



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Market Movement from 08th May 2023 to 13th May 2023.

- The New York Cotton future for July showed a decline from 83.90 cents on 05-May to 80.53 cents on 12-May, resulting in a weekly loss of 3.37 cents.
- The cotton market saw some fluctuations this week, with a rally last week followed by a retreat on Monday. The market saw triple-digit losses on Tuesday due to bearish rain forecasts and weak Chinese economic data, and some more loss on Wednesday. The market was lower again on Thursday due to breaking outside markets and negative Chinese inflation data. Overall, rising interest rates and slow global economic recovery continue to impact prices.
- The U.S. cotton export sales for the 2022-2023 season were strong, with net upland sales of 246,800 bales and net Pima sales of 15,200 bales, totaling 262,000 bales. Upland and Pima shipments for the week were 331,000 bales and 20,300 bales, respectively. However, net sales for the 2023-2024 season were lower at 12,800 bales for upland, with no reported net Pima sales. Overall, there are signs of healthy demand for cotton, but some uncertainty for the upcoming season.
- The USDA's World Agricultural Supply and Demand Estimates (WASDE) report for May 2023 projects a rise in U.S. cotton



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

production for 2023/24 despite a decrease in planted acreage, with abandonment expected to be lower than the previous year but still above average. Global cotton supplies are projected to be higher than the previous year due to higher beginning stocks, and also consumption is expected to rebound. However, production is expected to fall slightly due to lower harvested area in some other countries. The report also shows higher global production and lower use for 2022/23, with projected ending stocks higher than the previous month.

- The sharp decline in Indian cotton production was due to farmers' firm holding. It is noteworthy that for the first time in history, we have witnessed an arrival of over one lakh (100,000) cotton bales in the month of May.
- The declining cotton seed rate (falling below the Rs 3000 per quintal level) along with a sharp downtrend in cotton prices has caused panic in kapas prices (seed cotton price).
- Mills are unable to find yarn buyers even at lower rates, which has led to a restriction in mill buying of cotton at lower rates as well.
- The overall slow mill buying, coupled with farmers selling and some inventory being held by ginners, has caused sharp downfall in cotton prices. Additionally, the back-to-back New York futures



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

have dropped over 300 points week-over-week, with all bearish factors prevailing this week.

- Next week, it is expected that there will continue to be sluggish buying from mills. It will be interesting to see whether farmers will apply pressure by selling their crops or if they will remain calm, as this will play a significant role in determining the price action for next week.
- Cotton market experienced a significant decline in prices this week, with Gujcot Spot Rate at 61,600 on Monday and gradually decreasing to 59,800 by Saturday.
- The Indian rupee weakened against USD. Starting at 81.79 on Monday, peaked at 82.16 on Friday.



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT

13-May-2023

Global

US Weekly Export Sales

- Net UPLAND sales of 2,46,800 RB for 2022-2023 were up 7 percent from the previous week and 56 percent from the prior 4-week average. Increases primarily for China (1,06,200 RB, including 2,800 RB switched from Singapore), Vietnam (67,100 RB, including 2,000 RB switched from Macau, 200 RB switched from Japan, 100 RB switched from South Korea, and 100 RB switched from Taiwan), Bangladesh (36,000 RB), Turkey (17,600 RB, including decreases of 8,000 RB), and Pakistan (9,200 RB, including decreases of 1,500 RB), were offset by reductions for Singapore (2,800 RB), Macau (2,000 RB), and Indonesia (1,100 RB).

US Export Sales	04-May-2023
Marketing Year 2022-23	
Upland Gross Sales	2,59,100
Cancellation	12,300
Net Upland Sales	2,46,800
PIMA Gross Sales	16,500
Cancellation	1,300
Net PIMA Sales	15,200
Total Gross Sales	2,75,600
Total Cancellation	13,600
Total Net Sales	2,62,000
Shipments	
UPLAND	3,31,000
PIMA	20,300
Total Shipment	3,51,300
Marketing Year 2023-24	
Net Upland Sales	12,800
Net PIMA Sales	0
Total Net Sales	12,800
All Figures in US Running Bale	

- Net UPLAND sales of 12,800 RB for 2023-2024 reported for Nicaragua (4,400 RB), Peru (3,200 RB), Mexico (3,100 RB), and Turkey (2,200 RB), were offset by reductions for Japan (100 RB).
- UPLAND Exports of 3,31,000 RB were down 20 percent from the previous week and 8 percent from the prior 4-week average. The destinations were primarily to China (88,900 RB), Turkey (75,200 RB), Vietnam (44,100 RB), Pakistan (30,000 RB), and Bangladesh (25,300 RB).
- Net sales of PIMA totaling 15,200 RB for 2022-2023 were down 38 percent from the previous week and from the prior 4-week average. Increases were reported for India (12,200 RB), Vietnam (1,700 RB, including decreases of 1,300 RB), Djibouti (900 RB), and Pakistan (400 RB).
- PIMA Exports of 20,300 RB were down 18 percent from the previous week, but up 14 percent from the prior 4-week average. The destinations were primarily to India (7,800 RB), China (7,100 RB), Vietnam (1,300 RB), Egypt (1,300 RB), and Turkey (1,000 RB).



