



# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT 13-Feb-2021

## Market Movement from 08th Feb 2021 to 13th Feb 2021

- NY Future market remained highly volatile during this week in favor of bulls with triple digit gain on Monday, Tuesday and Thursday and triple digit loss on Wednesday. Over all NY March gained 453 points and NY May gained 464 points during the week.
- WASDE was neutral to supportive. Few minor changes in WASDE, Export of US increase to 15.5 million bales which left US ending stock to 4.30 million Bales. Overall impact on World ending stock was just 5.8 lakh bales reduction but bulls dominated on market. Again, after release of good US export sales and shipment report market got upward momentum. Finally, market closed on Friday with multi-year high close. So now US market under bull's control.
- U.S. Export Sales was decent and shipment was over 4.4 lakh bales which supported market. Till date US has committed 13.7 million bales out of that 7.5 million bales already shipped.
- National Cotton Council released its US planting intention survey which indicated reduction in US planting by 5.2% which was expected by the market.
- Indian physical market yet to find more demand and was not able to follow NY during this week.
- Indian mills are well covered and hesitant to increase inventory at higher rate.
- Indian basis remained highly negative so MNCs were big buyers during the week. Indian exporters also got very good inquiry from international buyers. Shortage of container restricts big shipment from India.
- CCI procurement almost stopped due to higher kapas prices. CCI increased their selling price and was able to sell good quantity during the week.
- All India arrivals remained nearly 1,20,000 to 1,40,000 bales a day.
- Gujarat arrivals remained around 40,000 to 45,000 bales a day.
- Cottonseed rate near 560 to 580 has supported ginners parity.
- Over all this week was bull favored week both in cotton and cotton seed.
- Gujcot spot rate remained between 44,000 to 44,400 during this week.
- Indian rupee remained stable between 72.75 to 72.96 against USD.



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### Global

#### US Weekly Export Sales

- Net UPLAND sales of 2,75,400 RB for 2020-2021 were down 4 percent from the previous week and 10 percent from the prior 4-week average. Increases primarily for China (55,800 RB, including 4,800 RB switched from Vietnam), Turkey (44,600 RB), Vietnam (42,000 RB, including 700 RB switched from South Korea), Pakistan (25,500 RB), and South Korea (18,600 RB), were offset by reductions primarily for El Salvador (1,100 RB) and Peru (400 RB).
- For 2021-2022, net UPLAND sales of 1,70,100 RB primarily for Vietnam (1,54,000 RB), South Korea (15,000 RB), Pakistan (9,700 RB), Bangladesh (4,600 RB), and Mexico (2,800 RB), were offset by reductions primarily for China (8,800 RB) and the Philippines (6,600 RB).
- UPLAND Exports of 4,33,600 RB--a marketing-year high--were up 36 percent from the previous week and 46 percent from the prior 4-week average. Exports were primarily to China (1,43,200 RB), Mexico (85,000 RB, including 67,700 RB late--see below), Vietnam (68,500 RB), Pakistan (51,400 RB), and Bangladesh (20,500 RB).
- Net sales of PIMA totaling 9,700 RB were down 49 percent from the previous week and 63 percent from the prior 4-week average. Increases primarily for Peru (4,900 RB, including decreases of 300 RB), Turkey (1,300 RB), Pakistan (1,300 RB), Honduras (1,300 RB), and China (1,100 RB), were offset by reductions primarily for India (1,100 RB).
- PIMA Exports of 7,100 RB were down 65 percent from the previous week and 45 percent from the prior 4-week average. The destinations were primarily to India (3,000 RB), Vietnam (2,200 RB), Peru (500 RB), Pakistan (400 RB), and Thailand (400 RB).

US Export Sales		04-Feb-2021
<b>Marketing Year 2020-21</b>		
Upland Gross Sales		2,77,100
Cancellation		1,700
<b>Net Upland Sales</b>		<b>2,75,400</b>
PIMA Gross Sales		11,200
Cancellation		1,500
<b>Net PIMA Sales</b>		<b>9,700</b>
Total Gross Sales		2,88,300
Total Cancellation		3,200
<b>Total Net Sales</b>		<b>2,85,100</b>
<b>Shipments</b>		
UPLAND		4,33,600
PIMA		7,100
<b>Total Shipment</b>		<b>4,40,700</b>
<b>Marketing Year 2021-22</b>		
Net Upland Sales		1,70,100
Net PIMA Sales		0
<b>Total Net Sales</b>		<b>1,70,100</b>
All Figures in US Running Bale		



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## WASDE – Jan – 2021

The 2020/21 U.S. cotton supply and demand forecasts show slightly higher exports and lower ending stocks relative to last month. Production and domestic mill use are unchanged. The export forecast is raised 250,000 bales to 15.5 million based on a strong pace of shipments to date. Ending stocks are now estimated at 4.3 million bales, equivalent to 24 percent of total disappearance. The upland cotton marketing year average price received by producers is projected at 68 cents per pound, unchanged from January.

The 2020/21 world cotton forecasts include higher production, consumption, and imports, led by changes in China. World production is projected 1.3 million bales higher this month, with China's forecast raised by 1.5 million bales as the daily rates of both ginnings and inspections in Xinjiang continue to show unusual late-season strength. Reports from China continue to suggest 2020/21 cotton area in Xinjiang was little changed from last year, but government classing data now indicates yields could be about 10 percent higher, while lower in Eastern China. India's production estimate is reduced 500,000 bales on increasing evidence of pest infestation, while Pakistan is 200,000 bales higher and Australia 100,000 bales higher. World consumption is projected 1.5 million bales higher this month, with China's forecast 1.0 million bales higher reflecting growing domestic textile demand and exports. Much smaller increases are also included for India, Pakistan, Bangladesh, and Turkey, while the outlook this month is for lower consumption in Indonesia and Thailand. World trade is projected 350,000 bales higher than last month, with imports 500,000 bales higher for China, and smaller, partially offsetting changes elsewhere. World ending stocks are almost 600,000 bales lower this month, at 95.7 million bales, 3.2 million bales lower than in 2019/20.



