



# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT      13-Jul-2024

## Market Movement from 08th Jul 2024 to 13th Jul 2024.

- This week, lower US exports and shipments, along with a bearish to neutral WASDE report, put pressure on cotton prices. However, at the low seventy level, the rate did not seem attractive for short selling. As a result, the market ignored all bearish fundamentals and closed nearly unchanged, with a gain of 29 points week-over-week.
- The WASDE report was bearish for the US but neutral for the global market.
- In the latest U. S. Export Sales Report for the week ending 04-Jul-2024, U.S. export sales of cotton demonstrated robust activity. For the 2023-2024 marketing year, net upland sales reached 54,100 bales with upland shipments totaling 1,60,700 bales. Net Pima sales for the same period were 3,900 bales, with shipments of 1,900 bales, culminating in total sales of 58,000 bales. Looking ahead to the 2024-2025 marketing year, net upland sales were recorded at 69,500 bales, while there were no net Pima sales reported, resulting in a combined total of 69,500 bales for the future period.



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- Due to a slower pace of shipments, the USDA has reduced its export target by 200,000 bales, from 11.8 million bales to 11.6 million bales.
- This week, the Gujcot Spot Rate remained steady at 57,750 Rs per candy on both Monday and Tuesday. On Wednesday, it saw a slight decrease to 57,650. However, the rate increased on Thursday to 57,900 and remained stable at this rate through Friday. The rate for Saturday is 57,900 Rs per candy. The fluctuation in rates this week indicates a minor volatility in the market, with an overall upward trend towards the end of the week.
- Indian cotton prices are currently high, the Indian basis ranging from 17.11 to 17.69, making it challenging for Indian stakeholders to compete with their rivals. The rising costs of Indian cotton create a difficult environment for local producers and businesses.
- Daily cotton arrivals in India are currently around 20,000 bales. Despite a firm sentiment among ginneries aimed at preventing a market decline, demand remains very weak. Although the Cotton Corporation of India (CCI) has allowed traders to participate in auction sales, their involvement has been minimal.



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- The monsoon is progressing across the entire cotton-growing region, but some areas still require substantial rainfall.
- Cotton sowing is currently in progress across India, with the total area sown surpassing 80 lakh hectares. Gujarat alone has contributed 18.6 lakh hectares to this total.
- This week, the USD-INR Exchange Rate started at 83.49 on Monday and saw a slight decrease to 83.48 on Tuesday. It then increased marginally to 83.52 on Wednesday and continued to rise to 83.56 on Thursday. However, the rate dipped slightly to 83.53 by the end of Friday. The week showed moderate fluctuations, with a generally stable trend, reflecting cautious market movements amidst global economic developments.
- Hoping for a better monsoon



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## Gujarat District wise Cotton Sowing

Gujarat Districtwise Cotton Sowing Till 08-July-2024			
<b>Kutch</b>	<b>462</b>	<b>Saurashtra</b>	<b>13,940</b>
Kutch	462	Surendranagar	3,023
		Rajkot	1,657
<b>North Gujarat</b>	<b>1,416</b>	Jamnagar	1,085
Banarsakantha	198	Porbandar	37
Patan	214	Junagadh	278
Mehsana	288	Amreli	2,773
Sabarkantha	425	Bhavnagar	2,047
Gandhinagar	180	Morbi	1,542
Aravali	112	Botad	1,367
		Gir Somnath	111
<b>Middle Gujarat</b>	<b>1,778</b>	Devbhumi Dwarka	19
Ahmedabad	218		
Anand	5	<b>South Gujarat</b>	<b>1,012</b>
Kheda	73	Surat	8
Panchmahal	36	Narmada	308
Dahod	2	Bharuch	595
Vadodara	603	Dang	0
Mahisagar	20	Navsari	0
Chota Udaipur	822	Valsad	0
		Tapi	101
<b>TOTAL</b>			<b>18,607</b>
<b>TOTAL (Last Year)</b>			<b>23,757</b>
SUMMARY			
Zone	2024-25	2023-24	Change
Kutch	462	659	-197
North Gujarat	1,416	2,041	-625
Middle Gujarat	1,778	2,112	-334
Saurashtra	13,940	17,853	-3,913
South Gujarat	1,012	1,090	-78
<b>TOTAL</b>	<b>18,607</b>	<b>23,757</b>	<b>-5,150</b>
All Figures in '00 Hectares			
Source :- Agriculture, Farmers Welfare and Co-operation Department Government of Gujarat			



