



GUJCOT TRADE ASSOCIATION

MONTHLY RATE MOVEMENT May-2021

Dear All Cotton Friends,

In our mission to give Daily Spot Rate Team Gujcot is getting valuable support from Gujcot broker's panel. We appreciated their humble service to the trade. Gujcot Team is giving daily closing of Indian and foreign futures rates.

In this report we have provided Following Rates during the month.

- Daily Physical Spot Rate
- MCX Cotton Daily Closing Rate
- USD-INR Exchange Rate Closing
- Cotlook Index
- ICE Future Closing
- NCDEX Kapas Rate
- MCX Future Closing
- NCDEX and MCX converted into Rs. Candy Rate

We hope it will be useful to all the stake holders of Textile Value Chain.



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- At the start of the month NY July future was 88 cents, it touched the high of 90.58 and close the month near 82 cents with monthly loss of near 596 points. NY December peaked up volume of trade and ended at 83.32 cents with monthly loss of 174 points.
- NY July-December inverse of near 400 points turned in to carry of 120 points. Lot of Trade roll over to December from July.
- Increasing certified stock, good weather in Texas, downtrend in supporting commodities lead NY future to down side.
- USDA in WASDE increased US export to 16.25 million bales with very good pace of shipment. USDA also increased some consumption, lowered some production which resulted in lower world's ending stock.
- US Export Sales were good enough to meet the new export sales target. At end of the month US export sales crossed target and reach 16.3 million bales out of that 12.8 million bales already shipped. Still 10 weeks remaining of current crop season, require shipment is nearly 3,40,000 bales a week.
- Indian cotton market jumped from around 46,000 to 49,000 Rs per candy during this month supported by uptrend in yarn market and better export sales. Some speculative buying against limited arrival gave momentum to Indian cotton market.
- Mills were active buyer in CCI auction. CCI was able to sale huge quantity in later half of the month. After getting very good response, CCI gradually increased sales base price by nearly 1,500 Rs. per candy.



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- Due to disruption in ginning operation due to second wave of Covid arrivals in open market was very limited and with the price support ginners held the cotton stock.
- Main seller was MNC and CCI both have increased daily sales price which created uptrend sentiment. Short covering of mills with speculators support Indian cotton market behaved opposite to international market.
- Basis player had double bonanza this month. Weaker NY futures and rising domestic prices gave best opportunity to earn. At one point of time Indian basis were -1,100 at the start of the month which ended +352 points at the end of the month. In other word Indian cotton appreciated nearly 1,450 basis points during just 25 days.
- Indian rupee got stronger from 74 Rs to 72.5 during this month.
- CCI has off loaded nearly 70% of procurements.
- Indian mills get good orders of yarn from abroad.
- Indian mills are well covered and yet do not want to reduce inventory level.
- In remaining four months of this season arrivals will be negligible compare to peak arrivals of the season.
- Next year's MSP to be declare in coming month. It may be higher than current year.
- With stronger rupee, lower NY and higher Indian cotton prices Indian cotton export will face strong resistance.
- Indian cotton is now offered at higher rate than cotlook index in international market.



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- This year import duty is applicable on import of cotton. Now imported cotton is at par with domestic cotton but mills who have export sales can only think for import. But with price level now it will not be easy for Indian mills to compete their rivals in international market.
- Good earning in spinning will continue to support domestic cotton prices.
- Cyclone Tauktae and Yass have given very good pre monsoon rain for sowing. IMD has predicted regular monsoon from 3rd June.
- Over all now Indian price will follow any uptrend in international market but will not follow in downtrend. If yarn market support mills than they will keep huge inventories and support the price.



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Gujarat Spot Rate Changes May-2021

Variety	Staple Length	Mic.	30-04-21	31-05-21	30-05-20	Change (M/M)		Change (Y/Y)	
						Rs./Candy	In Per.(%)	Rs./Candy	In Per.(%)
Shankar 6	29 MM	3.8	45,900	48,750	32,300	2,850	6.21%	16,450	50.93%
V-797	13 % Trash		29,600	32,800	19,900	3,200	10.81%	12,900	64.82%
MCX Spot Rate			21,990	23,350	15,610	1,360	6.18%	7,740	49.58%
USD-INR Exchange			74.06	72.61	75.62	-1.45	-1.96%	-3.01	-3.98%

Monthly - Average Spot Rate May-2021

Variety	Staple Length	Mic.	Price Range		Average Of 26 Days
			Low	High	
Shankar 6	29	3.8	45,800	48,750	46,904
V-797	13% Trash		29,100	32,800	30,350
MCX Spot Rate			21,980	23,350	22,466
USD Exchange Rate			72.44	74.06	73.20