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### Gujarat Spot Rate Weekly Changes

Variety	Staple Length	Mic.	06-02-2021	13-02-2021	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29 mm	3.8	43,950	44,350	400	0.90%
V-797	13 % Trash		30,100	31,250	1,150	3.68%
MCX Spot Rate			21,150	21,410	260	1.21%
USD-INR Exchange			72.92	72.75	-0.17	-0.23%

### Average Rate of Last week

Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	44,000	44,400	44,267
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		30,250	31,250	30,792
MCX Spot Rate			21,170	21,410	21,307
USD Exchange Rate			72.75	72.96	72.84

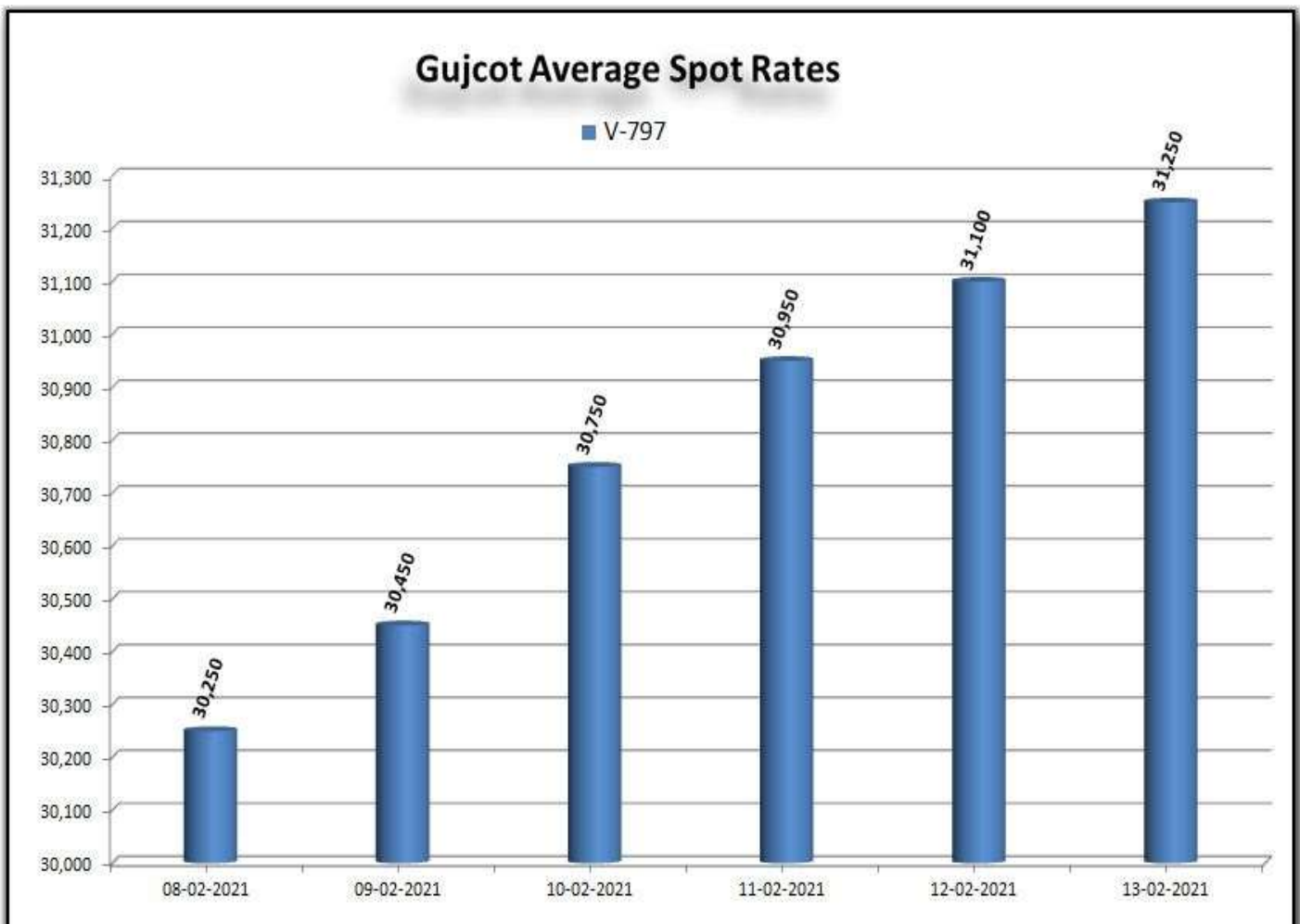
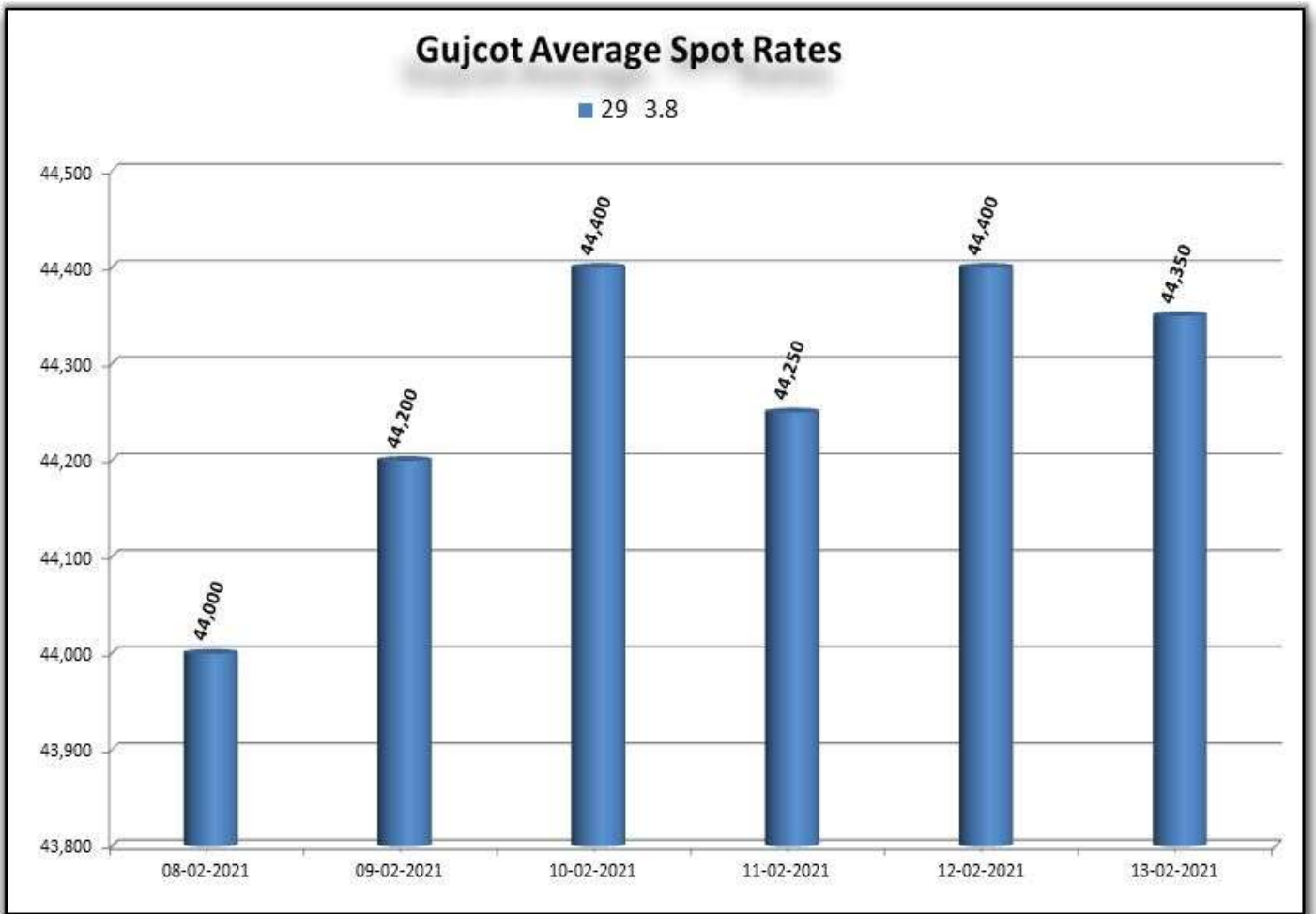
### Rate of Last Week