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## USDA-WASDE

The July U.S. cotton projections for 2024/25 show higher acreage, production, and beginning and ending stocks compared to last month. Projected domestic use and exports are unchanged. U.S. planted area is 1 million acres higher, as indicated in the June Acreage report, leading to a 1-million-bale increase in the crop projection to 17.0 million bales. Ending stocks are 1.2 million bales higher at 5.3 million, or 36 percent of use, primarily due to the larger projected crop. The 2024/25 season average upland farm price is reduced 2 cents from the June forecast to 68 cents per pound. Revisions to the 2023/24 U.S. cotton balance sheet include a 200,000- bale reduction in exports to 11.6 million based on the slowing pace of export shipments and a corresponding 200,000-bale increase in ending stocks.

For the global 2024/25 cotton balance sheet, production and consumption are increased, while beginning stocks and world trade are reduced. Beginning stocks are 1.7 million bales lower compared to June with India accounting for a large portion of the reduction. The forecast for global production is raised 1.1 million bales to 120.2 million, largely due to higher forecasted production for the United States. Consumption is 250,000 bales higher with increases in India and Malaysia offsetting reductions elsewhere. As a result, world ending stocks are reduced 860,000 bales from June to 82.6 million. Revisions to the 2023/24 world balance sheet include lower beginning stocks and higher consumption, resulting in a 1.7-million-bale reduction in ending stocks.



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### Global

#### US Weekly Export Sales

- Net sales of UPLAND totaling 54,100 RB for 2023-2024 were down 53 percent from the previous week and 62 percent from the prior 4-week average. Increases primarily for China (15,800 RB), Pakistan (10,100 RB, including decreases of 700 RB), Turkey (5,400 RB, including decreases of 100 RB), Vietnam (5,100 RB, including 100 RB switched from Japan and decreases of 100 RB), and India (5,100 RB), were offset by reductions for Ecuador (400 RB) and Indonesia (300 RB).
- Net UPLAND sales of 69,500 RB for 2024-2025 primarily for Mexico (23,400 RB), Vietnam (10,900 RB), Guatemala (7,900 RB), Indonesia (7,000 RB), and Turkey (6,000 RB), were offset by reductions for China (2,200 RB).
- UPLAND Exports of 1,60,700 RB were down 9 percent from the previous week and 8 percent from the prior 4-week average. The destinations were primarily to China (64,800 RB), Pakistan (26,500 RB), Bangladesh (12,100 RB), Mexico (11,300 RB), and Indonesia (10,300 RB).
- Net sales of PIMA totaling 3,900 RB for 2023-2024 were up 74 percent from the previous week, but down 16 percent from the prior 4-week average. Increases were primarily for India (1,800 RB), Vietnam (400 RB), Turkey (400 RB), Pakistan (400 RB), and Japan (300 RB).
- PIMA Exports of 1,900 RB were down 76 percent from the previous week and 73 percent from the prior 4-week average. The destinations were primarily to India (900 RB), Pakistan (900 RB), and Guatemala (100 RB).

US Export Sales	04-Jul-2024
<b>Marketing Year 2023-24</b>	
Upland Gross Sales	56,700
Cancellation	2,600
<b>Net Upland Sales</b>	<b>54,100</b>
PIMA Gross Sales	3,900
Cancellation	0
<b>Net PIMA Sales</b>	<b>3,900</b>
Total Gross Sales	60,600
Total Cancellation	2,600
<b>Total Net Sales</b>	<b>58,000</b>
<b>Shipments</b>	
UPLAND	1,60,700
PIMA	1,900
<b>Total Shipment</b>	<b>1,62,600</b>
<b>Marketing Year 2024-25</b>	
Net Upland Sales	69,500
Net PIMA Sales	0
<b>Total Net Sales</b>	<b>69,500</b>
All Figures in US Running Bale	