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Gujarat Spot Rate Weekly Changes						
Variety	Staple Length	Mic.	06-05-2023	13-05-2023	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29mm	3.8	62,000	59,800	-2,200	-3.68%
V-797	13% Trash		49,400	48,000	-1,400	-2.92%
MCX Spot Rate			61,980	60,160	-1,820	-3.03%
USD-INR Exchange			81.80	82.16	0.36	0.44%

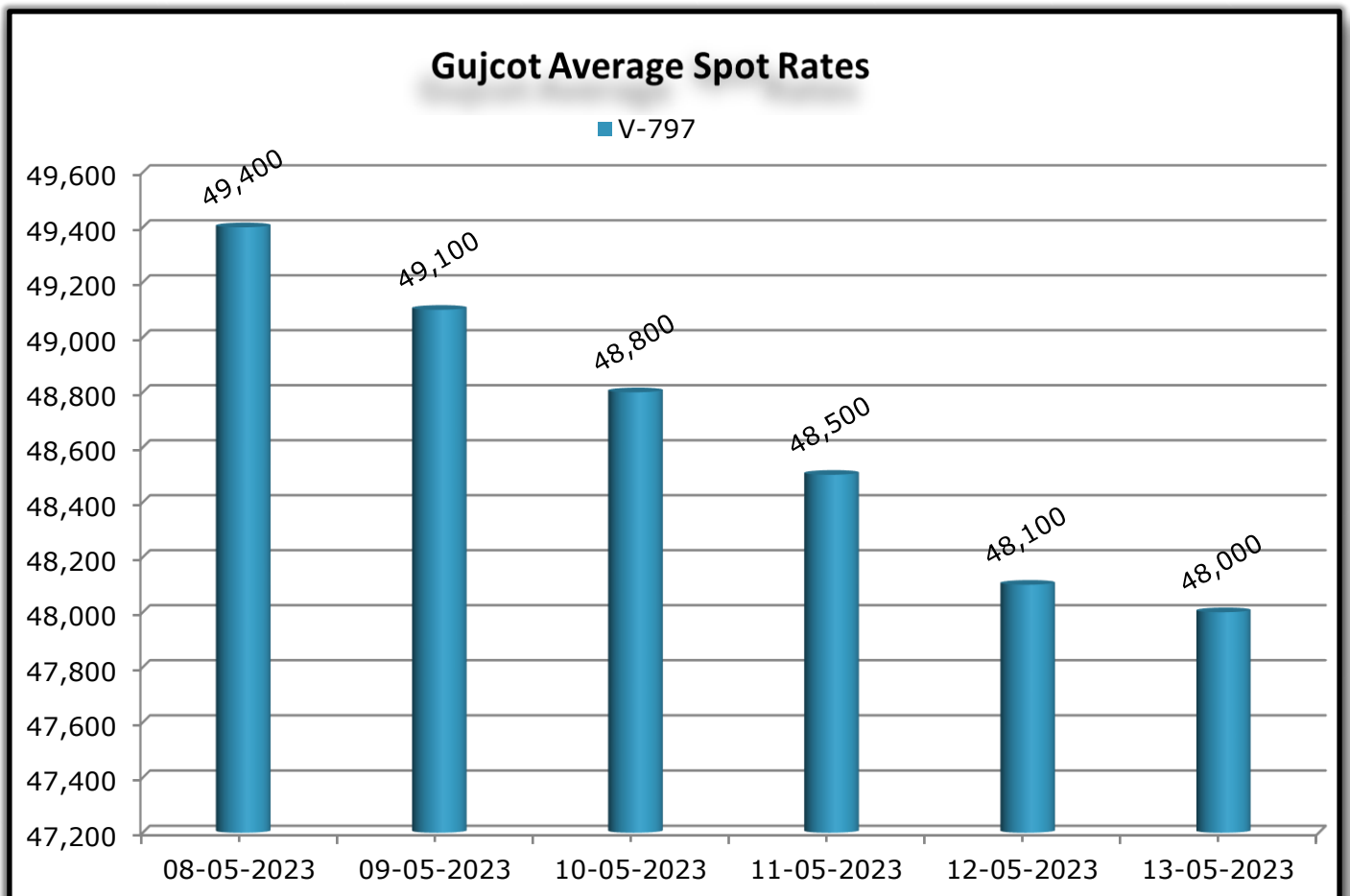