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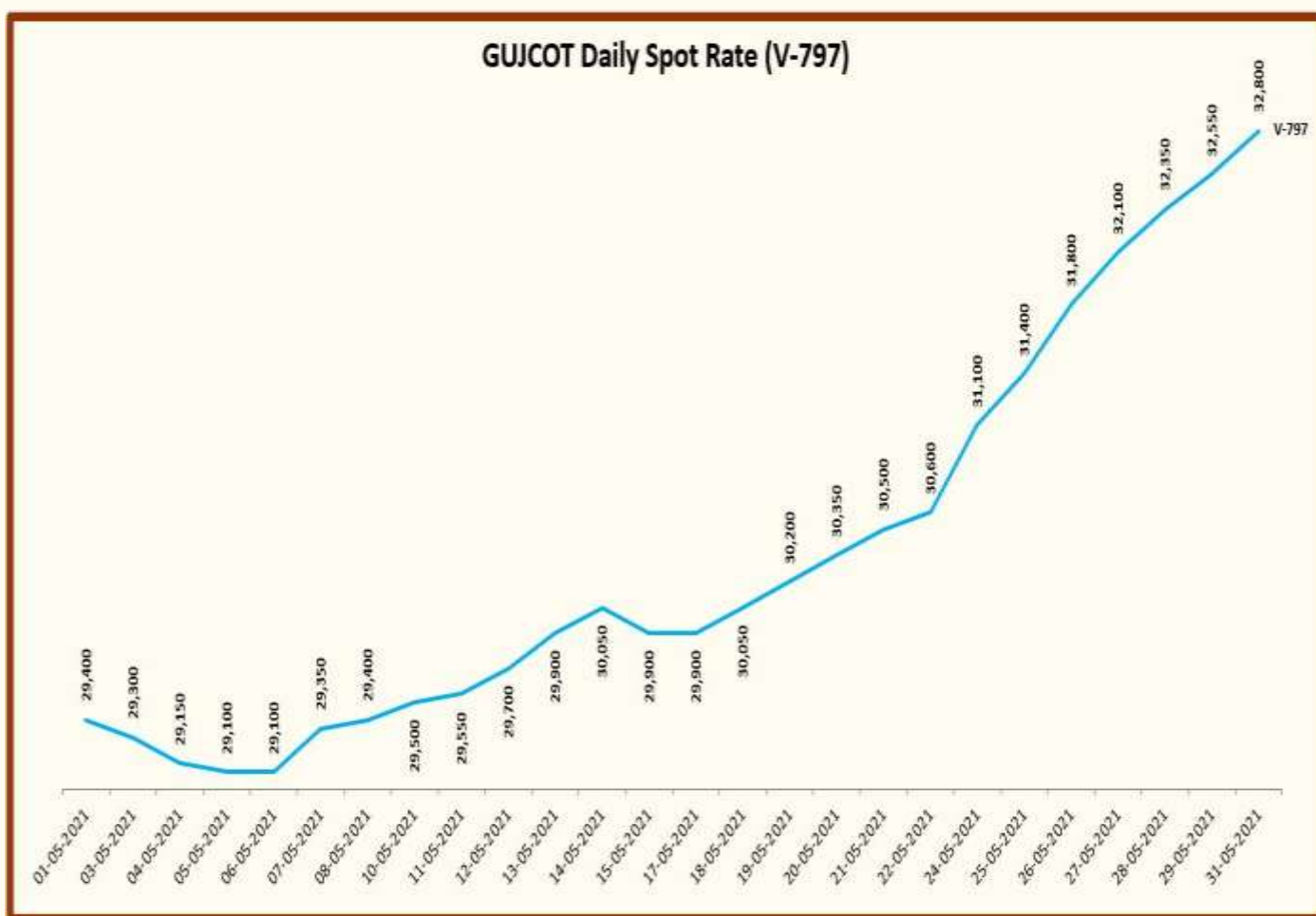
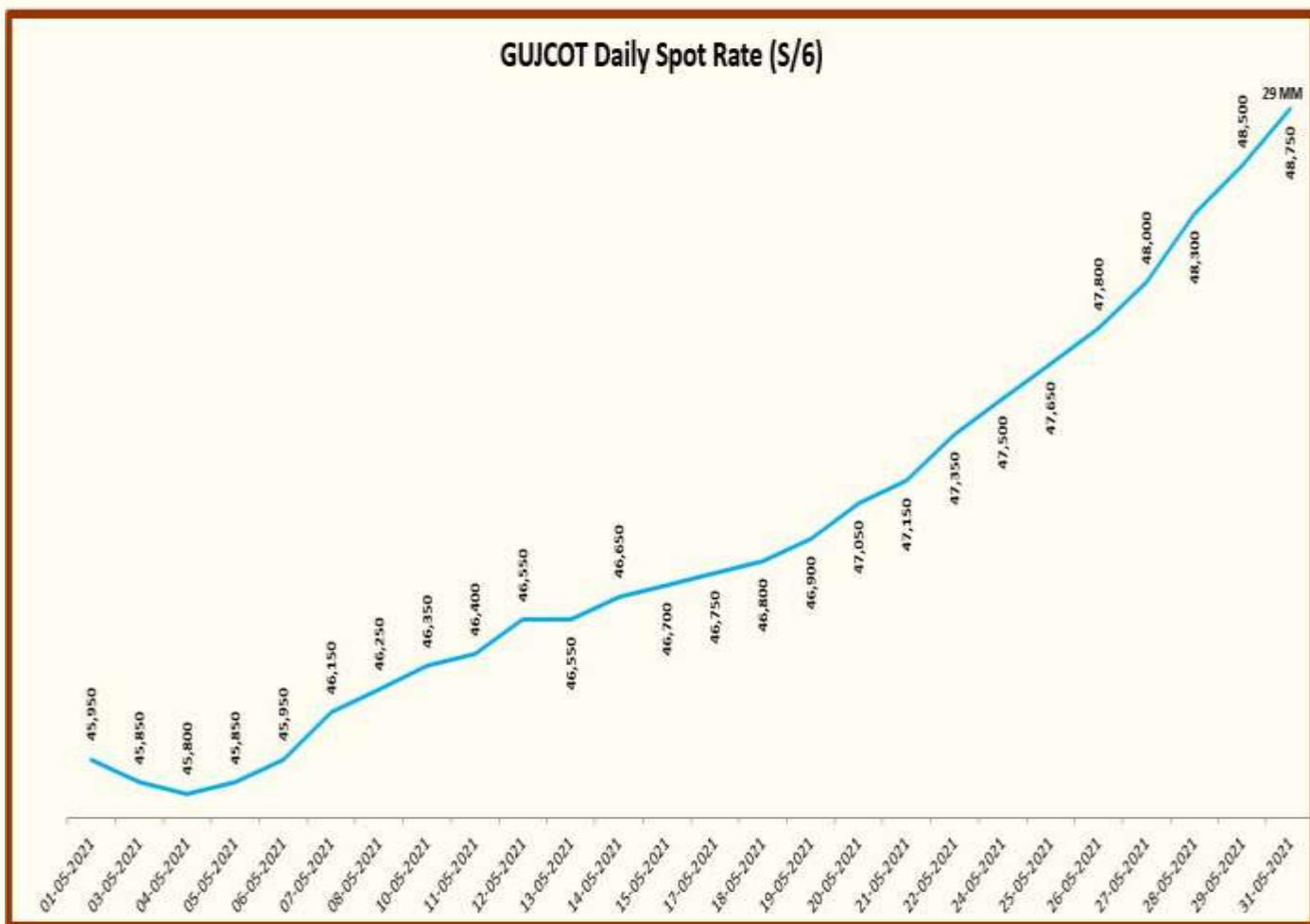
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Gujarat Spot Rate – May-2021				
Date	29-3.8	V-797	MCX Spot Rate	USD-INR Exchange Rate
01-05-2021	45,950	29,400	21,990	74.06
03-05-2021	45,850	29,300	22,000	73.91
04-05-2021	45,800	29,150	22,010	73.85
05-05-2021	45,850	29,100	21,980	73.91
06-05-2021	45,950	29,100	22,090	73.75
07-05-2021	46,150	29,350	22,150	73.51
08-05-2021	46,250	29,400	22,150	73.51
10-05-2021	46,350	29,500	22,200	73.35
11-05-2021	46,400	29,550	22,220	73.34
12-05-2021	46,550	29,700	22,420	73.41
13-05-2021	46,550	29,900	22,420	73.41
14-05-2021	46,650	30,050	22,430	73.28
15-05-2021	46,700	29,900	22,430	73.28
17-05-2021	46,750	29,900	22,380	73.21
18-05-2021	46,800	30,050	22,460	73.04
19-05-2021	46,900	30,200	22,500	73.16
20-05-2021	47,050	30,350	22,460	73.10
21-05-2021	47,150	30,500	22,610	72.83
22-05-2021	47,350	30,600	22,610	72.83
24-05-2021	47,500	31,100	22,650	72.96
25-05-2021	47,650	31,400	22,780	72.77
26-05-2021	47,800	31,800	22,820	72.77
27-05-2021	48,000	32,100	22,970	72.59
28-05-2021	48,300	32,350	23,020	72.44
29-05-2021	48,500	32,550	23,020	72.44
31-05-2021	48,750	32,800	23,350	72.61