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Gujarat Spot Rate Weekly Changes						
Variety	Staple Length	Mic.	06-07-2024	13-07-2024	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29mm	3.8	57,750	57,900	150	0.26%
V-797	13% Trash		41,150	40,900	-250	-0.61%
MCX Spot Rate			58,060	58,000	-60	-0.10%
USD-INR Exchange			83.48	83.53	0.05	0.06%

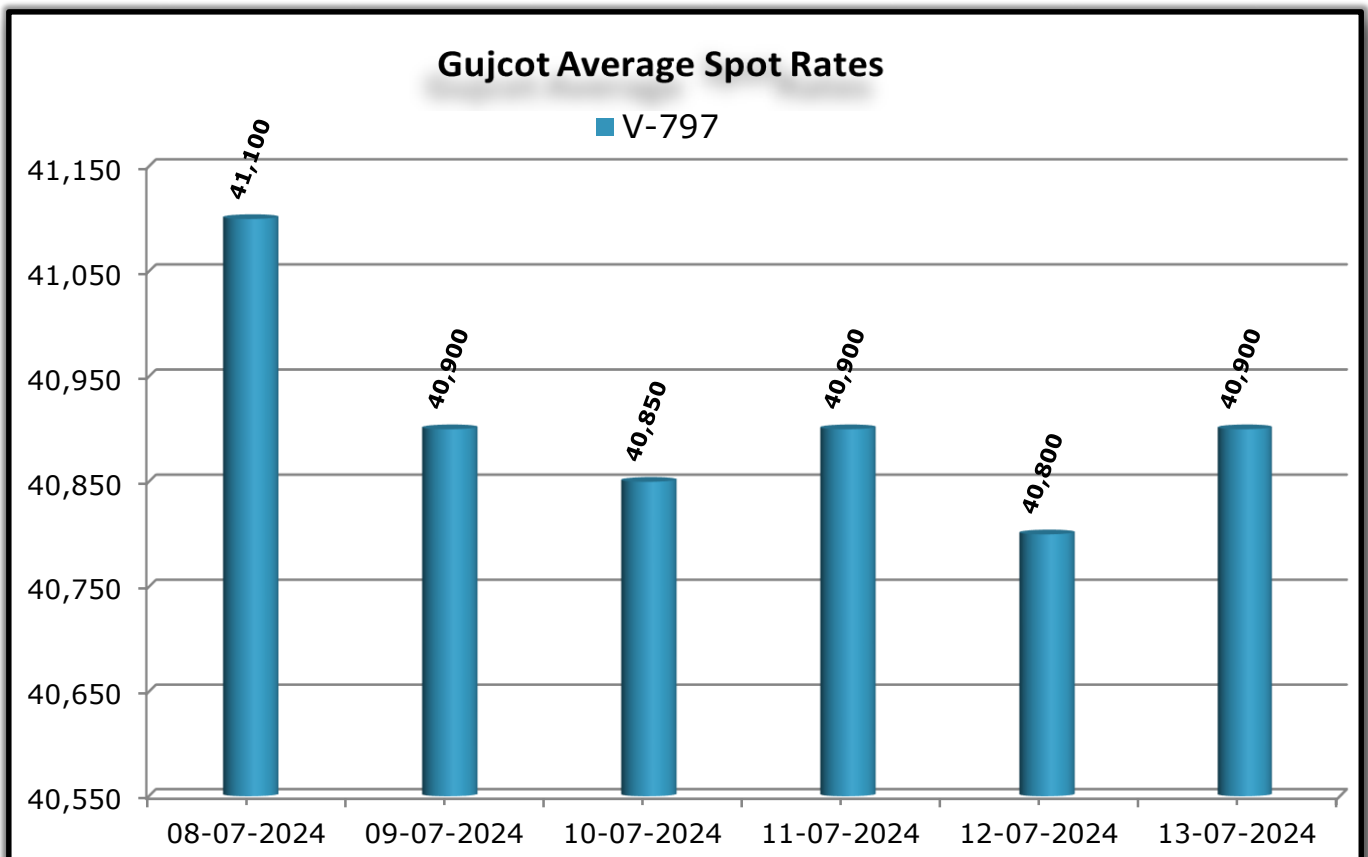