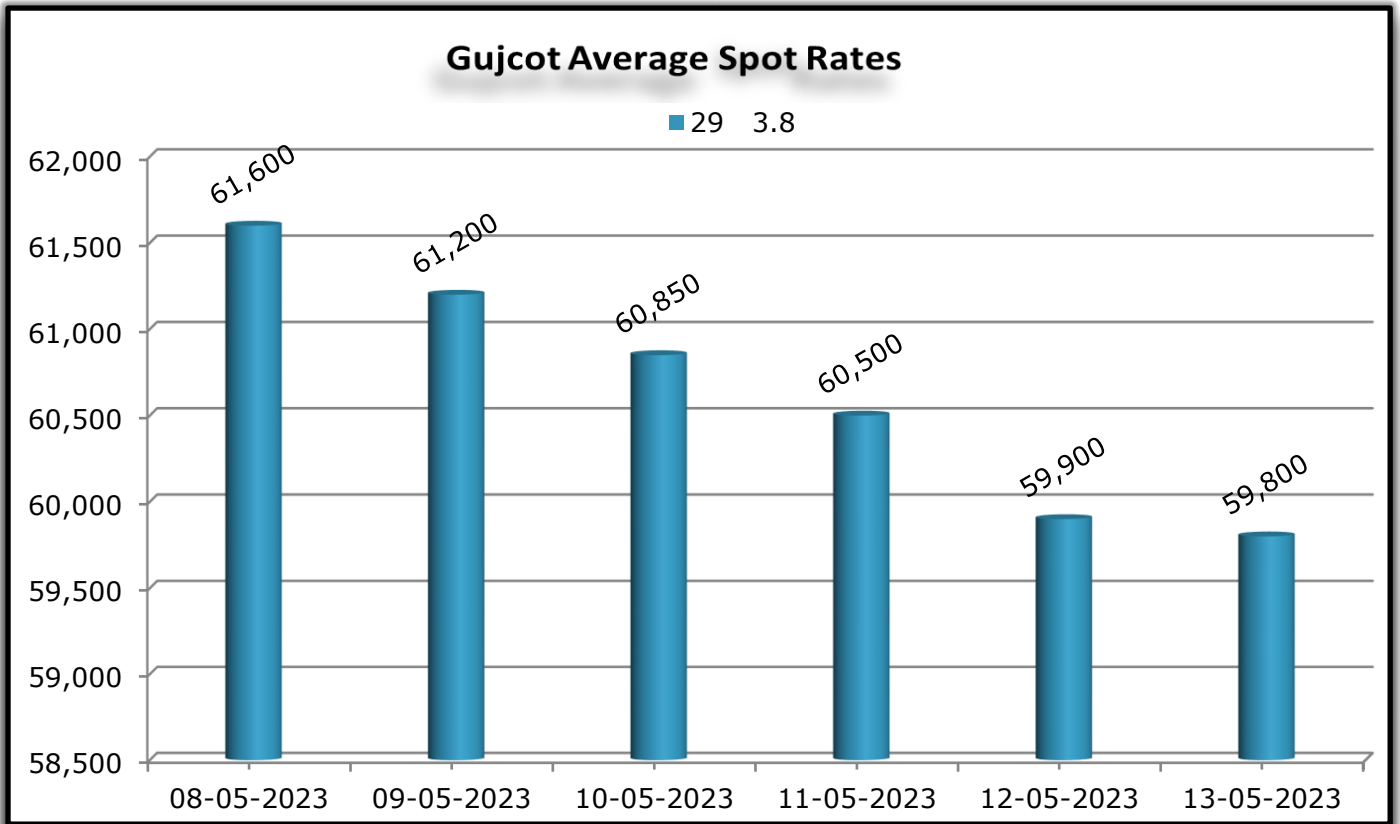
Average Rate of Last week					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	59,800	61,600	60,642
Shankar 6	28.5	3.7	No Quote	No Quote	No Quote
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3.0	No Quote	No Quote	No Quote
V-797	13% Trash		48,000	49,400	48,650
MCX Spot Rate			60,160	61,820	60,877
USD Exchange Rate			81.79	82.16	82.04

