



GUJCOT TRADE ASSOCIATION

FOURTH QUARTERLY RATE MOVEMENT 2019-20

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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Dear Cotton Friends,

- Welcome to new cotton crop season 2020/21. Team Gujcot wish all stakeholders prosperous new season and good earning. Also, team Gujcot wishes good health to all our friends in this pandemic time. Our humble request to maintain social distancing, wear a mask and follow government guidelines.
- NY December future was a front month as American cotton season 2019-2020 is over by 31st July and NY July expired in first half of July. ICE December traded in very small range of 62.80 to 66.80, just 4 cents range in full quarter. WASDE, Hurricanes, Elections, stimulus packages, equity market, volatility in currency market and big US Cotton export numbers to china remained main factors of volatility in market. All these factors worked in different direction; market volatility remained in a very narrow range.
- US Export numbers were good and met 2019/20 USDA export target. 22.86 million Bales sales was carried forward and at the end of September new year's total commitment stands at 82,64,627 Running Bales out at that 22,57,455 Running Bales already shipped.
- USDA reduced U.S. Crop to nearly 17 million bales but huge opening stock is giving full inventory to ship cotton before new crop is harvested.
- China has started to offload reserve cotton stock and nearly 100% of the offered cotton was sold out. Overall, according to various agencies world's cotton production during 2020/21 season will exceed world's yearly cotton consumption by nearly 4



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million bales. So, fundamentally again we will see huge opening stock in season 2021/22 also.

- Due to COVID-19 lockdown during April-May, ginning factories remained active during last quarter of the cotton season. First time in the history of Gujarat, so many ginning factories remained active till last day of the season. July more than 200 factories were active, August 135 factories remained active and September also nearly 100 factories were running.
- Gujarat July Pressing was 5,45,128 Running Bales, August pressing was 2,85,158 Running Bales and September also more than 1.5 lakh Running Bales pressing is expected.
- At the start of the last quarter of this season, spinning mills were running at slow pace with various problems like government restrictions, labour shortage and lower demand in yarn which kept prices under pressure. C.C.I. almost stopped their MSP procurement by 30th June. So, July to September huge quantity of kapas was available to ginners at affordable rate and ginners were running their factories with good ginning parity.
- Gradually economic activity resumes in India and abroad so demand also increased and with demand rate also started to increase. Cotton prices in July started with nearly 33,000 rupee a candy and remained range bound during July but from August onwards rate advanced fast with increasing demand. Cotton corporation also started bulk quantity discount and was able to sell bulk quantity during August. After huge



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sales C.C.I. change their bulk discount policy and gave level playing field to small and large quantity buyers.

- Government of India abolished Cotton Advisory Board and now all statistical work will be done under agriculture ministry. Committee has put cotton crop for cotton season 2019-20 at 357 lakh bales of 170 kg.
- New crop arrivals also started in small quantity during September.
- Indian Rupee appreciated from 75.50 in July to nearly 73 in September.
- Indian basis traded negative during whole quarter but improved from -800 point to -300 points. As compared to other origins Brazil and West Africa also reduce their basis to stay competitive in export market.
- C.C.I. and reseller of C.C.I. cotton maintained cotton liquidity into market.
- Weather remains good for crop season 2020/21. Standing crop is in good condition. Sowing area reached 129 lakh hectares. current year ended with historically high ending cotton stock of more than 1 crore bales.
- Hope New Year will give good parity to ginners. Farmers will be happy to sell to C.C.I. on new MSP rate.
- Cotton Industry is in double mind. If C.C.I. procure aggressively and international prices doesn't support than Indian cotton will be out of competition in export market and despite huge crop Indian mills will not able to compete in world market.



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Gujarat Spot Rate Changes Sep-2020

Variety	Staple Length	Mic.	31-08-2020	30-09-2020	30-09-2019	Change (M/M)		Change (Y/Y)	
						Rs./Candy	In Per.(%)	Rs./Candy	In Per.(%)
Shankar 6	29 MM	3.8	35,850	36,200	41,650	350	0.98%	-5,450	-13.09%
Shankar 6	28.5 MM	3.6	35,200	35,400	41,200	200	0.57%	-5,800	-14.08%
V-797	13 % Trash		22,900	23,350	32,600	450	1.97%	-9,250	-28.37%
MCX Spot Rate			17,180	17,490	19,910	310	1.80%	-2,420	-12.15%
USD-INR Exchange			73.61	73.76	70.87	0.15	0.20%	2.89	4.08%

Monthly - Average Spot Rate Sep-2020

Variety	Staple Length	Mic.	Price Range		Average Of 26 Days
			Low	High	
Shankar 6	29	3.8	35,600	36,300	35,952
Shankar 6	28.5	3.7	35,050	35,450	35,254
V-797	13% Trash		22,150	23,350	22,667
MCX Spot Rate			17,070	17,570	17,307
USD Exchange Rate			72.86	73.89	73.49



