (5,300 RB), and El Salvador (3,000 RB).
- UPLAND Exports of 1,39,200 RB were up 57 percent from the previous week and 50 percent from the prior 4-week average. The destinations were primarily to China (60,500 RB), Bangladesh (14,300 RB), Vietnam (9,800 RB), Pakistan (9,500 RB), and Mexico (8,500 RB).
- Net sales of PIMA totaling 3,200 RB for 2023-2024 were up 95 percent from the previous week, but down 66 percent from the prior 4-week average. Increases were primarily for China (2,300 RB), India (500 RB), and Thailand (400 RB).
- PIMA Exports of 4,000 RB were down 55 percent from the previous week and 21 percent from the prior 4-week average. The destinations were to India (1,900 RB), China (1,400 RB), Pakistan (400 RB), Turkey (200 RB), and Thailand (100 RB).

US Export Sales	30-Nov-2023
Marketing Year 2023-24	
Upland Gross Sales	1,58,300
Cancellation	41,900
<b>Net Upland Sales</b>	<b>1,16,400</b>
PIMA Gross Sales	3,200
Cancellation	0
<b>Net PIMA Sales</b>	<b>3,200</b>
Total Gross Sales	1,61,500
Total Cancellation	41,900
<b>Total Net Sales</b>	<b>1,19,600</b>
Shipments	
UPLAND	1,39,200
PIMA	4,000
<b>Total Shipment</b>	<b>1,43,200</b>
Marketing Year 2024-25	
Net Upland Sales	29,600
Net PIMA Sales	0
<b>Total Net Sales</b>	<b>29,600</b>
All Figures in US Running Bale	



# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT 09-Dec-2023

Gujarat Spot Rate Weekly Changes						
Variety	Staple Length	Mic.	02-12-2023	09-12-2023	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29mm	3.8	55,400	55,400	0	0.00%
V-797	13% Trash		46,350	45,500	-850	-1.87%
MCX Spot Rate			55,800	55,660	-140	-0.25%
USD-INR Exchange			83.28	83.38	0.10	0.12%