Rate Of Last Week				
Date	29 3.8	V-797	MCX Spot Rate	USD-INR Exchange
08-05-2023	61,600	49,400	61,820	81.79
09-05-2023	61,200	49,100	61,400	82.03
10-05-2023	60,850	48,800	61,000	81.98
11-05-2023	60,500	48,500	60,720	82.09
12-05-2023	59,900	48,100	60,160	82.16
13-05-2023	59,800	48,000	60,160	82.16



GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

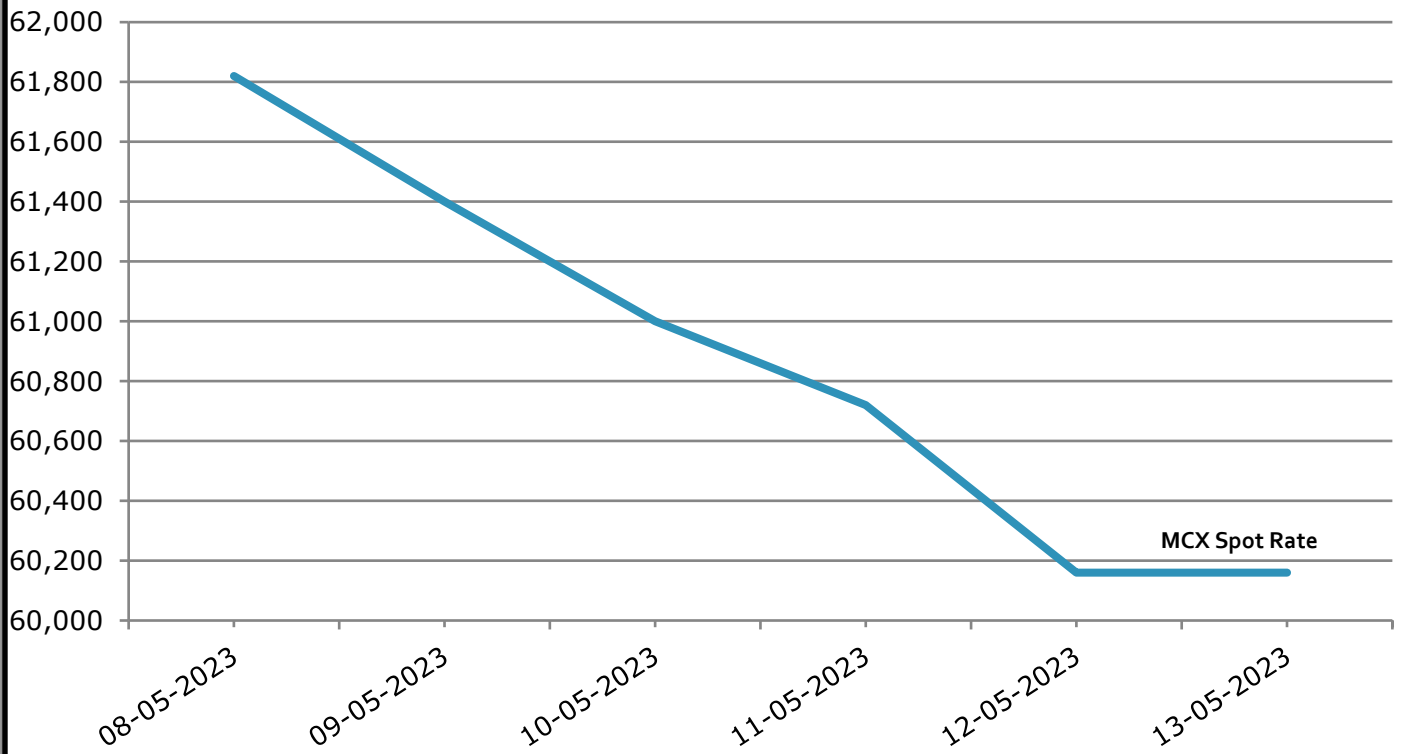




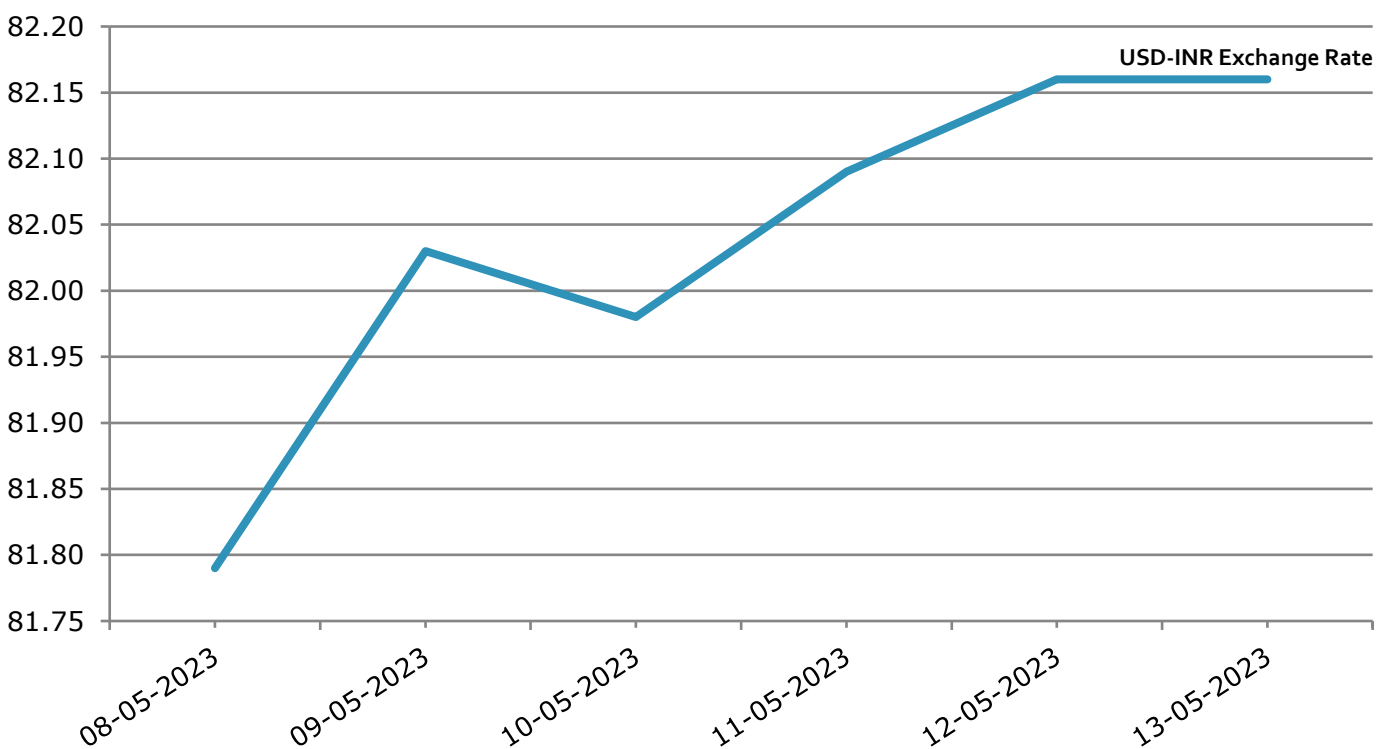
GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