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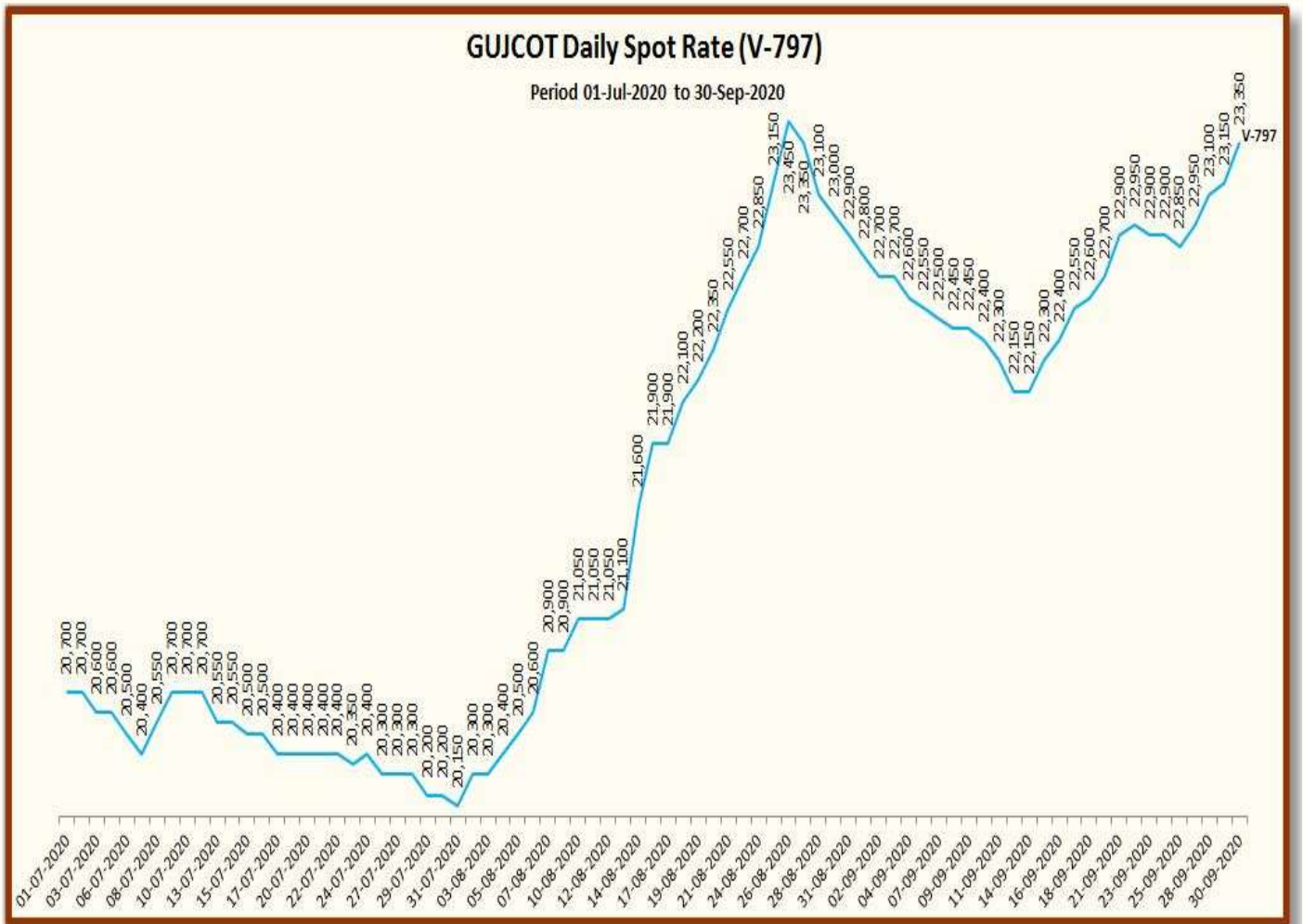
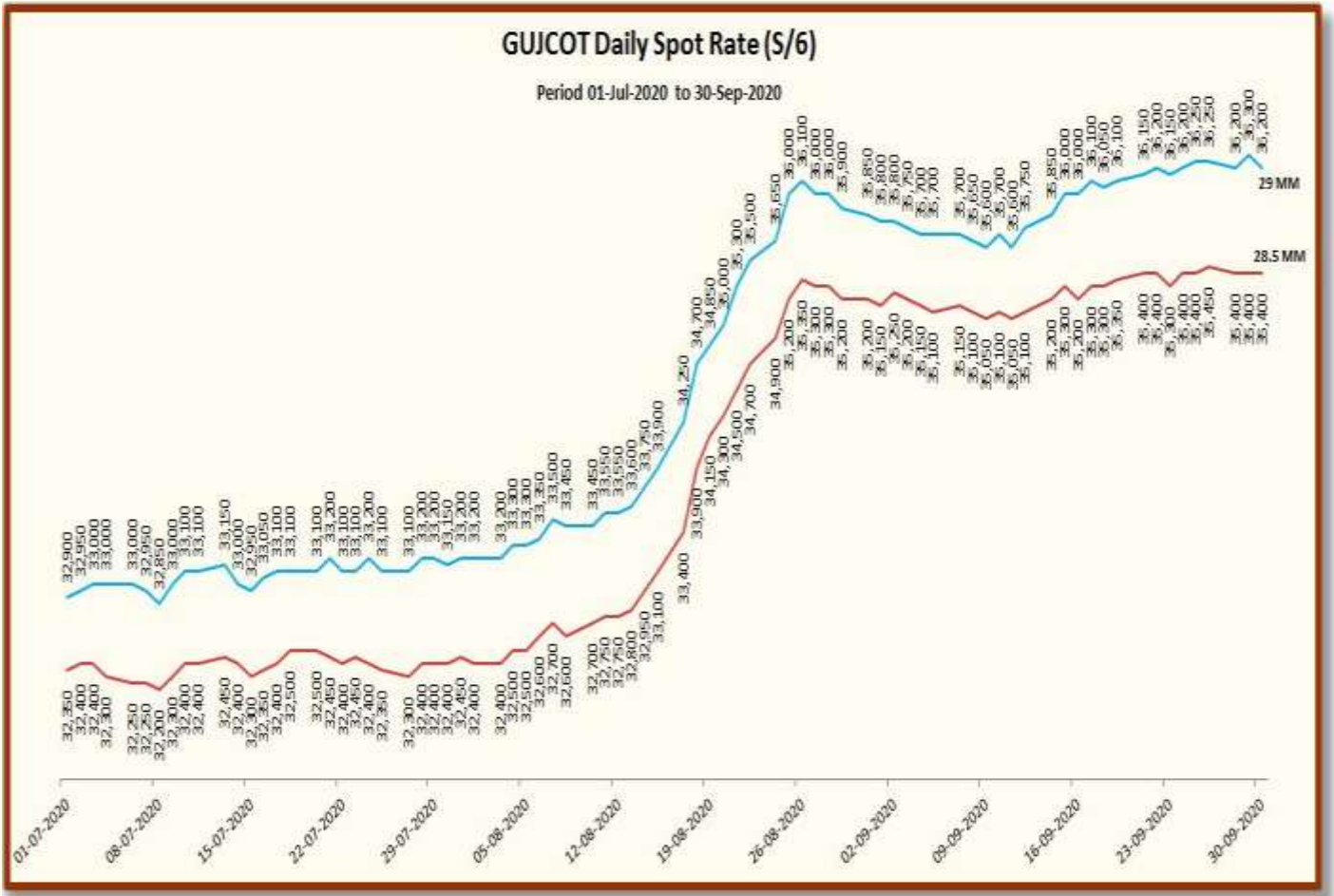
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Gujarat Spot Rate – Sep-2020					
Date	29-3.8	28.5-3.7	V-797	MCX Spot Rate	USD-INR Exchange Rate
01-09-2020	35,800	35,150	22,800	17,170	72.86
02-09-2020	35,800	35,250	22,700	17,150	73.02
03-09-2020	35,750	35,200	22,700	17,130	73.47
04-09-2020	35,700	35,150	22,600	17,110	73.13
05-09-2020	35,700	35,100	22,550	17,110	73.13
07-09-2020	35,700	35,150	22,500	17,120	73.34
08-09-2020	35,650	35,100	22,450	17,150	73.59
09-09-2020	35,600	35,050	22,450	17,130	73.53
10-09-2020	35,700	35,100	22,400	17,070	73.45
11-09-2020	35,600	35,050	22,300	17,110	73.53
12-09-2020	35,750	35,100	22,150	17,110	73.53
14-09-2020	35,850	35,200	22,150	17,220	73.47
15-09-2020	36,000	35,300	22,300	17,300	73.64
16-09-2020	36,000	35,200	22,400	17,280	73.52
17-09-2020	36,100	35,300	22,550	17,350	73.65
18-09-2020	36,050	35,300	22,600	17,490	73.44
19-09-2020	36,100	35,350	22,700	17,490	73.44
21-09-2020	36,150	35,400	22,900	17,480	73.37
22-09-2020	36,200	35,400	22,950	17,410	73.58
23-09-2020	36,150	35,300	22,900	17,450	73.57
24-09-2020	36,200	35,400	22,900	17,470	73.89
25-09-2020	36,250	35,400	22,850	17,570	73.61
26-09-2020	36,250	35,450	22,950	17,570	73.61
28-09-2020	36,200	35,400	23,100	17,500	73.77
29-09-2020	36,300	35,400	23,150	17,550	73.85
30-09-2020	36,200	35,400	23,350	17,490	73.76