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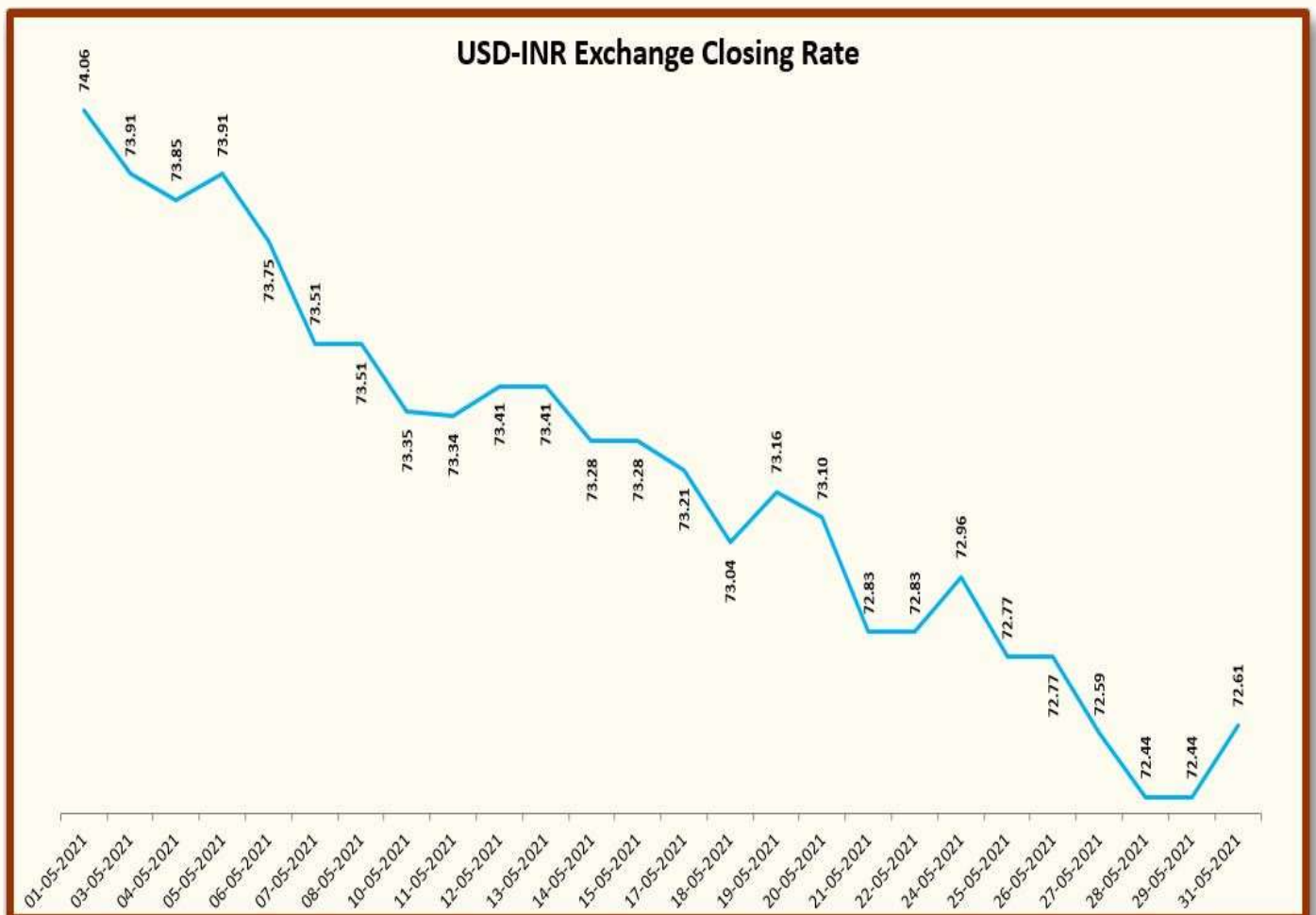
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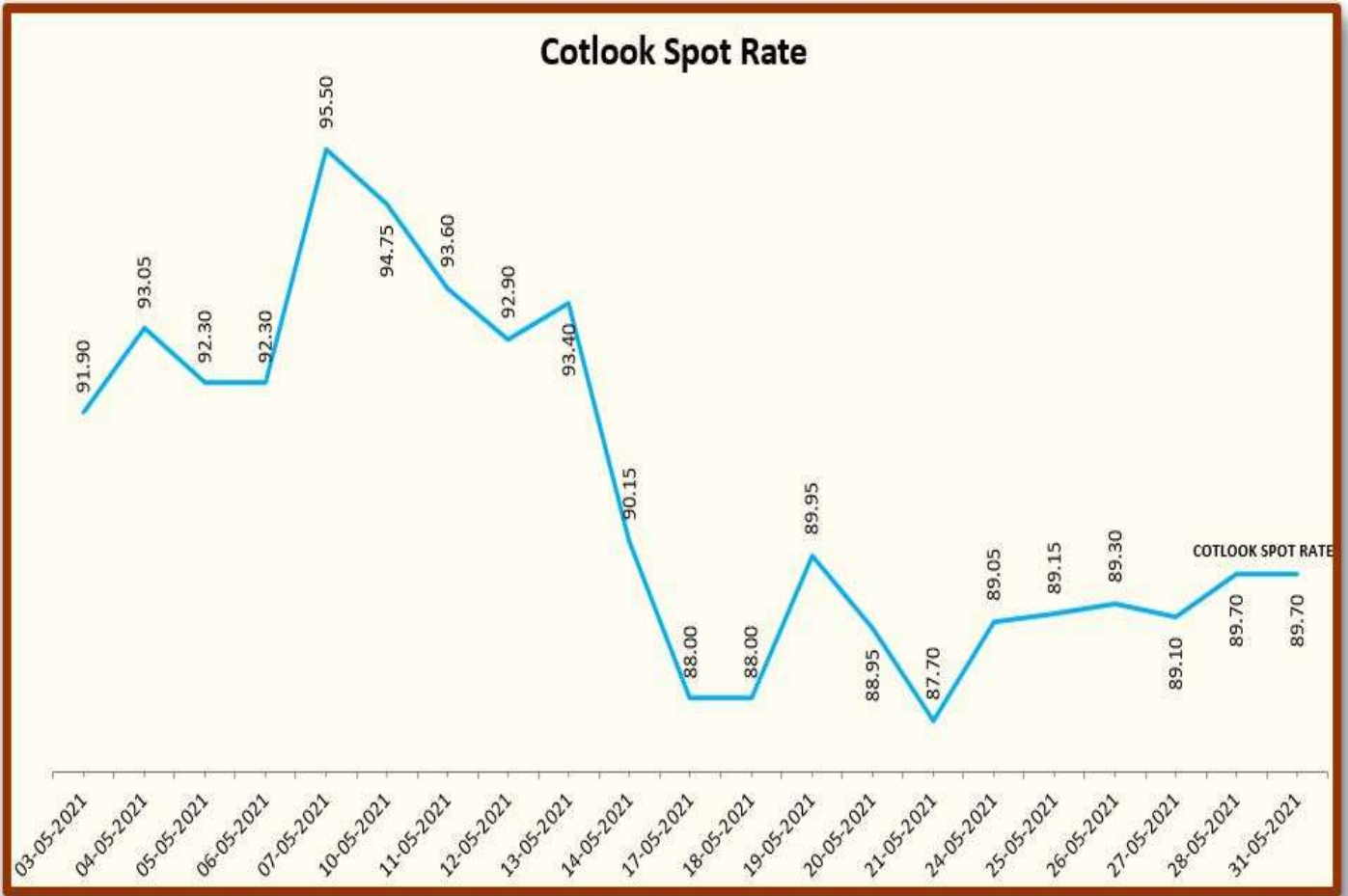
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Foreign Cotton Indices & Futures			
Date	Cotlook	ICE	
	Spot Rate	Jul-21	Dec-21
03-05-2021	91.90	87.86	
04-05-2021	93.05	87.17	
05-05-2021	92.30	87.33	
06-05-2021	92.30	90.58	
07-05-2021	95.50	89.66	86.89
10-05-2021	94.75	88.47	86.10
11-05-2021	93.60	87.75	85.53
12-05-2021	92.90	88.23	85.67
13-05-2021	93.40	84.98	83.30
14-05-2021	90.15	82.43	81.22
17-05-2021	88.00	82.32	81.71
18-05-2021	88.00	84.01	83.30
19-05-2021	89.95	82.92	82.37
20-05-2021	88.95	81.53	81.99
21-05-2021	87.70	82.82	83.22
24-05-2021	89.05	82.82	83.29
25-05-2021	89.15	82.71	83.09
26-05-2021	89.30	82.44	83.23
27-05-2021	89.10	82.61	83.46
28-05-2021	89.70	82.12	83.32
31-05-2021	89.70	82.12	83.32