MCX Spot Rate Closing Of The Days'



USD-INR Exchange Rate Closing Of The Days'

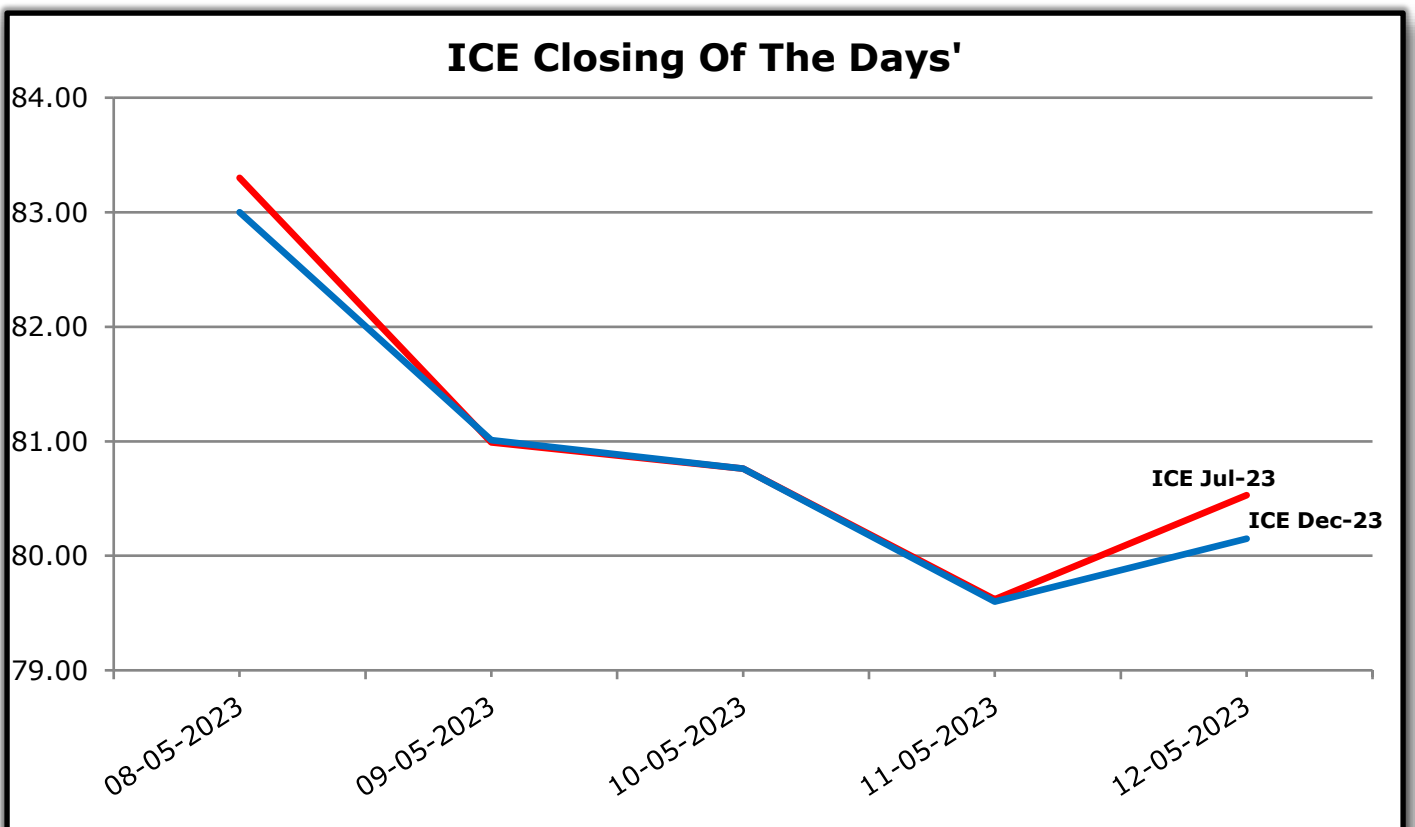
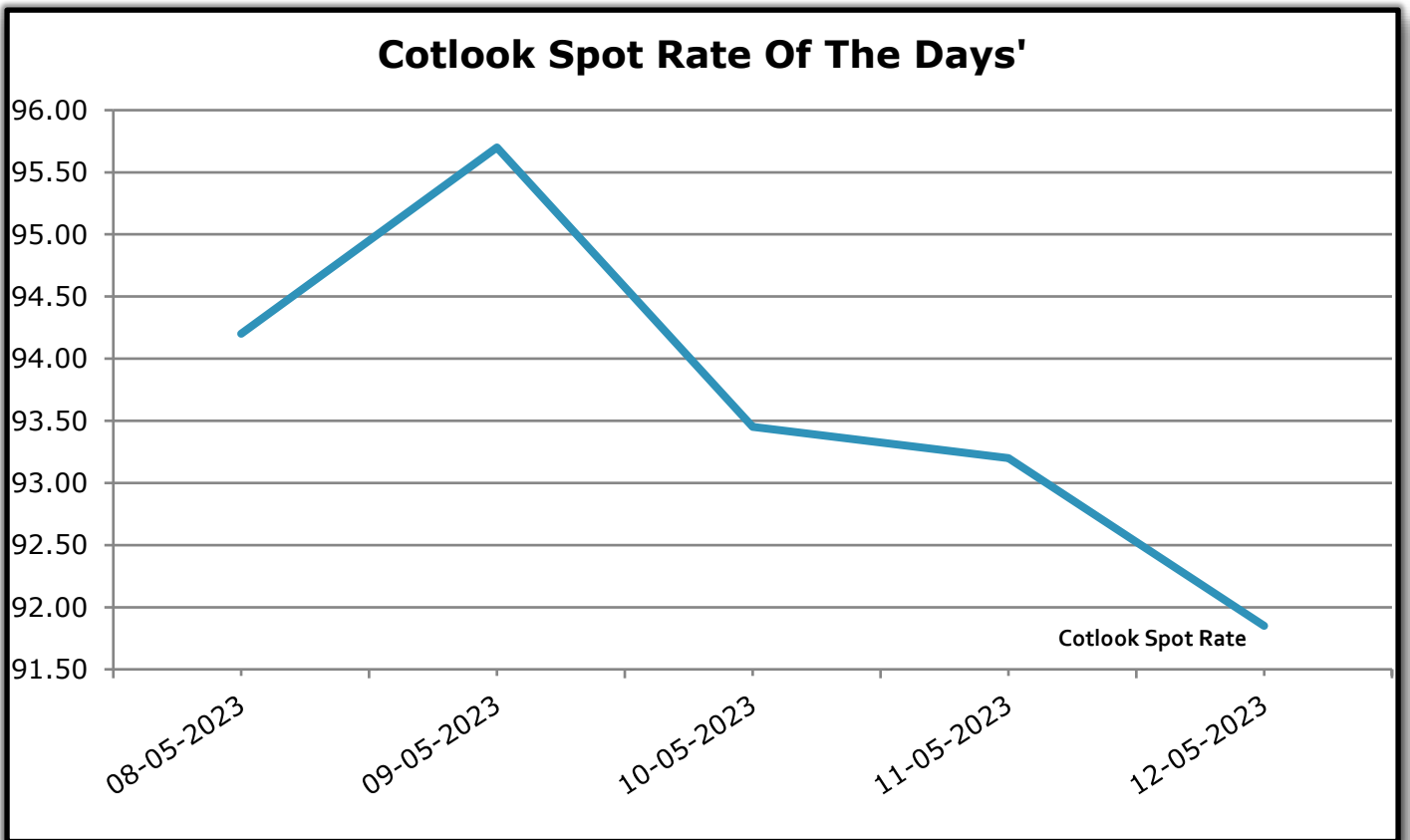




GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	Jul-23	Dec-23
08-05-2023	94.20	83.30	83.00
09-05-2023	95.70	80.99	81.01
10-05-2023	93.45	80.76	80.76
11-05-2023	93.20	79.62	79.60
12-05-2023	91.85	80.53	80.15

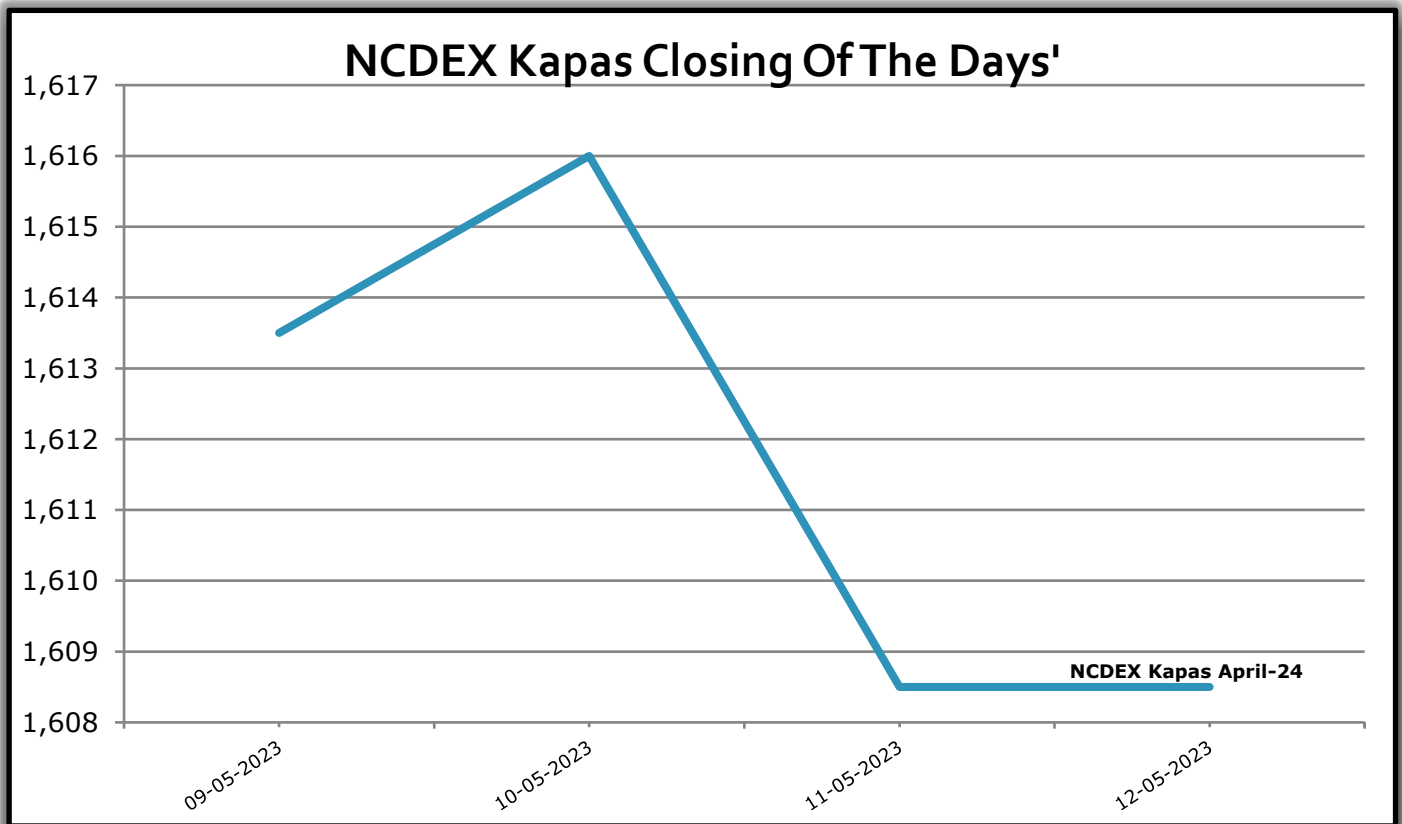




GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Indian Indices	
Date	NCDEX Kapas
	April-24
08-05-2023	1,619.50
09-05-2023	1,613.50
10-05-2023	1,616.00
11-05-2023	1,608.50