Date	29 3.8	V-797	MCX Spot Rate	USD-INR Exchange
08-02-2021	44,000	30,250	21,170	72.96
09-02-2021	44,200	30,450	21,270	72.89
10-02-2021	44,400	30,750	21,300	72.83
11-02-2021	44,250	30,950	21,280	72.85
12-02-2021	44,400	31,100	21,410	72.75
13-02-2021	44,350	31,250	21,410	72.75



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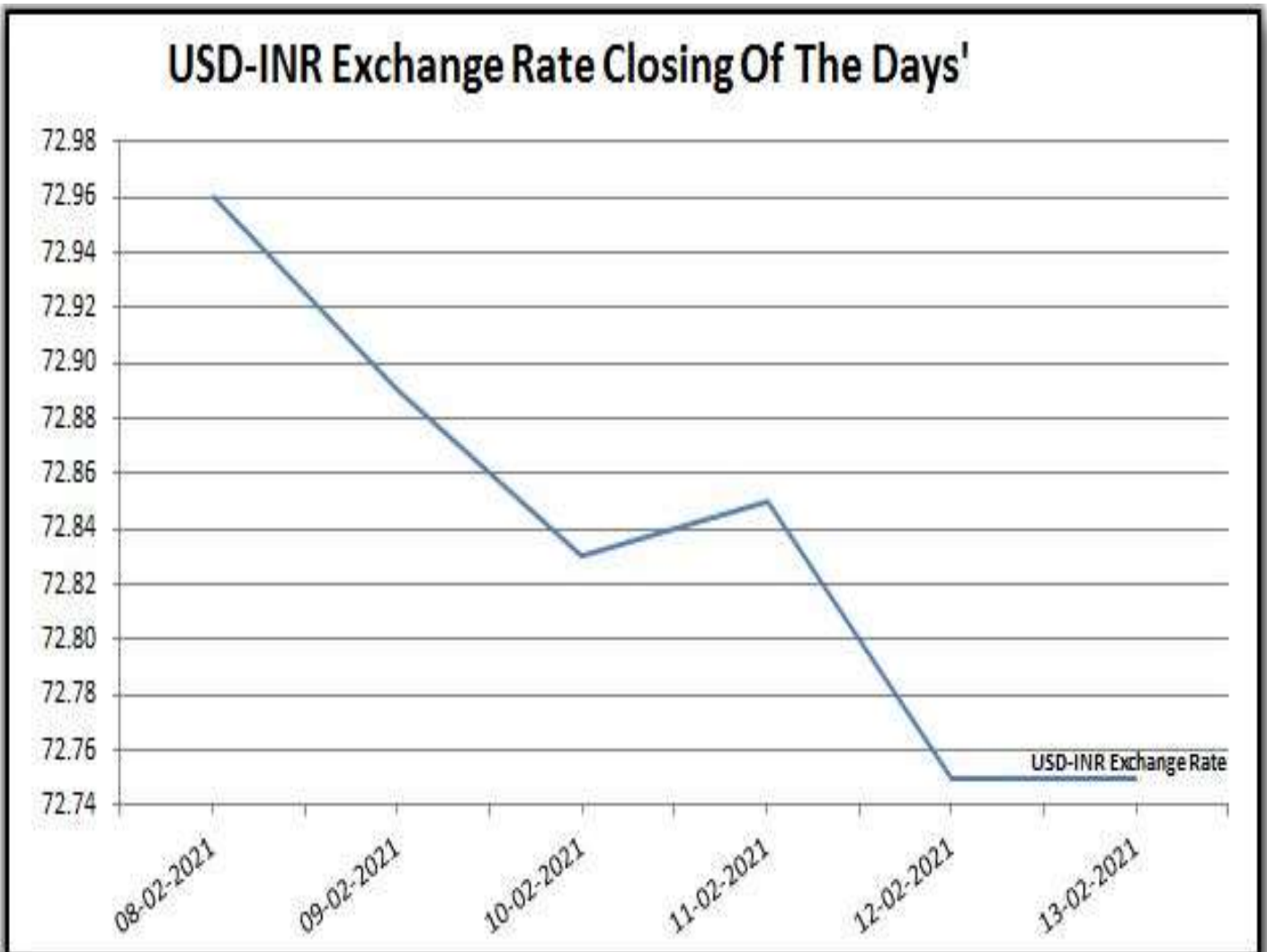
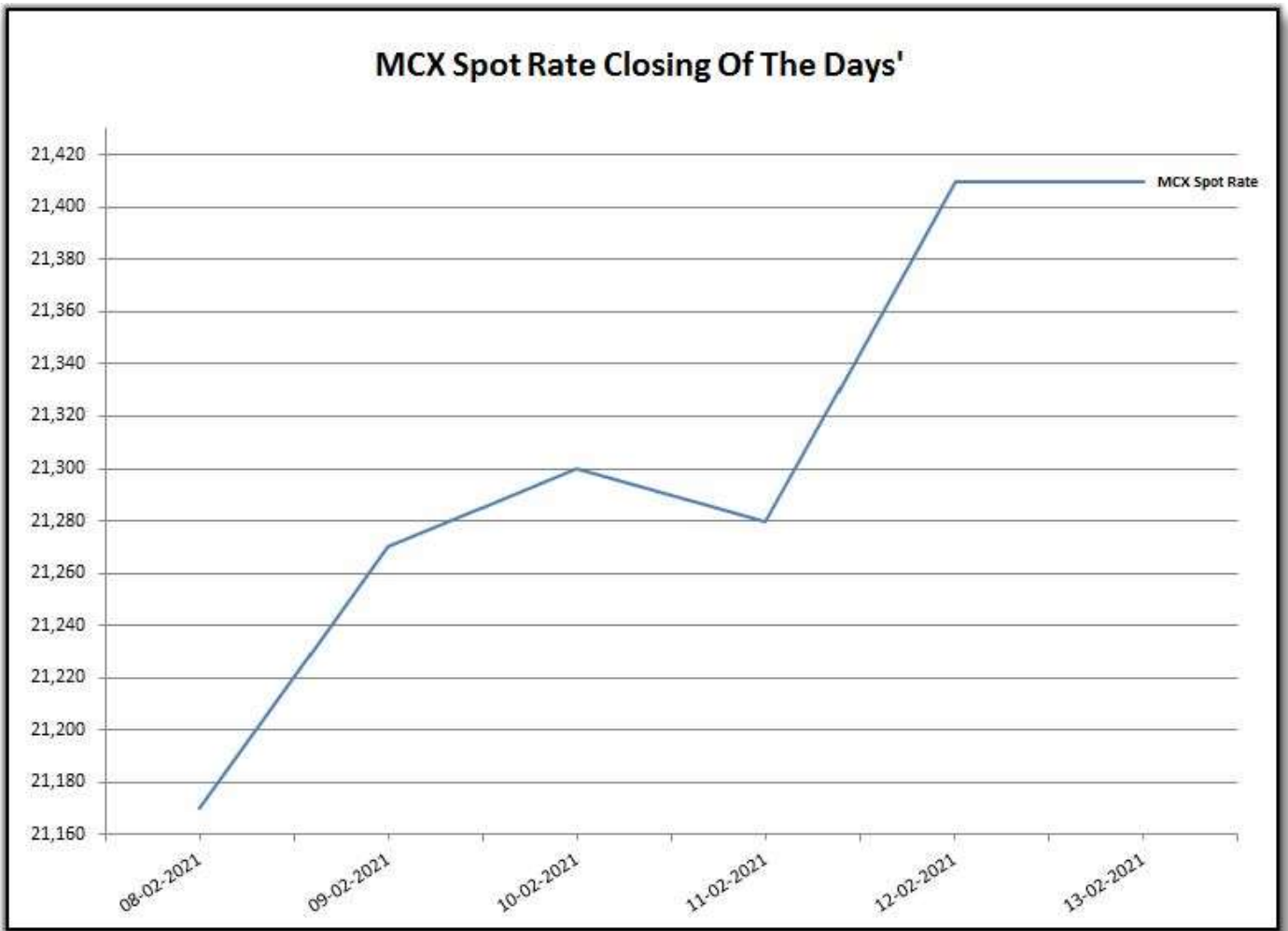
## WEEKLY REPORT 13-Feb-2021