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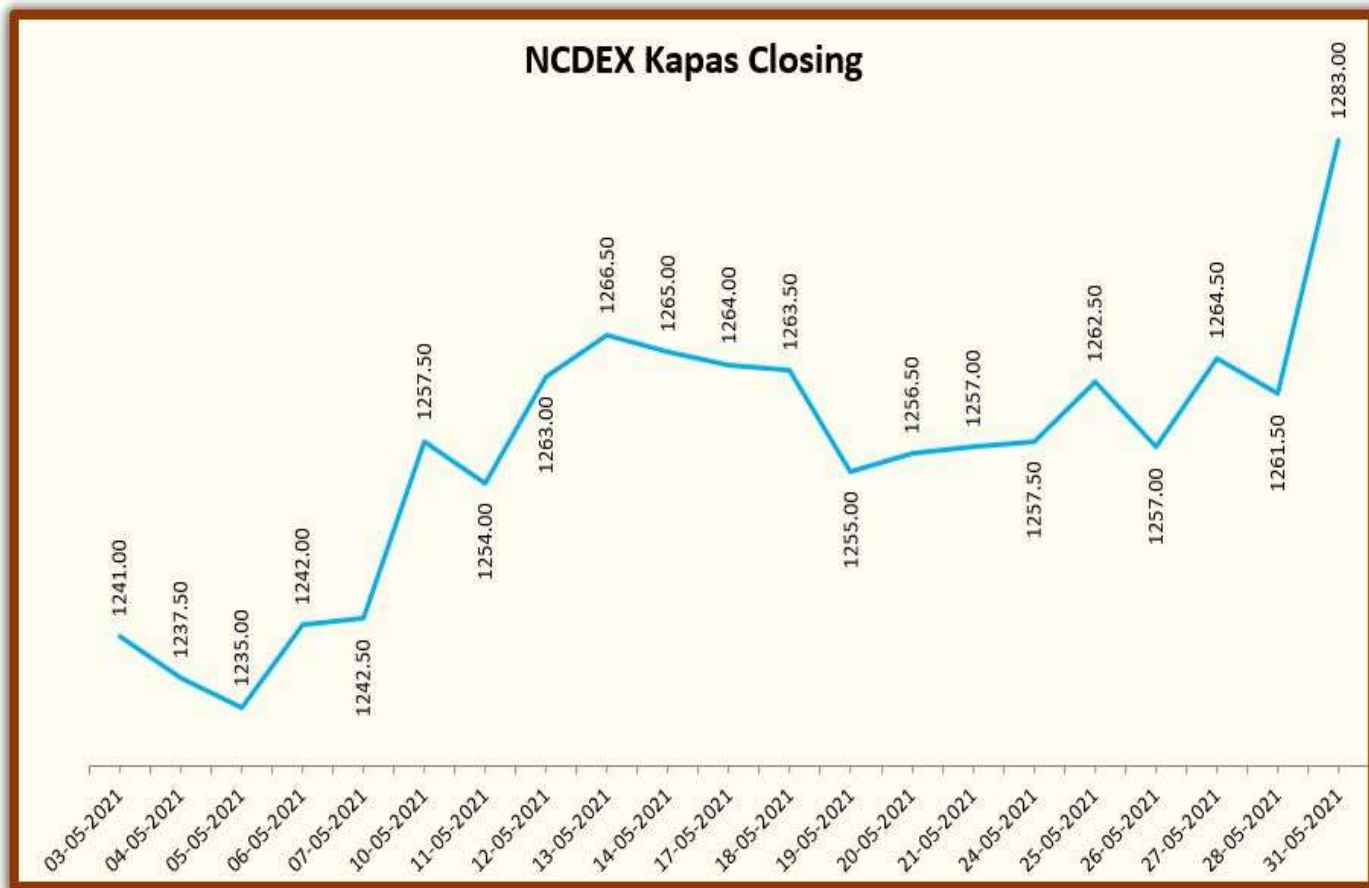
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Indian Cotton Futures				
Date	NCDEX Kapas	MCX		
	30-Apr-21	May-21	Jun-21	Jul-21
03-05-2021	1241.00	21,810	22,150	22,250
04-05-2021	1237.50	21,710	21,990	22,250
05-05-2021	1235.00	21,750	22,030	22,250
06-05-2021	1242.00	21,850	22,190	22,500
07-05-2021	1242.50	21,820	22,150	22,100
10-05-2021	1257.50	21,870	22,180	22,100
11-05-2021	1254.00	22,010	22,320	22,100
12-05-2021	1263.00	22,190	22,500	22,700
13-05-2021	1266.50	22,260	22,540	22,700
14-05-2021	1265.00	22,050	22,360	22,590
17-05-2021	1264.00	22,050	22,350	22,690
18-05-2021	1263.50	22,190	22,470	22,690
19-05-2021	1255.00	22,190	22,470	22,690
20-05-2021	1256.50	22,020	22,300	22,710
21-05-2021	1257.00	22,100	22,360	22,710
24-05-2021	1257.50	22,210	22,480	22,740
25-05-2021	1262.50	22,540	22,770	23,060
26-05-2021	1257.00	22,520	22,790	23,030
27-05-2021	1264.50	22,890	23,070	23,320
28-05-2021	1261.50	23,010	23,210	23,500
31-05-2021	1283.00	23,110	23,590	23,840