12-05-2023	1,608.50



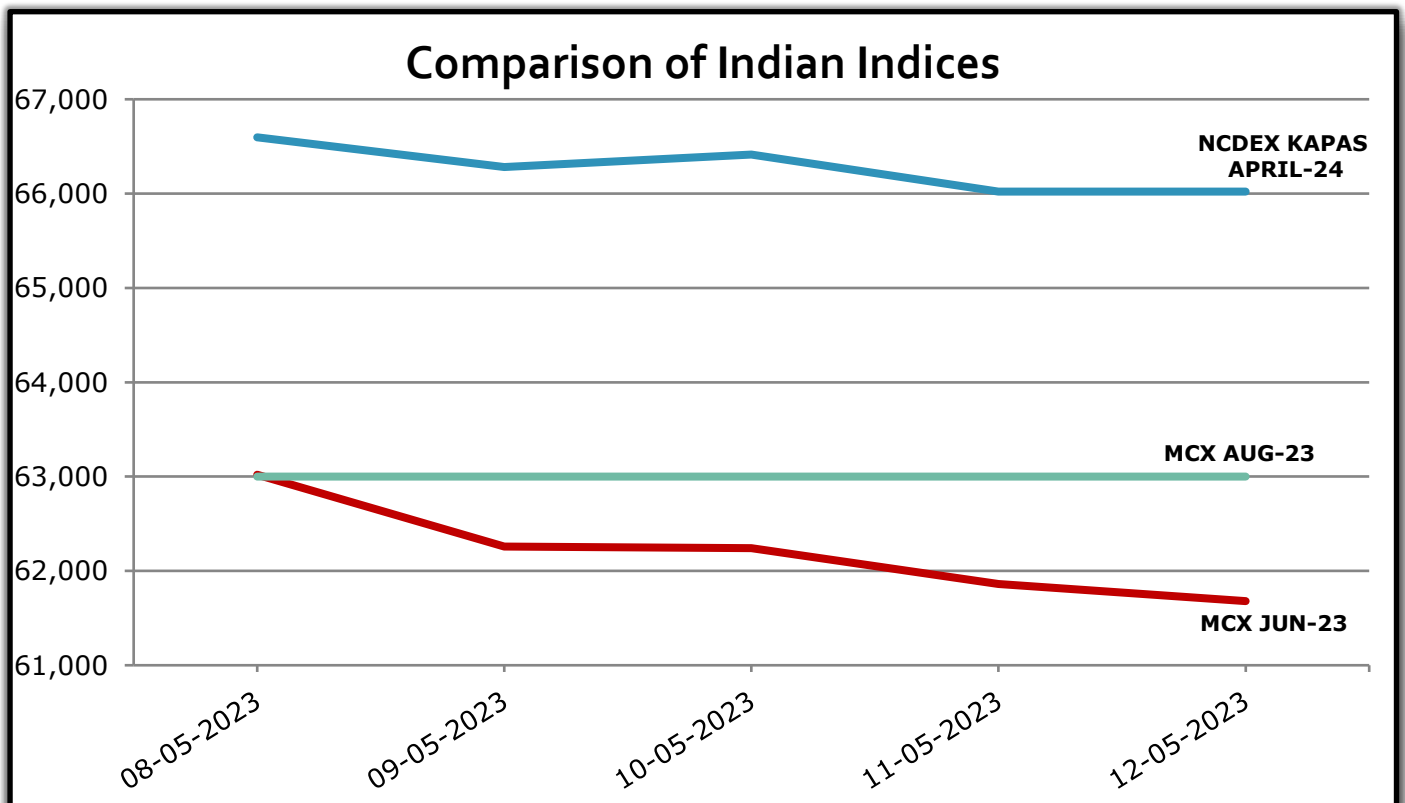


GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Indian Indices in Candy Rate			
Date	NCDEX Kapas	MCX	
	April	Jun-23	Aug-23
08-05-2023	66,597	63,020	63,000
09-05-2023	66,283	62,260	63,000
10-05-2023	66,414	62,240	63,000
11-05-2023	66,021	61,860	63,000
12-05-2022	66,021	61,680	63,000

Remark :- For NCDEX Kapas we have taken seed rate 600/20 Kg to convert in Candy.