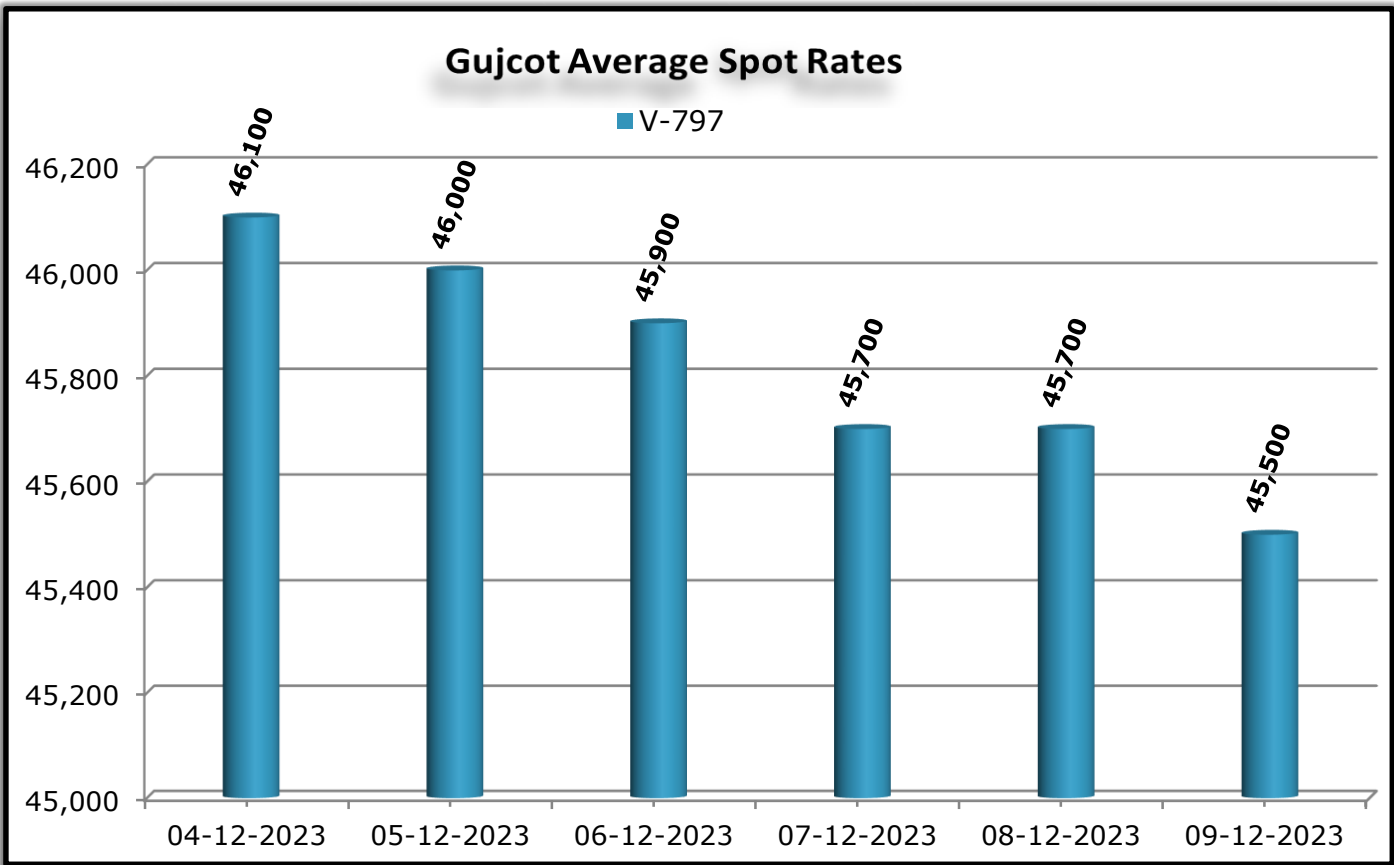
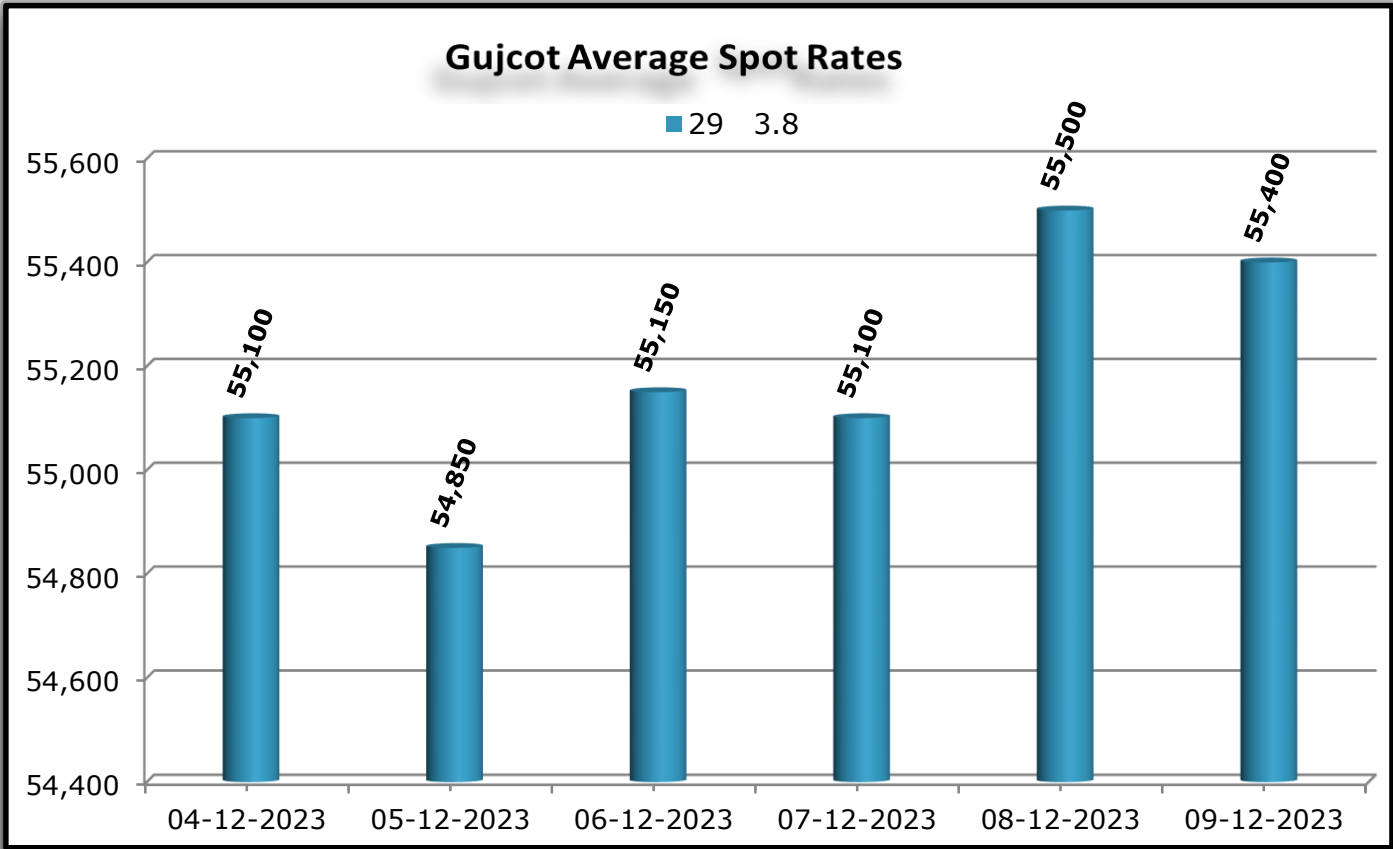
Average Rate of Last week					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	54,850	55,500	55,183
Shankar 6	28.5	3.7	No Quote	No Quote	No Quote
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3.0	No Quote	No Quote	No Quote
V-797	13% Trash		45,500	46,100	45,817
MCX Spot Rate			55,140	55,660	55,417
USD Exchange Rate			83.32	83.38	83.36