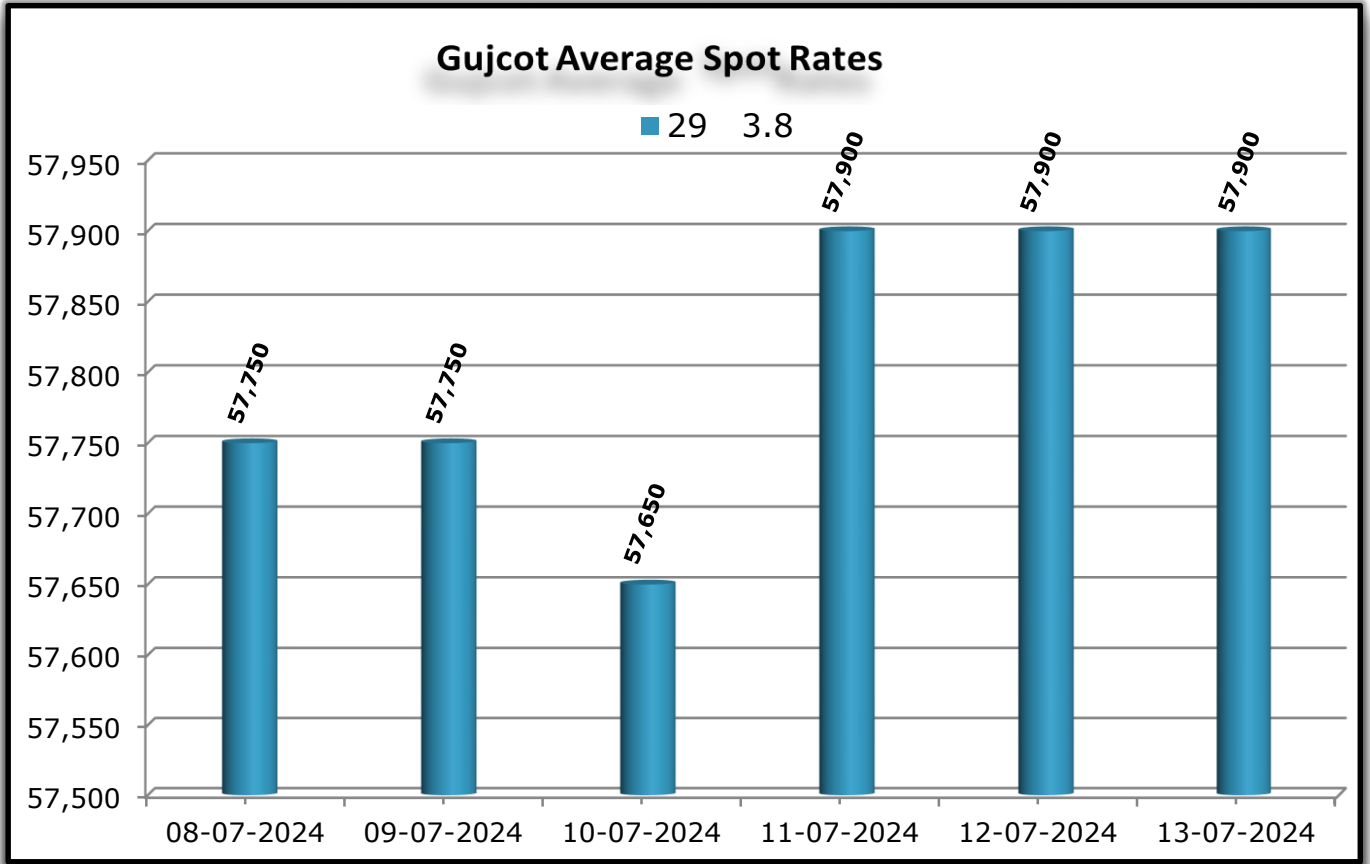
Average Rate of Last week					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	57,650	57,900	57,808
Shankar 6	28.5	3.7	No Quote	No Quote	No Quote
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3.0	No Quote	No Quote	No Quote
V-797	13% Trash		40,800	41,100	40,908
MCX Spot Rate			57,840	58,000	57,930
USD Exchange Rate			83.48	83.56	83.52