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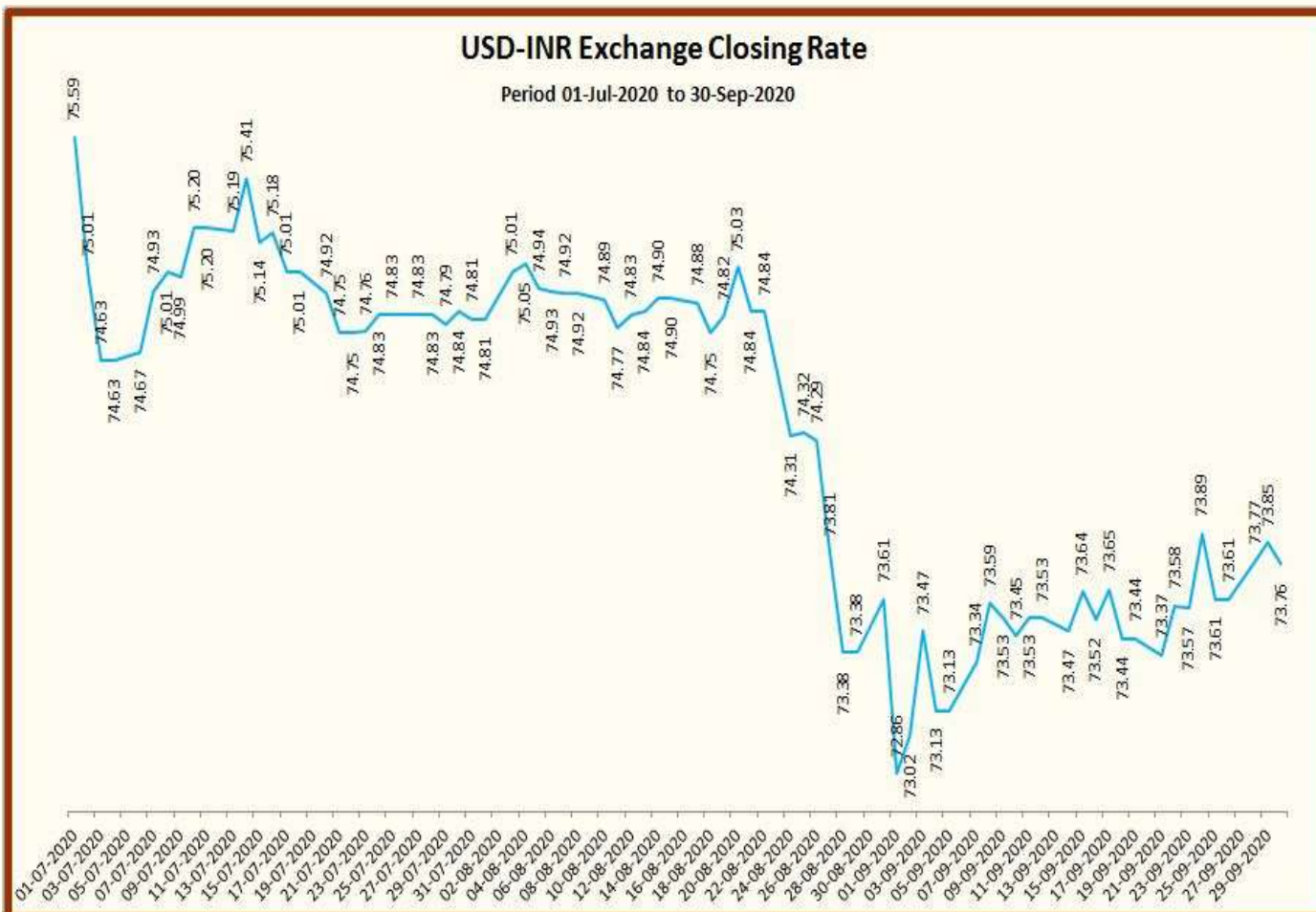
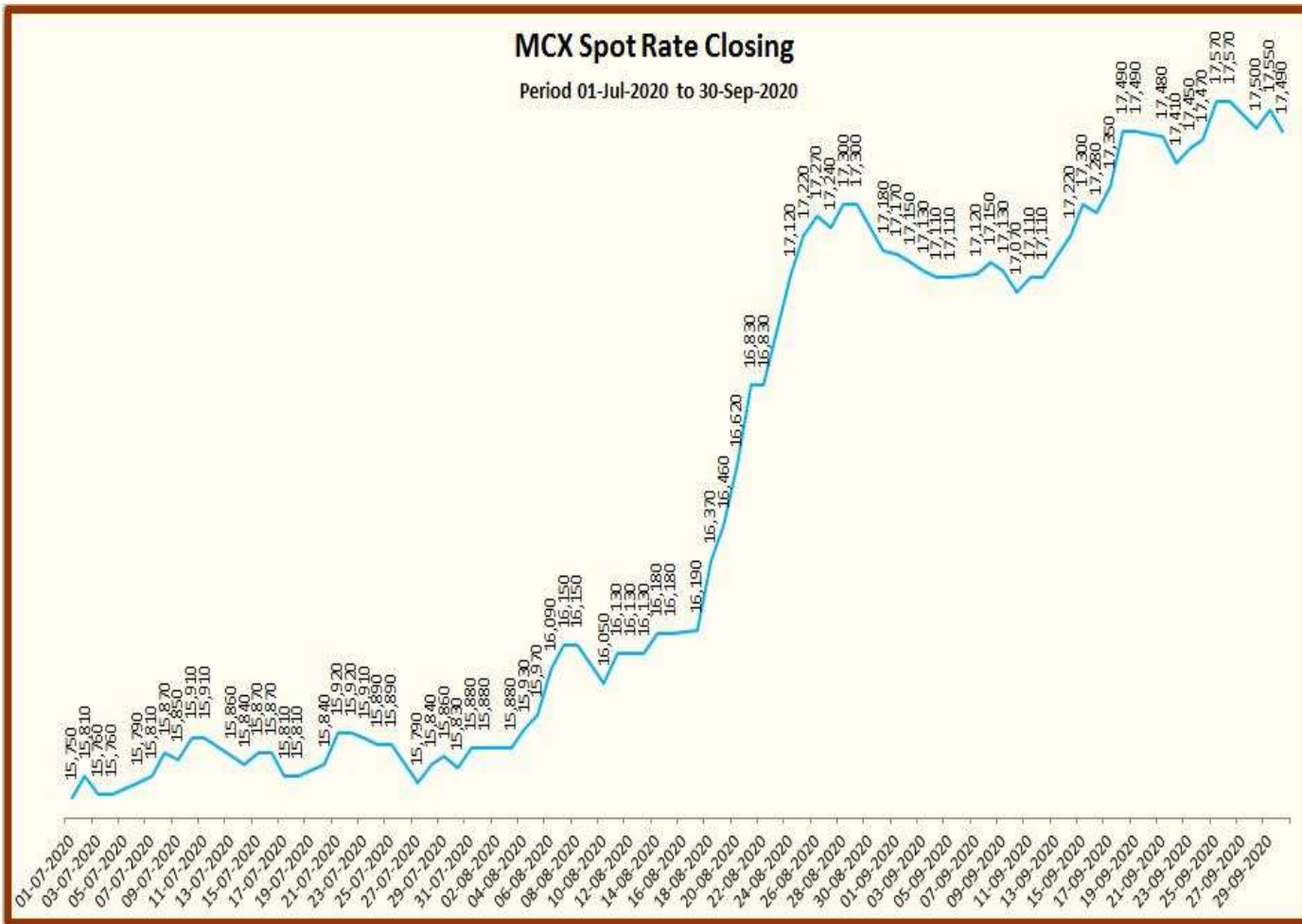
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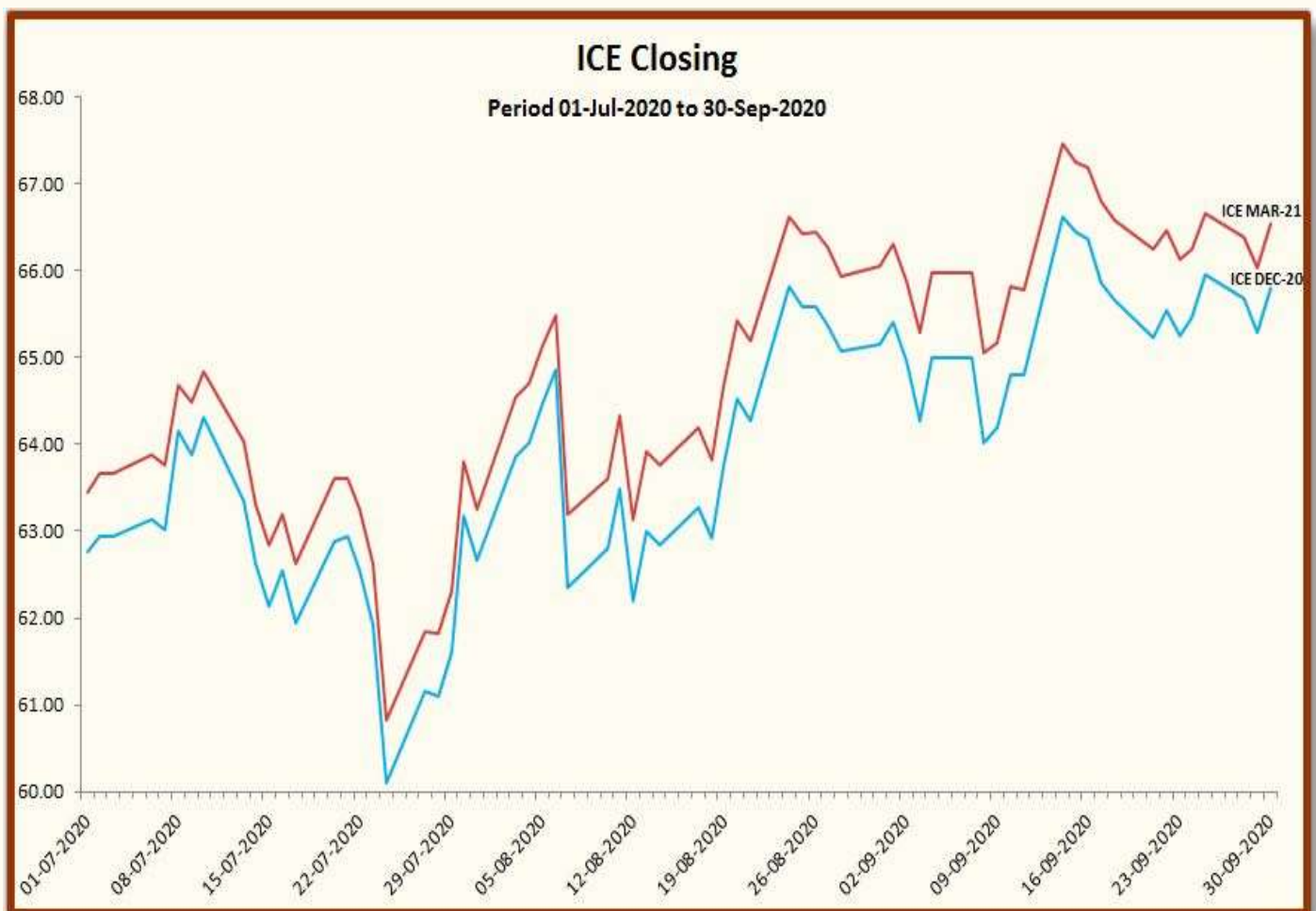
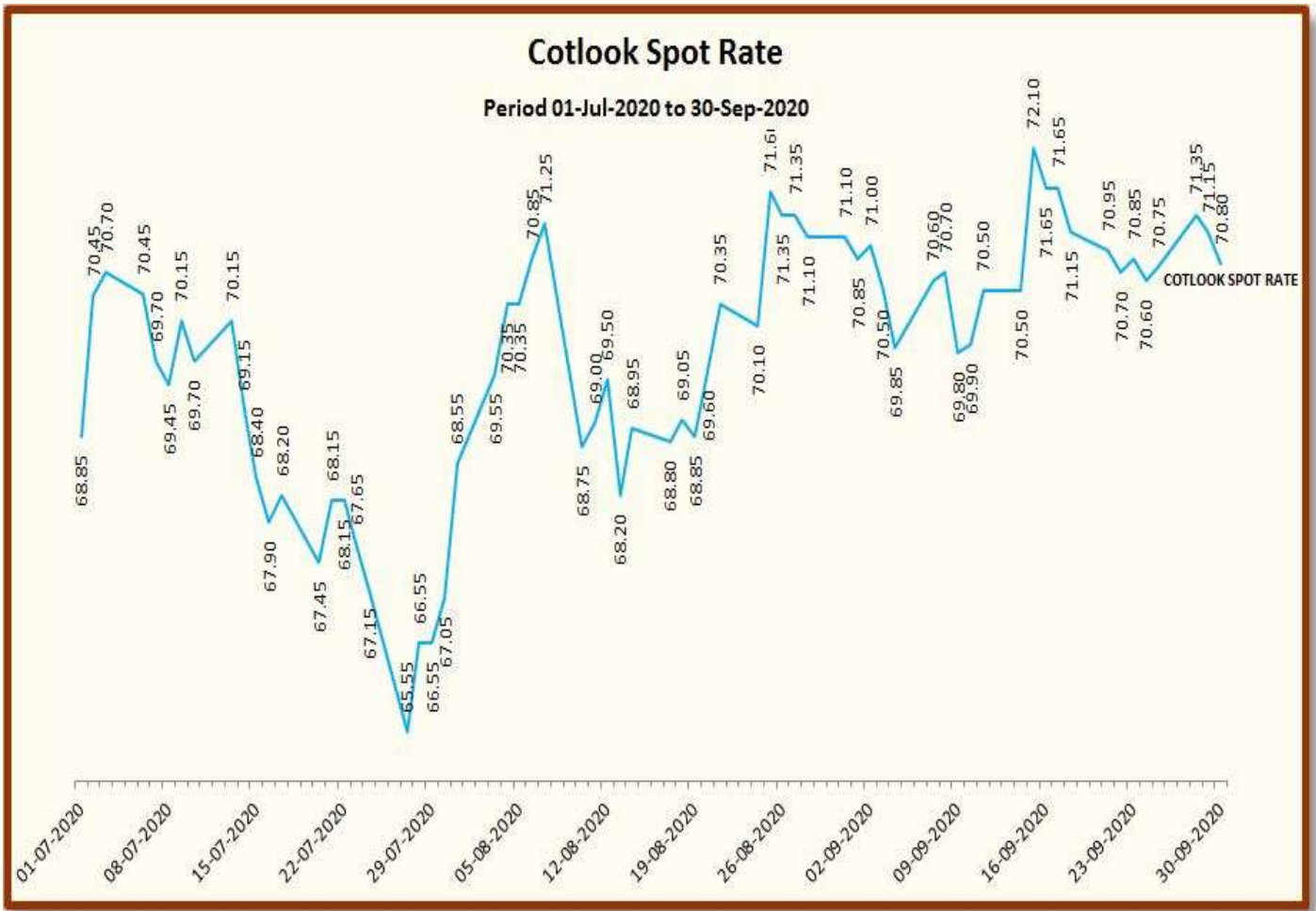
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Foreign Cotton Indices & Futures			
Date	Cotlook	ICE	
	Spot Rate	Dec-20	Mar-21
01-09-20	70.85	65.40	66.31
02-09-20	71.00	64.96	65.88
03-09-20	70.50	64.28	65.29
04-09-20	69.85	64.99	65.97
07-09-20	70.60	64.99	65.97
08-09-20	70.70	64.02	65.05
09-09-20	69.80	64.20	65.18
10-09-20	69.90	64.81	65.82
11-09-20	70.50	64.81	65.78
14-09-20	70.50	66.62	67.46
15-09-20	72.10	66.44	67.24
16-09-20	71.65	66.37	67.18
17-09-20	71.65	65.85	66.79
18-09-20	71.15	65.66	66.58
21-09-20	70.95	65.24	66.24
22-09-20	70.70	65.54	66.47
23-09-20	70.85	65.25	66.14
24-09-20	70.60	65.46	66.25
25-09-20	70.75	65.95	66.66
28-09-20	71.35	65.69	66.38
29-09-20	71.15	65.29	66.03
30-09-20	70.80	65.79	66.54