Rate Of Last Week				
Date	29 3.8	V-797	MCX Spot Rate	USD-INR Exchange
04-12-2023	55,100	46,100	55,520	83.36
05-12-2023	54,850	46,000	55,140	83.38
06-12-2023	55,150	45,900	55,200	83.32
07-12-2023	55,100	45,700	55,320	83.35
08-12-2023	55,500	45,700	55,660	83.38
09-12-2023	55,400	45,500	55,660	83.38



# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT      09-Dec-2023

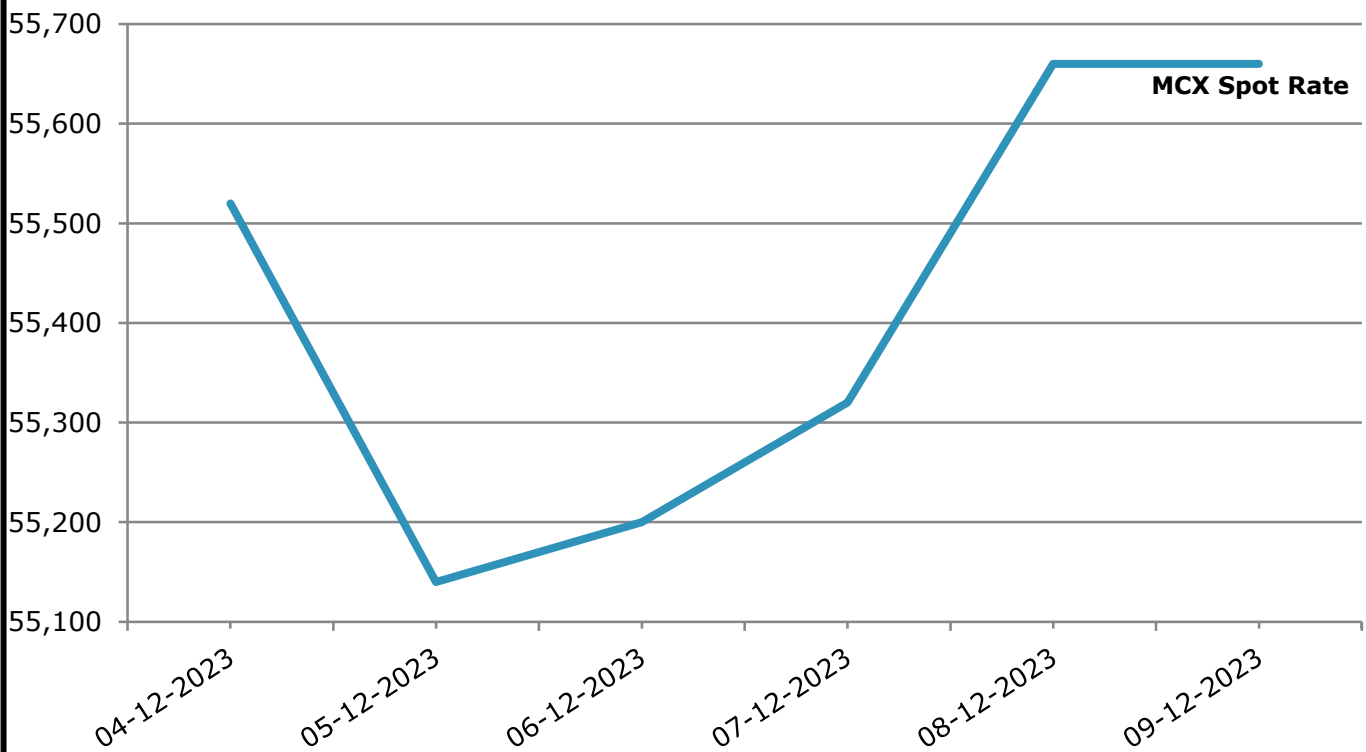




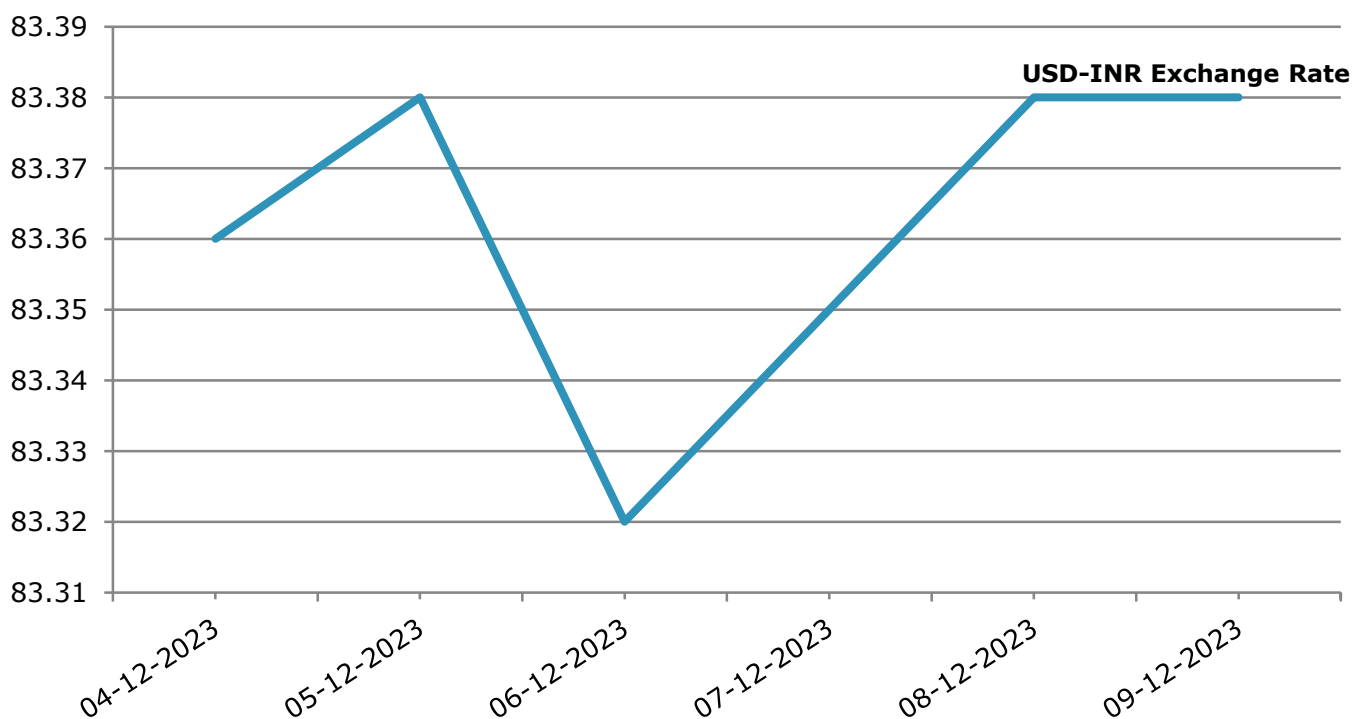
# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT      09-Dec-2023