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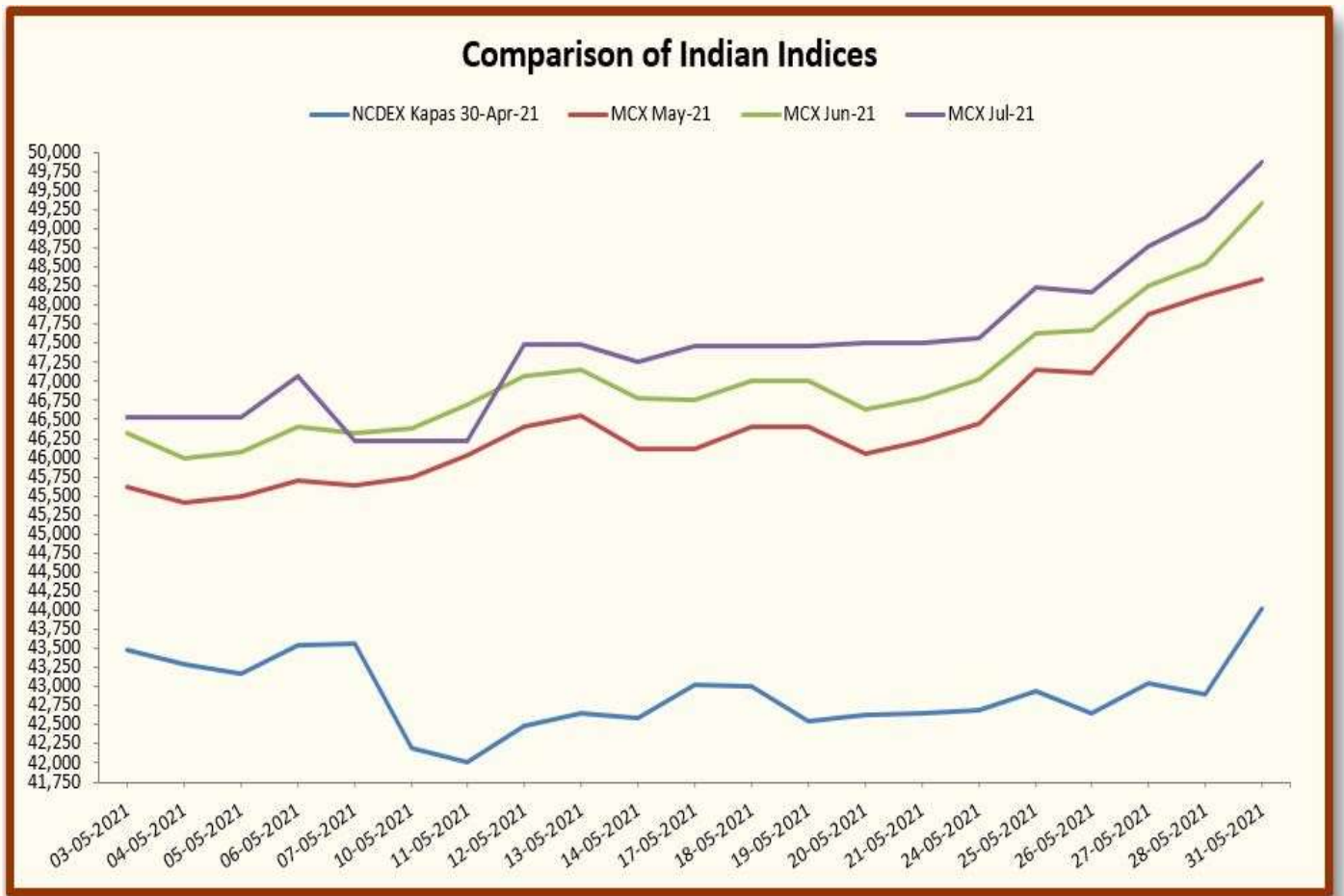
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Indian Indices in Rs/Candy Rate				
Date	NCDEX Kapas	MCX		
	30-Apr-22	May-21	Jun-21	Jul-21
03-05-2021	43,483	45,620	46,331	46,540
04-05-2021	43,300	45,411	45,996	46,540
05-05-2021	43,169	45,494	46,080	46,540
06-05-2021	43,535	45,704	46,415	47,063
07-05-2021	43,561	45,641	46,331	46,227
10-05-2021	42,187	45,745	46,394	46,227
11-05-2021	42,004	46,038	46,687	46,227
12-05-2021	42,475	46,415	47,063	47,482
13-05-2021	42,658	46,561	47,147	47,482
14-05-2021	42,579	46,122	46,770	47,252
17-05-2021	43,025	46,122	46,749	47,461
18-05-2021	42,999	46,415	47,000	47,461
19-05-2021	42,554	46,415	47,000	47,461
20-05-2021	42,633	46,059	46,645	47,503
21-05-2021	42,659	46,227	46,770	47,503
24-05-2021	42,685	46,457	47,021	47,565
25-05-2021	42,947	47,147	47,628	48,235
26-05-2021	42,659	47,105	47,670	48,172
27-05-2021	43,051	47,879	48,256	48,778
28-05-2021	42,894	48,130	48,548	49,155
31-05-2021	44,019	48,339	49,343	49,866