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Indian Cotton Futures			
Date	NCDEX Kapas	MCX	
	30-Apr-21	Oct-20	Nov-20
01-09-2020	1036.50	17,790	17,660
02-09-2020	1029.00	17,740	17,650
03-09-2020	1025.50	17,650	17,510
04-09-2020	1020.00	17,520	17,390
07-09-2020	1020.50	17,570	17,430
08-09-2020	1010.50	17,470	17,350
09-09-2020	1013.50	17,440	17,370
10-09-2020	1032.50	17,660	17,520
11-09-2020	1036.50	17,840	17,590
14-09-2020	1042.00	17,920	17,730
15-09-2020	1041.00	17,980	17,820
16-09-2020	1043.50	18,030	17,890
17-09-2020	1032.50	17,980	17,870
18-09-2020	1029.00	17,880	17,790
21-09-2020	1015.50	17,890	17,790
22-09-2020	1026.00	18,070	17,860
23-09-2020	1027.00	18,010	17,940
24-09-2020	1027.00	18,060	17,950
25-09-2020	1025.50	18,030	17,960
28-09-2020	1034.00	18,160	18,100
29-09-2020	1032.50	18,100	18,030
30-09-2020	1039.50	18,210	18,180



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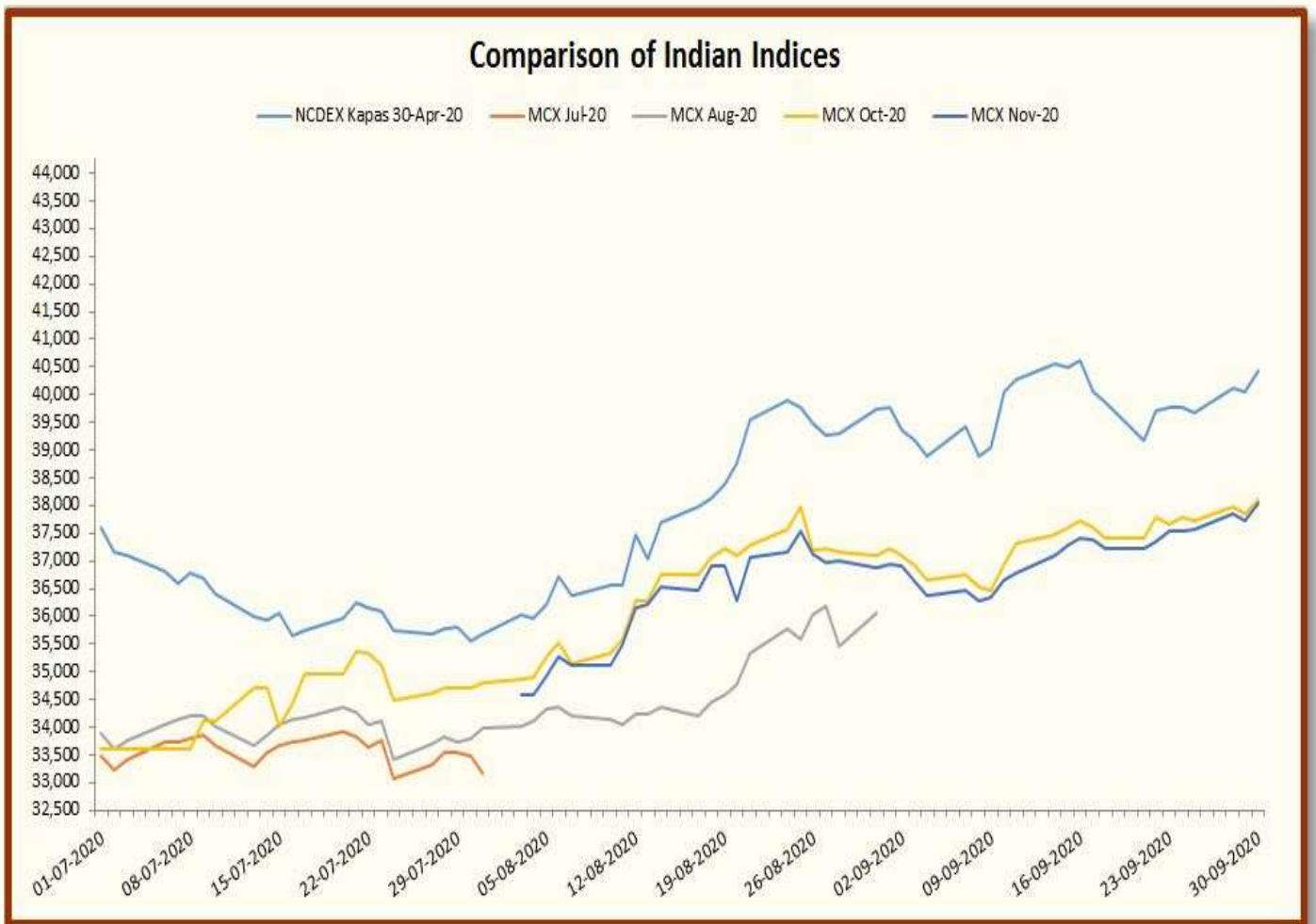
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Indian Indices in Rs/Candy Rate			
Date	NCDEX Kapas	MCX	
	30-Apr-20	Oct-20	Nov-20
01-09-2020	39,762	37,211	36,939
02-09-2020	39,370	37,107	36,919
03-09-2020	39,187	36,919	36,626
04-09-2020	38,899	36,647	36,375
07-09-2020	39,423	36,751	36,458
08-09-2020	38,900	36,542	36,291
09-09-2020	39,057	36,479	36,333
10-09-2020	40,051	36,939	36,647
11-09-2020	40,260	37,316	36,793
14-09-2020	40,548	37,483	37,086
15-09-2020	40,495	37,609	37,274
16-09-2020	40,626	37,713	37,421
17-09-2020	40,051	37,609	37,379
18-09-2020	39,868	37,400	37,211
21-09-2020	39,162	37,421	37,211
22-09-2020	39,711	37,797	37,358
23-09-2020	39,763	37,672	37,525
24-09-2020	39,763	37,776	37,546
25-09-2020	39,685	37,713	37,567
28-09-2020	40,129	37,985	37,860
29-09-2020	40,051	37,860	37,713
30-09-2020	40,417	38,090	38,027