**MCX Spot Rate Closing Of The Days'**



**USD-INR Exchange Rate Closing Of The Days'**



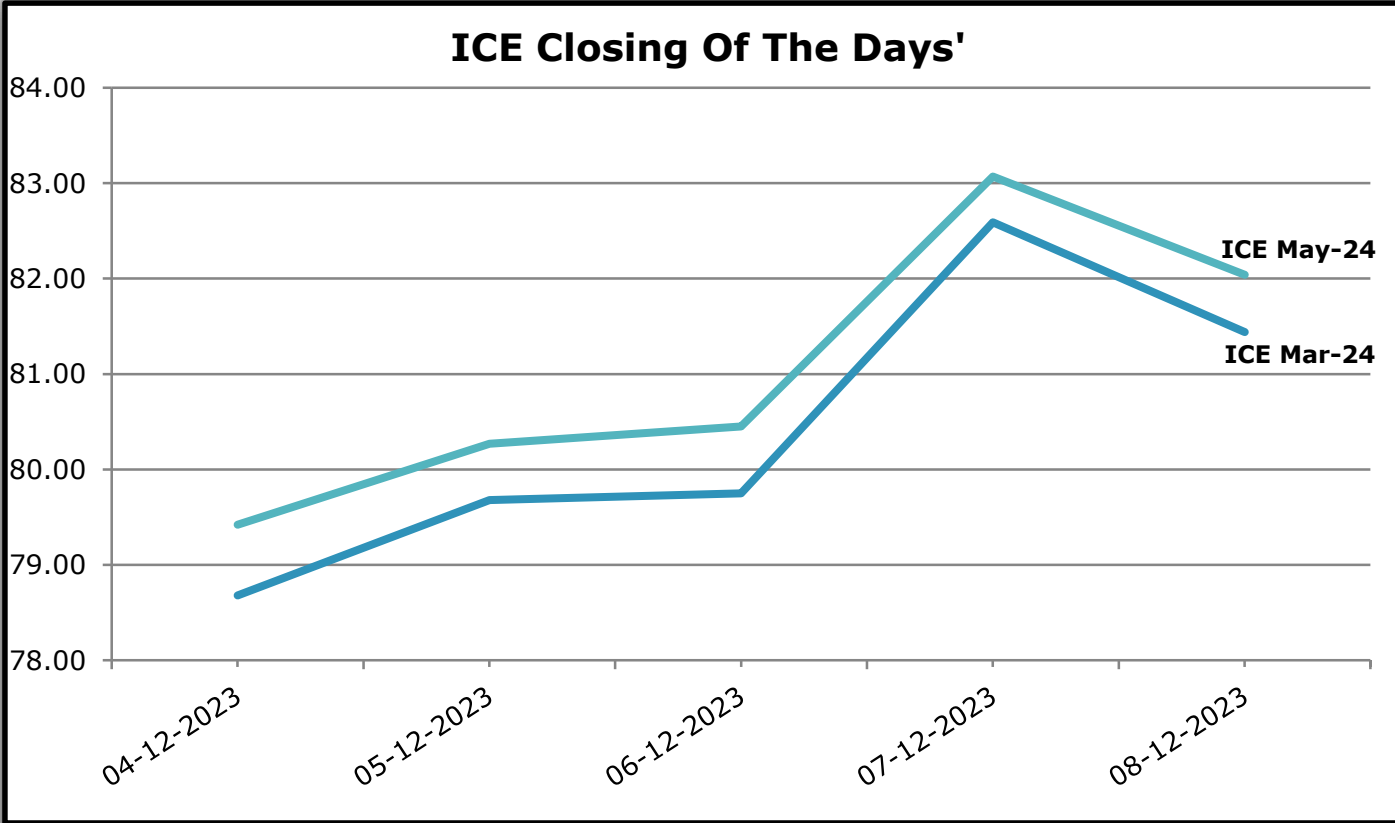
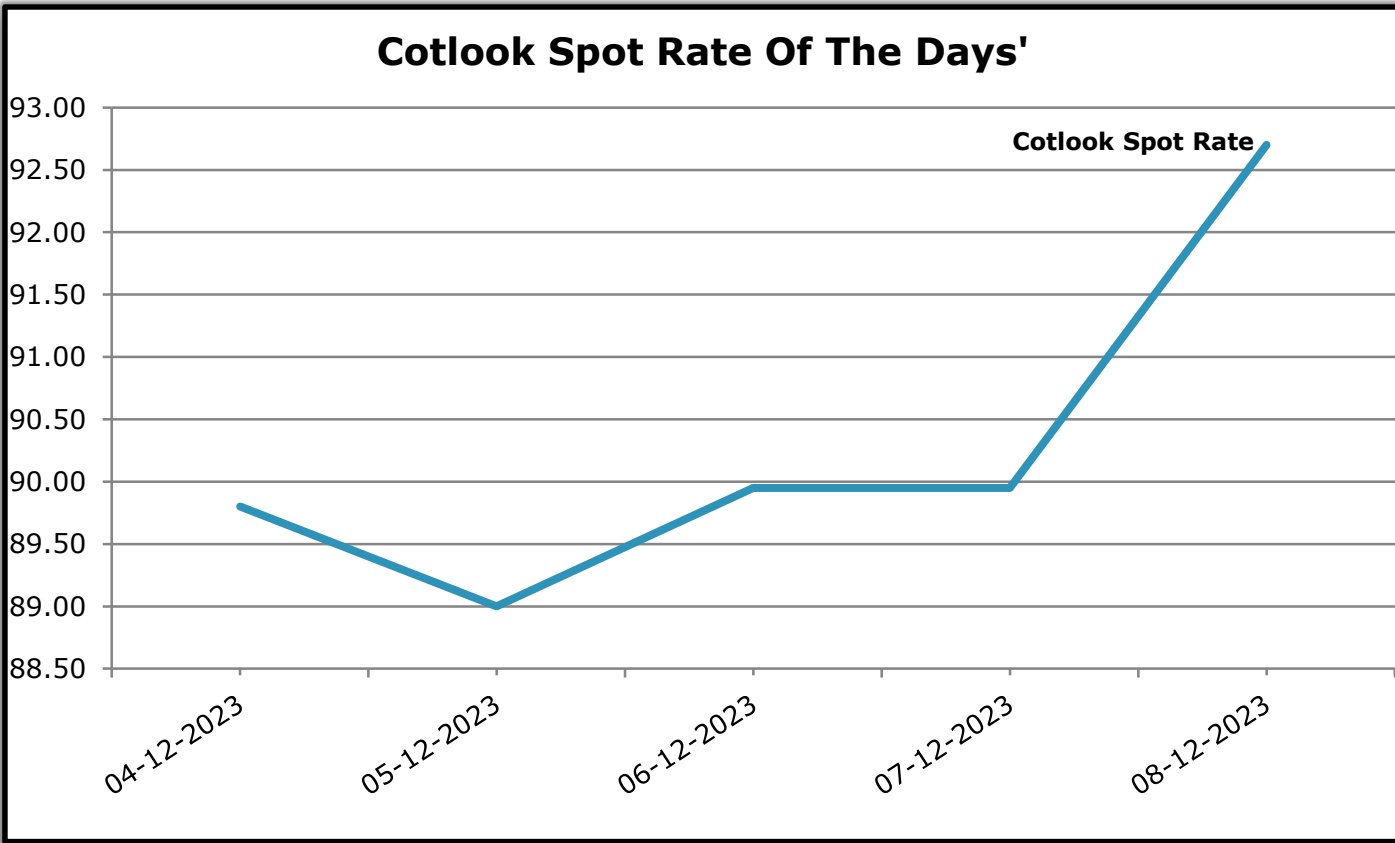