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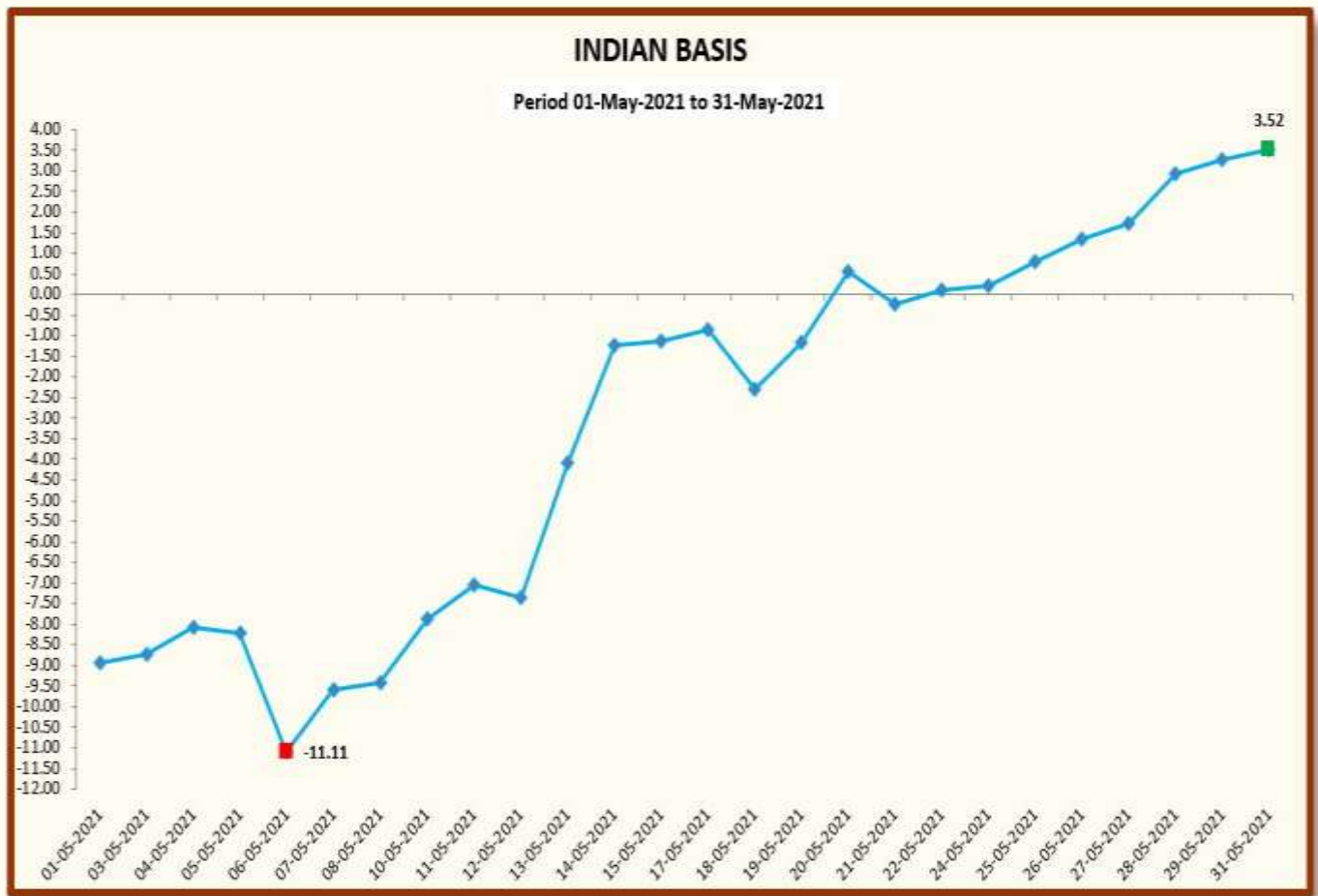
INDIAN BASIS