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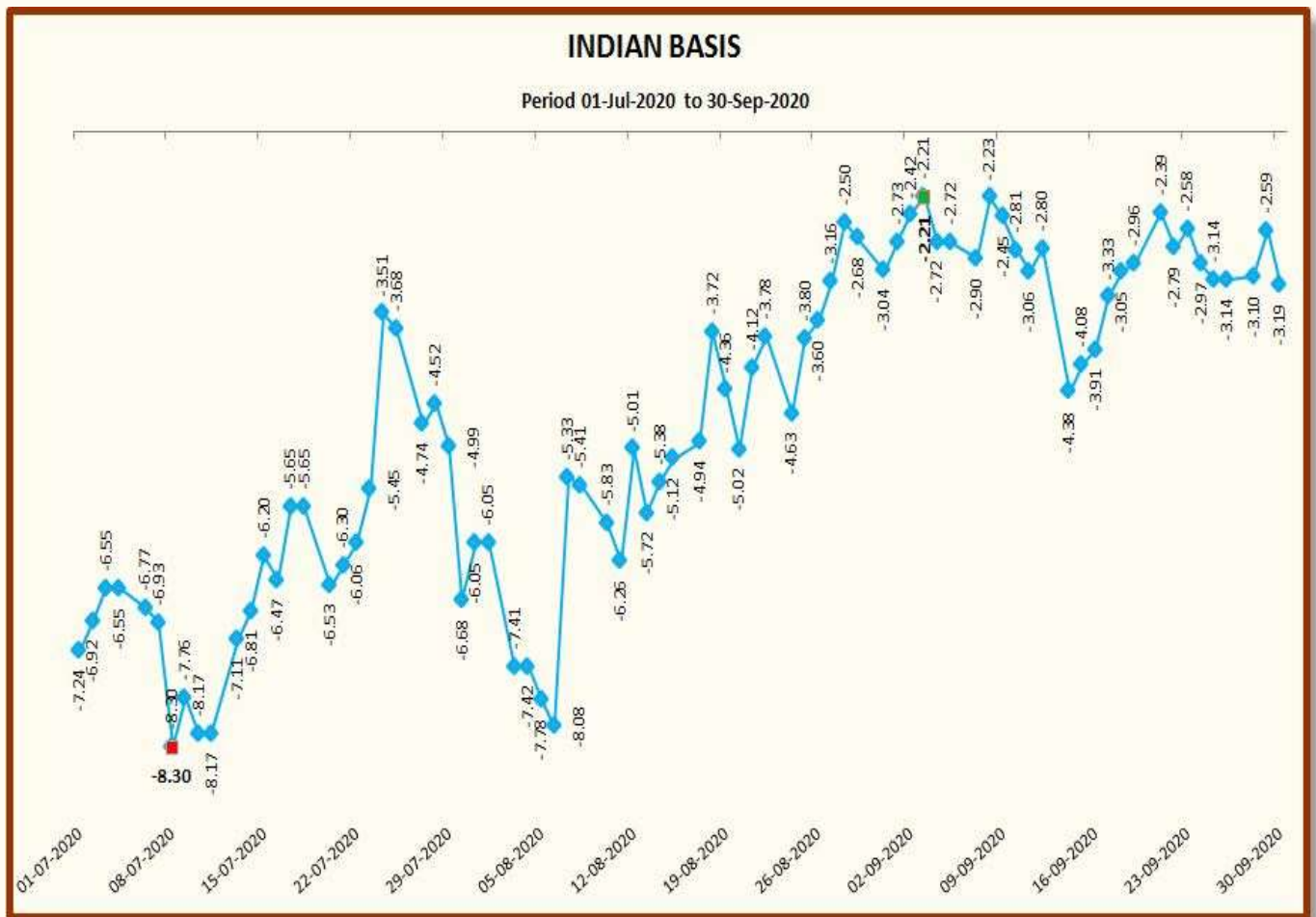
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INDIAN BASIS					
DATE	29 MM	USD-INR	Cents/lb	ICE DEC	BASIS
01-09-2020	35,800	72.86	62.67	65.40	-2.73
02-09-2020	35,800	73.02	62.54	64.96	-2.42
03-09-2020	35,750	73.47	62.07	64.28	-2.21
04-09-2020	35,700	73.13	62.27	64.99	-2.72
05-09-2020	35,700	73.13	62.27	64.99	-2.72
07-09-2020	35,700	73.34	62.09	64.99	-2.90
08-09-2020	35,650	73.59	61.79	64.02	-2.23
09-09-2020	35,600	73.53	61.75	64.20	-2.45
10-09-2020	35,700	73.45	62.00	64.81	-2.81
11-09-2020	35,600	73.53	61.75	64.81	-3.06
12-09-2020	35,750	73.53	62.01	64.81	-2.80
14-09-2020	35,850	73.47	62.24	66.62	-4.38
15-09-2020	36,000	73.64	62.36	66.44	-4.08
16-09-2020	36,000	73.52	62.46	66.37	-3.91
17-09-2020	36,100	73.65	62.52	65.85	-3.33
18-09-2020	36,050	73.44	62.61	65.66	-3.05
19-09-2020	36,100	73.44	62.70	65.66	-2.96
21-09-2020	36,150	73.37	62.85	65.24	-2.39
22-09-2020	36,200	73.58	62.75	65.54	-2.79
23-09-2020	36,150	73.57	62.67	65.25	-2.58
24-09-2020	36,200	73.89	62.49	65.46	-2.97
25-09-2020	36,250	73.61	62.81	65.95	-3.14
26-09-2020	36,250	73.61	62.81	65.95	-3.14
28-09-2020	36,200	73.77	62.59	65.69	-3.10
29-09-2020	36,300	73.85	62.70	65.29	-2.59
30-09-2020	36,200	73.76	62.60	65.79	-3.19



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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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