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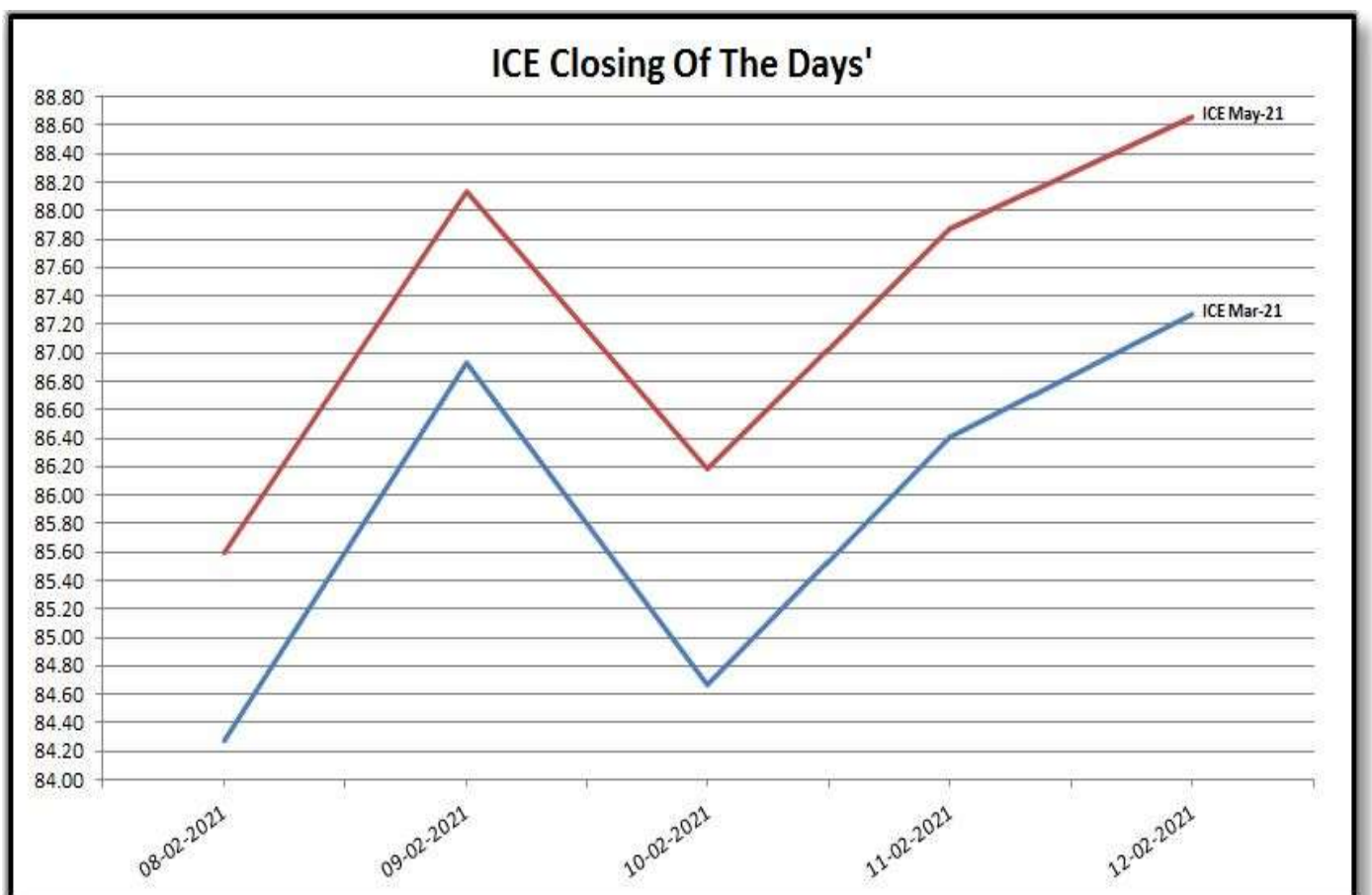
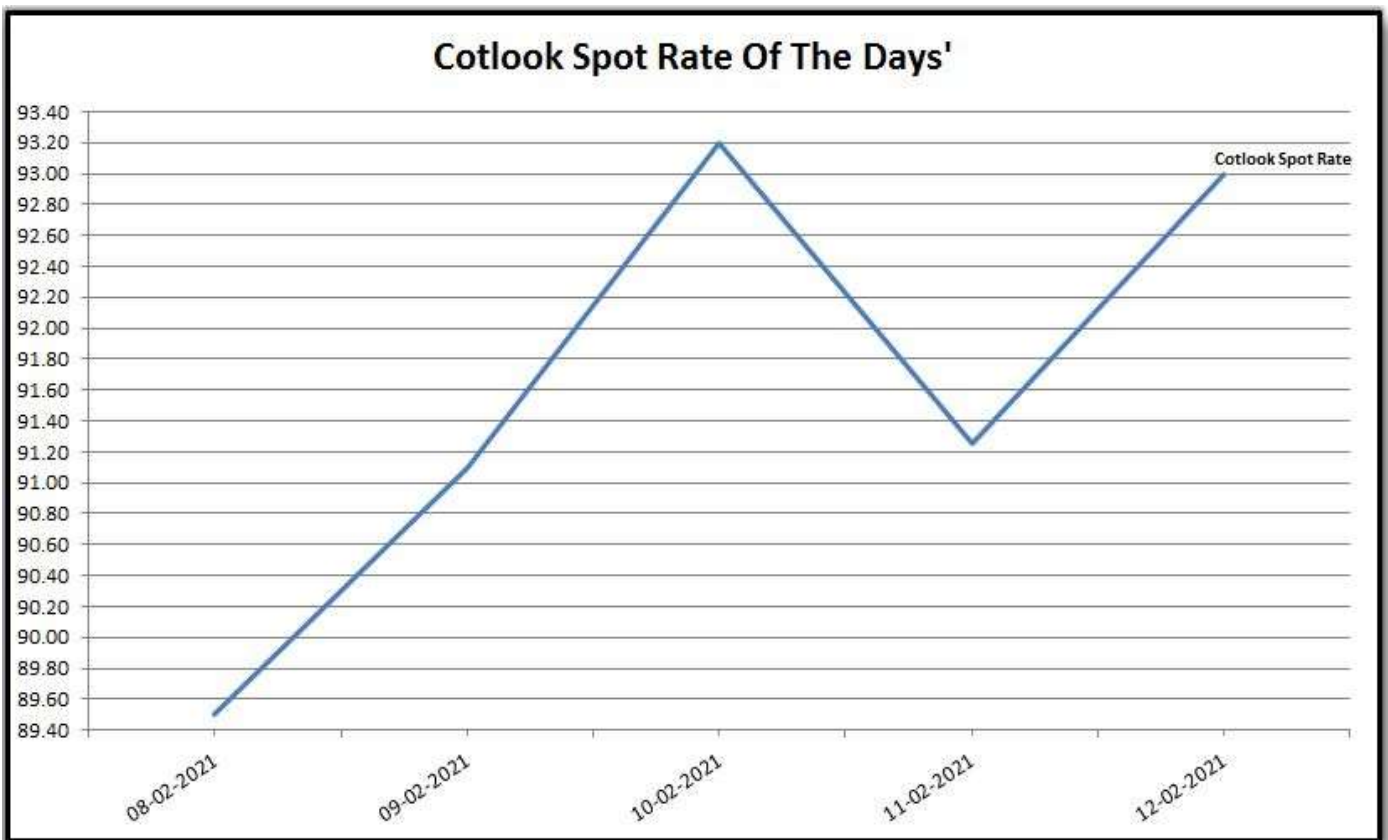