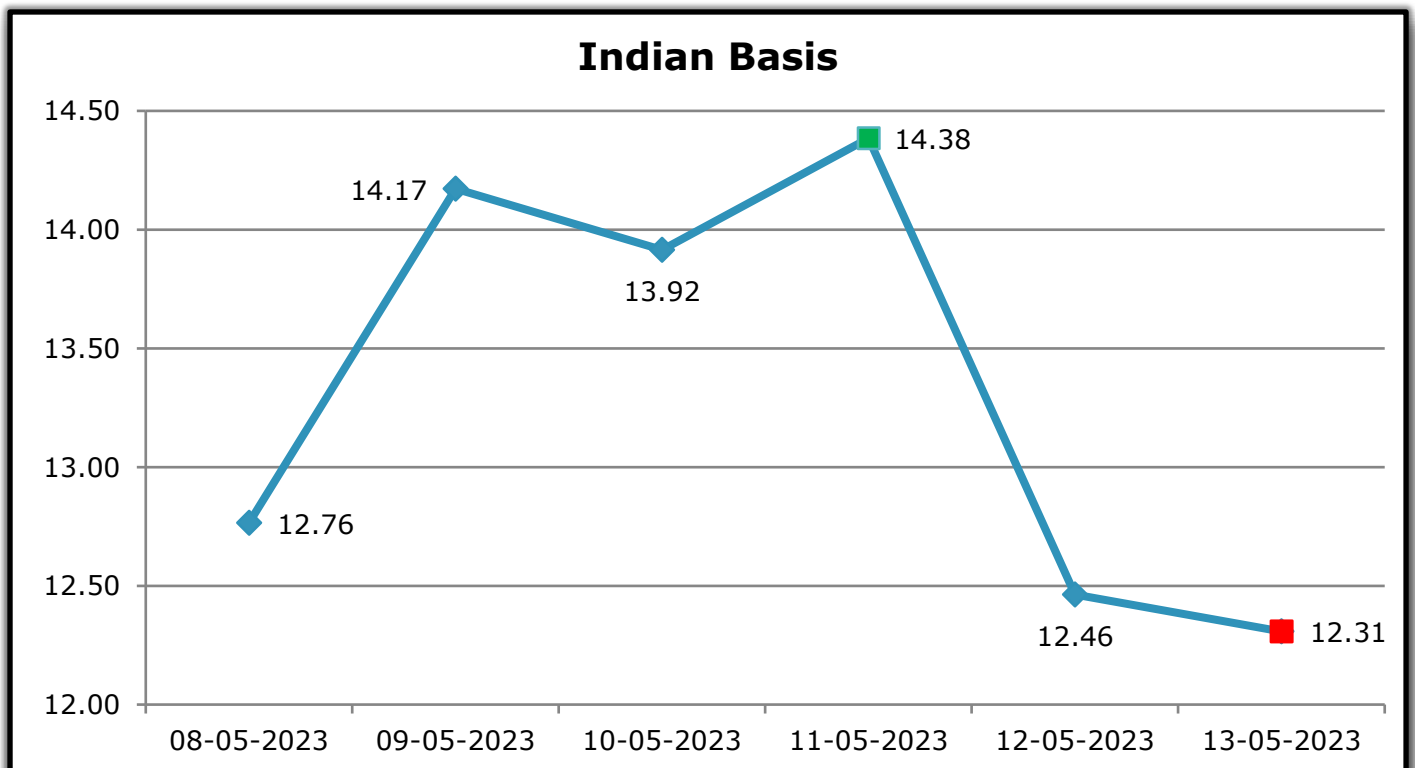




GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-May-2023

Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE JUL	BASIS
08-05-2023	61,600	81.79	96.06	83.30	12.76
09-05-2023	61,200	82.03	95.16	80.99	14.17
10-05-2023	60,850	81.98	94.68	80.76	13.92
11-05-2023	60,500	82.09	94.00	79.62	14.38
12-05-2023	59,900	82.16	92.99	80.53	12.46
13-05-2023	59,800	82.16	92.84	80.53	12.31





GUJCOT TRADE ASSOCIATION

WEEKLY REPORT

13-May-2023

IN THE WEEK AHEAD

- Friday at 2:30 p.m. Central – Commitments of Traders
- Monday at 3:00 p.m. Central – Crop Progress and Condition
- Thursday at 7:30 a.m. Central – Export Sales Report
- Thursday at 2:30 p.m. Central – Cotton On-Call

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



"eCotton - domestic"-Mobile Application

Cotton Bales Trading Platform

For Ginners, Spinners, Traders, Exporters & Brokers



Report prepared by

Kalpesh Patel

Manager

Gujcot Trade Association