GUJCOT TRADE ASSOCIATION

WEEKLY REPORT

09-Dec-2023

Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	Mar-24	May-24
04-12-2023	89.80	78.68	79.42
05-12-2023	89.00	79.68	80.27
06-12-2023	89.95	79.75	80.45
07-12-2023	89.95	82.59	83.07
08-12-2023	92.70	81.44	82.04



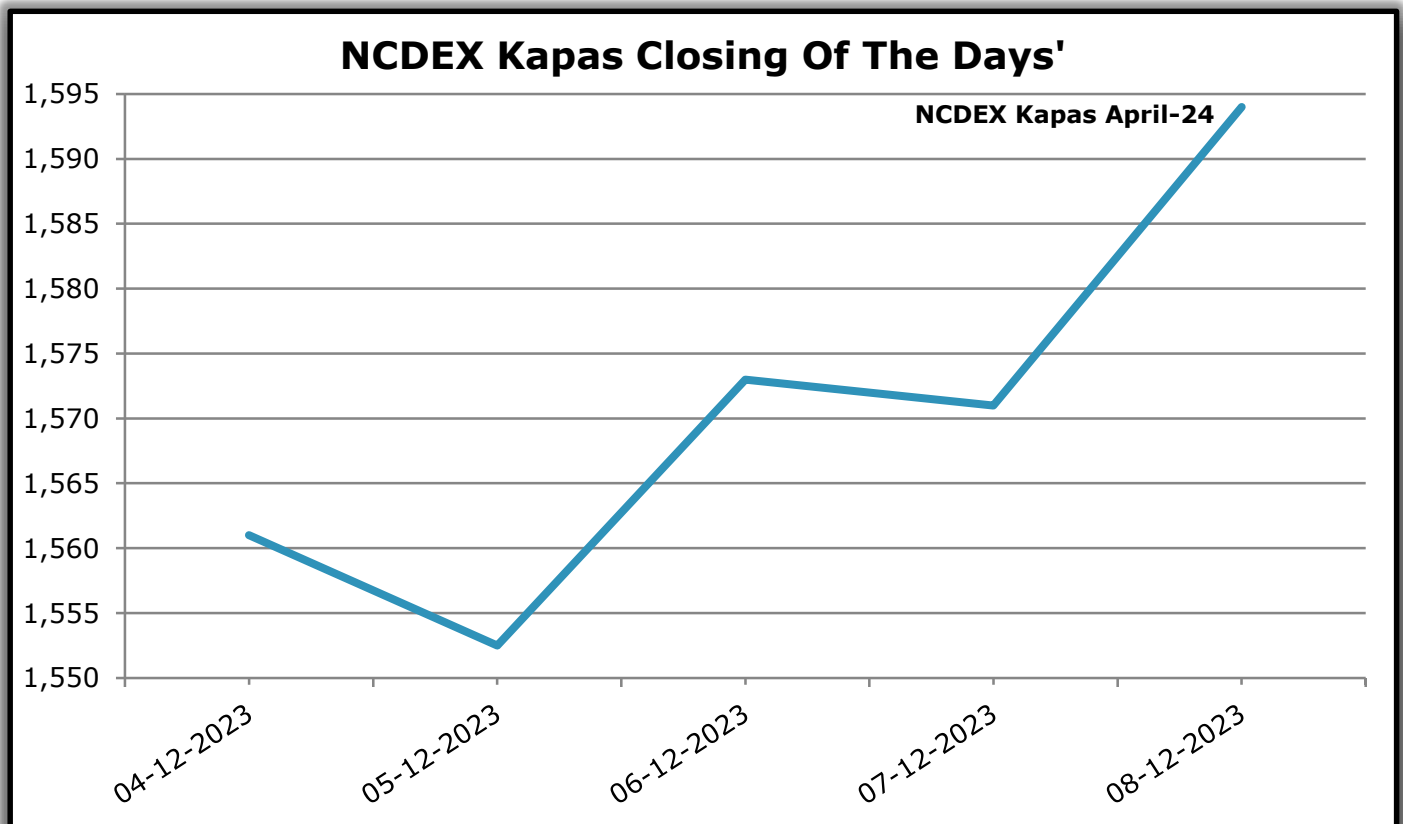


# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT

09-Dec-2023

Indian Indices	
Date	NCDEX Kapas
	April-24
04-12-2023	1,561.00
05-12-2023	1,552.50
06-12-2023	1,573.00
07-12-2023	1,571.00
08-12-2023	1,594.00