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**WEEKLY REPORT      13-Feb-2021**

Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	Mar-21	May-21
08-02-2021	89.50	84.28	85.60
09-02-2021	91.10	86.93	88.13
10-02-2021	93.20	84.67	86.18
11-02-2021	91.25	86.41	87.87
12-02-2021	93.00	87.27	88.66



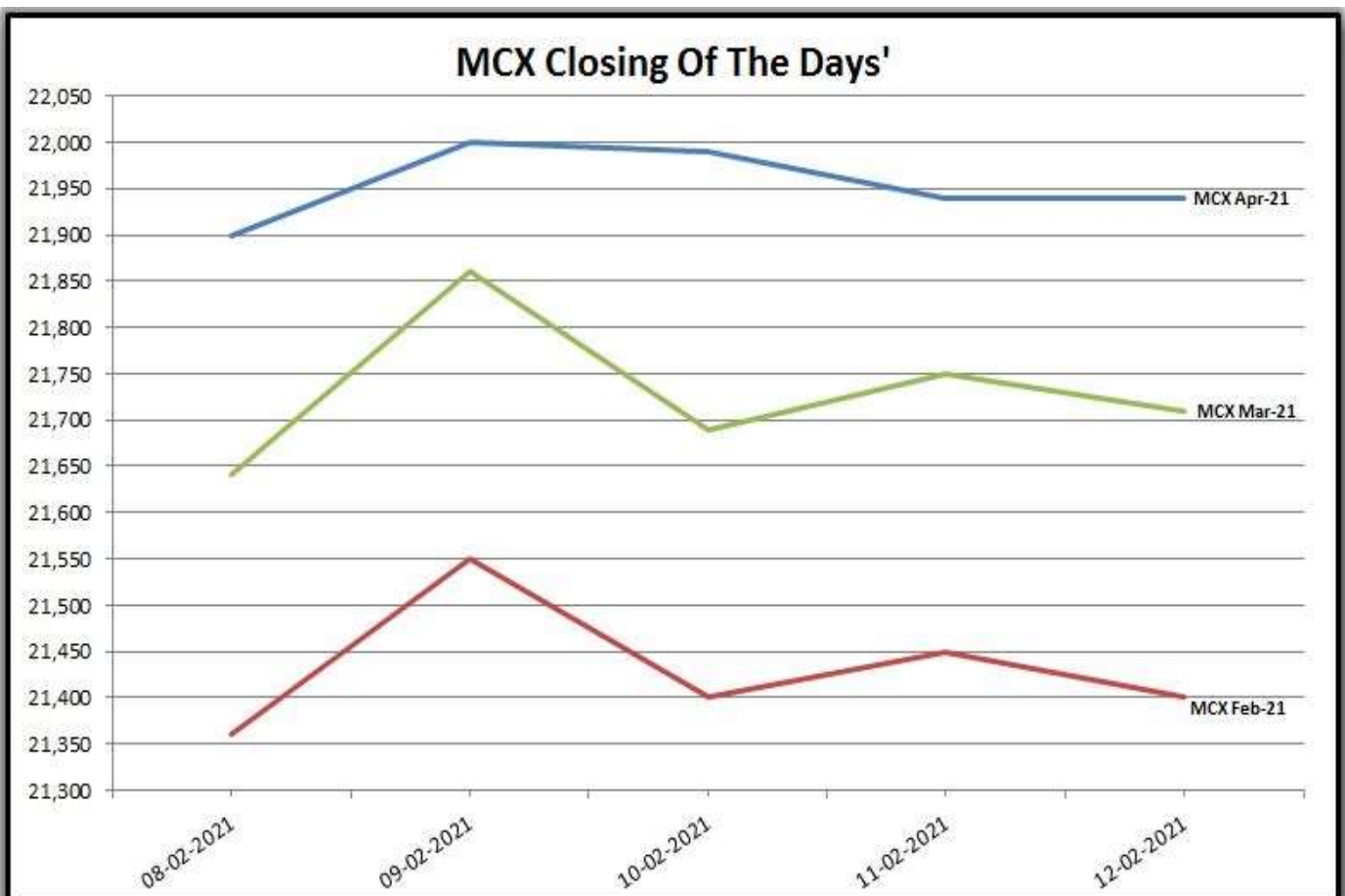
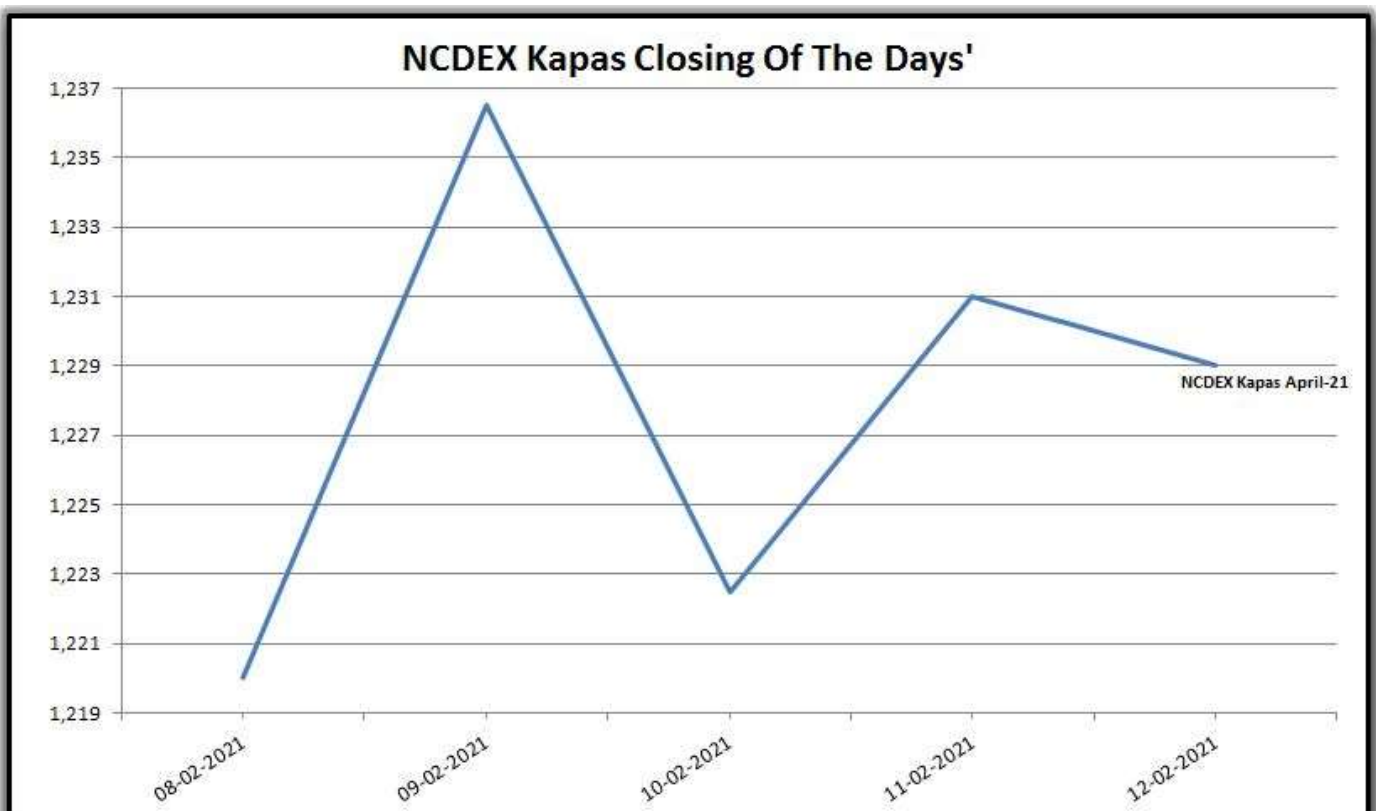