DATE	29 MM	USD-INR	Cents/lb	ICE NEAREST FUTURE	BASIS
01-05-2021	45,950	74.06	79.14	88.08	-8.94
03-05-2021	45,850	73.91	79.13	87.86	-8.73
04-05-2021	45,800	73.85	79.10	87.17	-8.07
05-05-2021	45,850	73.91	79.13	87.33	-8.20
06-05-2021	45,950	73.75	79.47	90.58	-11.11
07-05-2021	46,150	73.51	80.08	89.66	-9.58
08-05-2021	46,250	73.51	80.25	89.66	-9.41
10-05-2021	46,350	73.35	80.60	88.47	-7.87
11-05-2021	46,400	73.34	80.70	87.75	-7.05
12-05-2021	46,550	73.41	80.88	88.23	-7.35
13-05-2021	46,550	73.41	80.88	84.98	-4.10
14-05-2021	46,650	73.28	81.20	82.43	-1.23
15-05-2021	46,700	73.28	81.29	82.43	-1.14
17-05-2021	46,750	73.21	81.45	82.32	-0.87
18-05-2021	46,800	73.04	81.73	84.01	-2.28
19-05-2021	46,900	73.16	81.77	82.92	-1.15
20-05-2021	47,050	73.10	82.10	81.53	0.57
21-05-2021	47,150	72.83	82.58	82.82	-0.24
22-05-2021	47,350	72.83	82.93	82.82	0.11
24-05-2021	47,500	72.96	83.04	82.82	0.22
25-05-2021	47,650	72.77	83.52	82.71	0.81
26-05-2021	47,800	72.77	83.78	82.44	1.34
27-05-2021	48,000	72.59	84.34	82.61	1.73
28-05-2021	48,300	72.44	85.05	82.12	2.93
29-05-2021	48,500	72.44	85.40	82.12	3.28
31-05-2021	48,750	72.61	85.64	82.12	3.52



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Team Gujcot thanks the Broker Panel

Shri Sujalbhai, Shri Pravinbhai, Shri Sandipbhai, Shri Ananbhai, Shri Ajaybhai, Shri Jatinbhai, Shri Manishbhai, Shri Anilbhai, Shri Niravbhai and Shri Mukeshbhai Purohit.

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