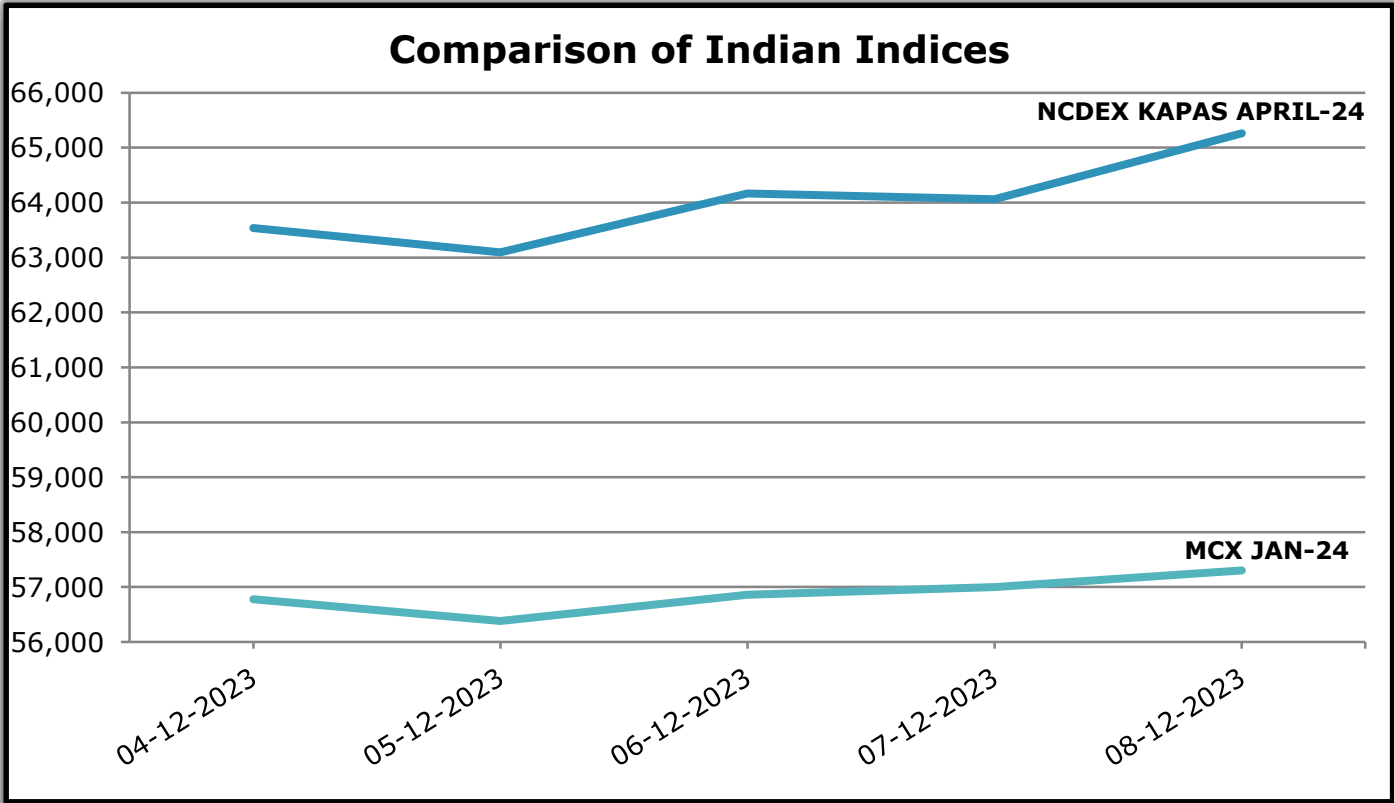




# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT      09-Dec-2023

Indian Indices in Candy Rate		
Date	NCDEX Kapas	MCX
	April-24	Jan-24
04-12-2023	63,537	56,780
05-12-2023	63,093	56,380
06-12-2023	64,165	56,860
07-12-2023	64,060	57,000
08-12-2023	65,263	57,300
Remark :- For NCDEX Kapas we have taken seed rate 600/20 Kg to convert in Candy.		