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### Indian Indices

Date	NCDEX Kapas	MCX		
	30-Apr-2021	Feb-21	Mar-21	Apr-21
08-02-2021	1,220.00	21,360	21,640	21,900
09-02-2021	1,236.50	21,550	21,860	22,000
10-02-2021	1,222.50	21,400	21,690	21,990
11-02-2021	1,231.00	21,450	21,750	21,940
12-02-2021	1,229.00	21,400	21,710	21,940





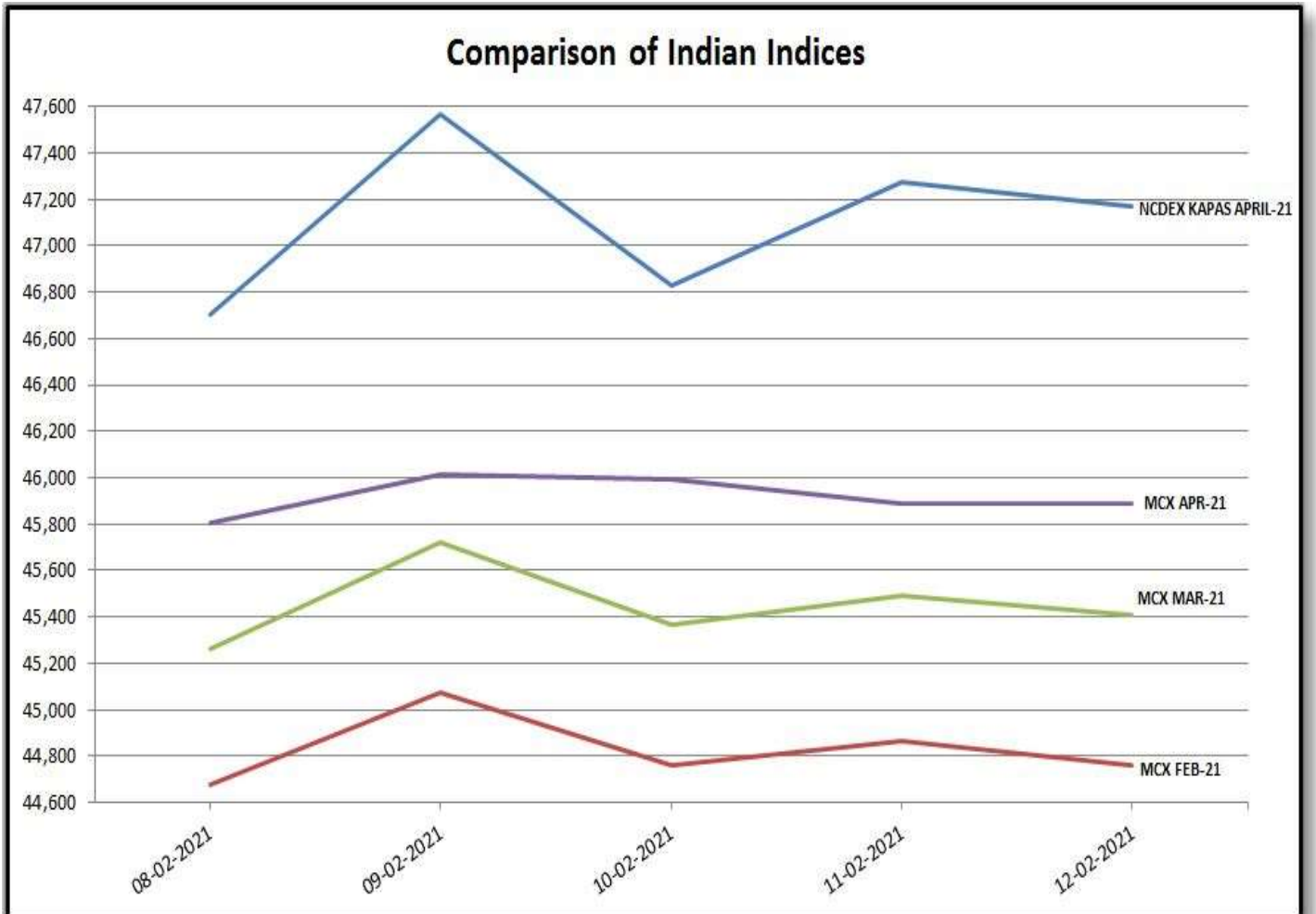


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Indian Indices in Candy Rate				
Date	NCDEX Kapas	MCX		
	April	Feb-21	Mar-21	Apr-21
08-02-2021	46,701	44,679	45,264	45,808
09-02-2021	47,564	45,076	45,725	46,017
10-02-2021	46,832	44,762	45,369	45,996
11-02-2021	47,276	44,867	45,494	45,892