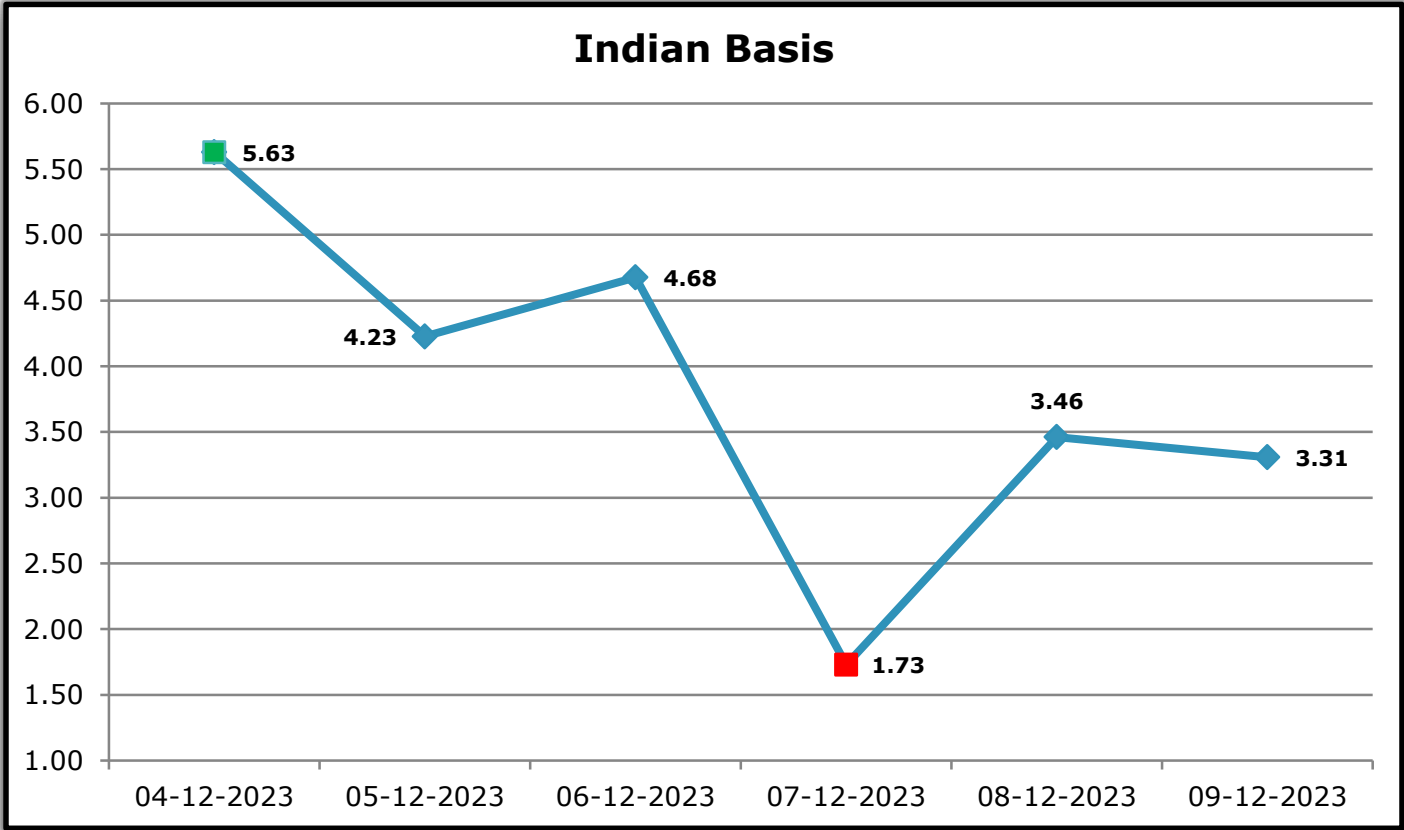




# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT      09-Dec-2023

Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE MAR	BASIS
04-12-2023	55,100	83.36	84.31	78.68	5.63
05-12-2023	54,850	83.38	83.91	79.68	4.23
06-12-2023	55,150	83.32	84.43	79.75	4.68
07-12-2023	55,100	83.35	84.32	82.59	1.73
08-12-2023	55,500	83.38	84.90	81.44	3.46
09-12-2023	55,400	83.38	84.75	81.44	3.31





# GUJCOT TRADE ASSOCIATION

## WEEKLY REPORT

09-Dec-2023

### IN THE WEEK AHEAD

- Friday 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
- Friday (December 8) at 11:00 a.m. Central – WASDE

One stop solution for all cotton related reports and information.

Visit <https://www.gujcot.com>. It's updated every day in real time.

You can view

- Gujarat Daily Spot Rate at 5:30 pm and Historical Data
- Gujarat Latest Pressing Report and Historical Data
- Daily Weather Report
- Cotton Advisory Board Balance sheet and Area, Production, Yield reports from cotton season 1991-1992 to 2017-2018 estimate available from Menu->Reports
- All Historical Gujcot Weekly Reports Menu->Reports
- All India Cotton Sowing data
- Gujarat Cotton Sowing District wise Report
- US Export Sales Report
- US Crop Progress Report
- China Cotton Auction Update
- International Cotton Indices and Spot Rates.
- USDA WASDE Report
- ICE Cotton On Call Report
- And All other National & International reports and upcoming events

### Report Sponsors:

Click on Sponsor's Logo to visit Sponsor's Website



Axita Cotton Limited

### Report prepared by

Kalpesh Patel

Manager

Gujcot Trade Association