12-02-2021	47,172	44,762	45,411	45,892

Remark :- For NCDEX Kapas we have taken seed rate 570/20 Kg to convert in Candy.

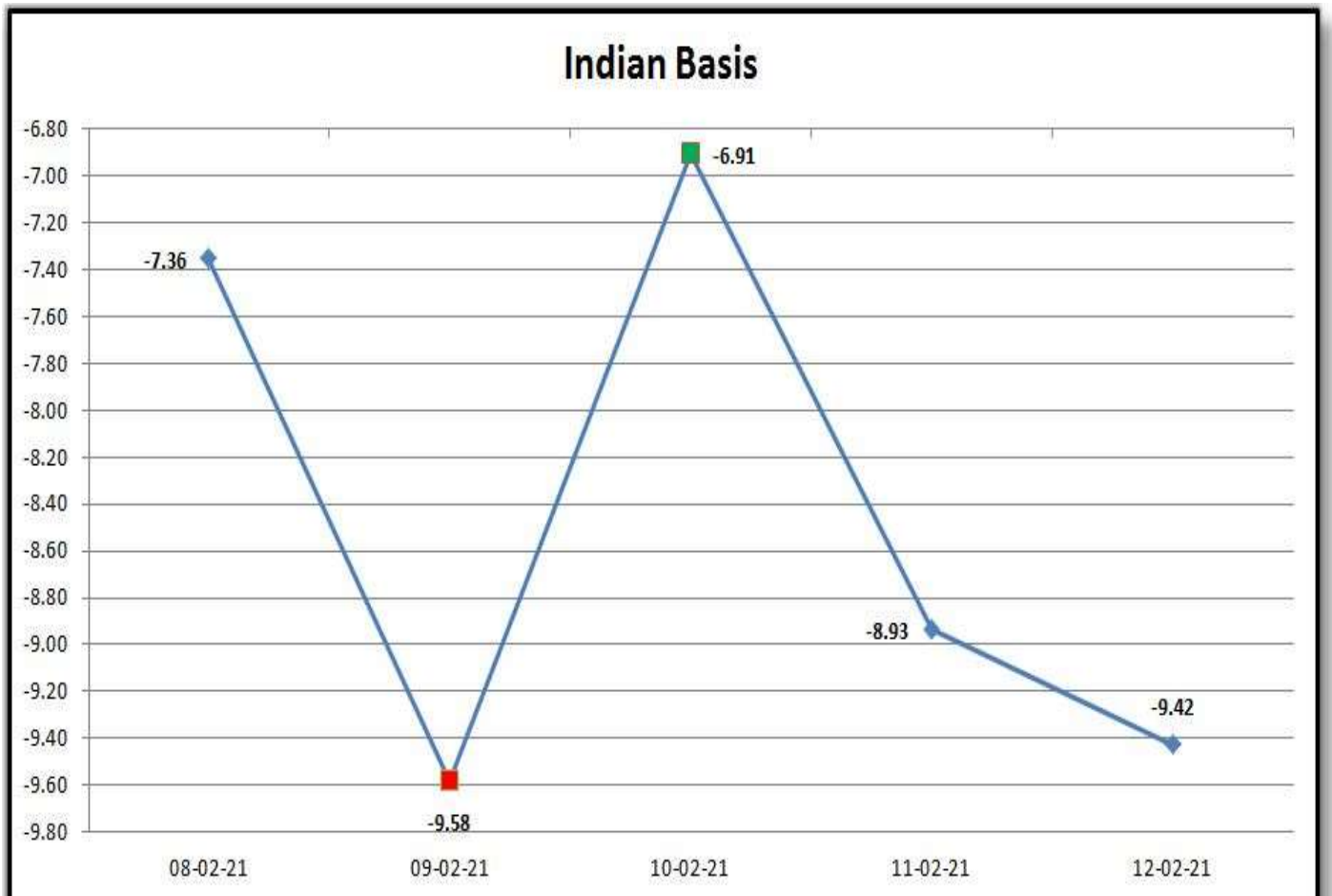




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Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE MAR	BASIS
08-02-2021	44,000	72.96	76.92	84.28	-7.36
09-02-2021	44,200	72.89	77.35	86.93	-9.58
10-02-2021	44,400	72.83	77.76	84.67	-6.91
11-02-2021	44,250	72.85	77.48	86.41	-8.93
12-02-2021	44,400	72.75	77.85	87.27	-9.42





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## 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

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