Rate Of Last Week				
Date	29 3.8	V-797	MCX Spot Rate	USD-INR Exchange
08-07-2024	57,750	41,100	57,840	83.49
09-07-2024	57,750	40,900	57,880	83.48
10-07-2024	57,650	40,850	57,860	83.52
11-07-2024	57,900	40,900	58,000	83.56
12-07-2024	57,900	40,800	58,000	83.53
13-07-2024	57,900	40,900	58,000	83.53



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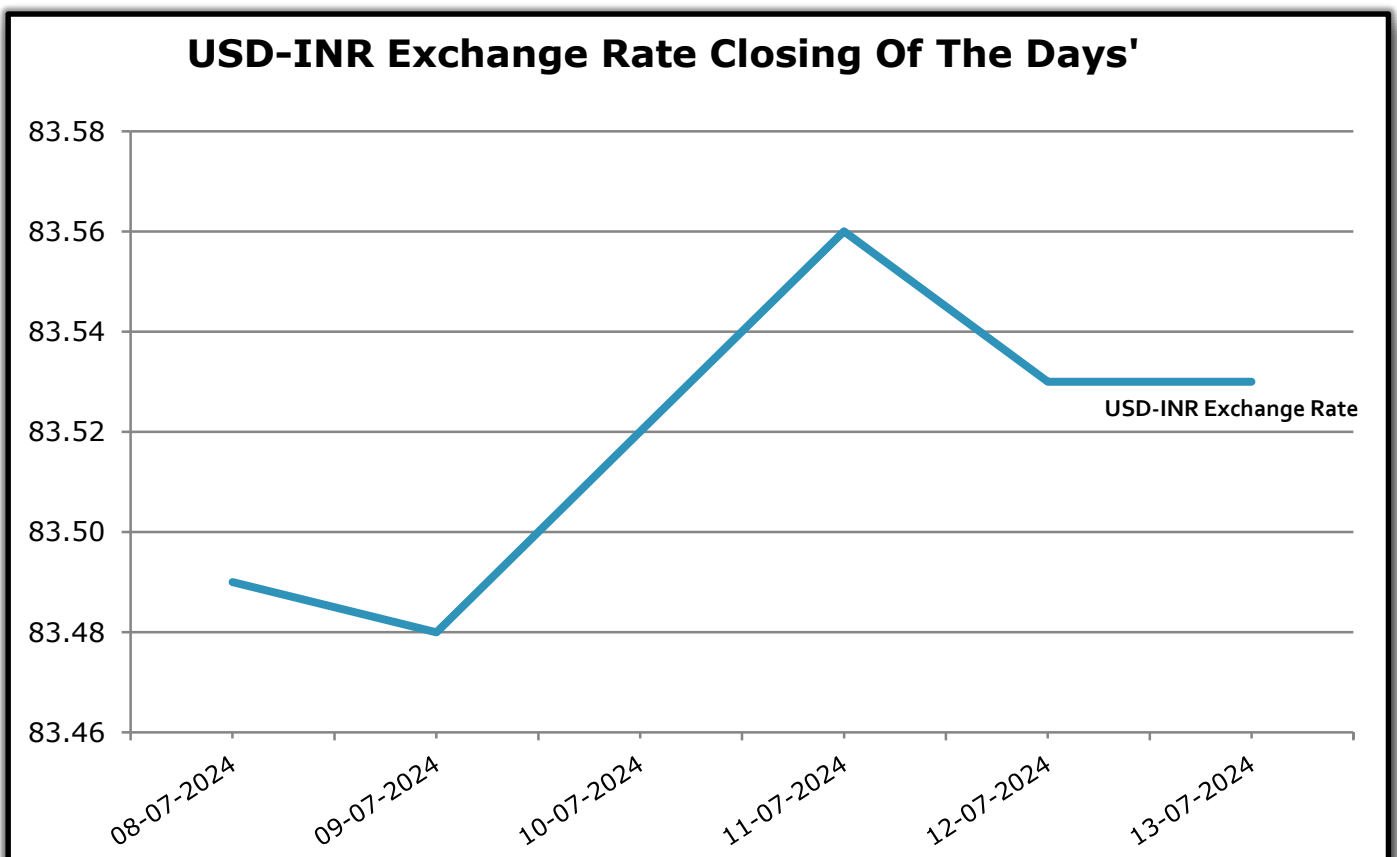
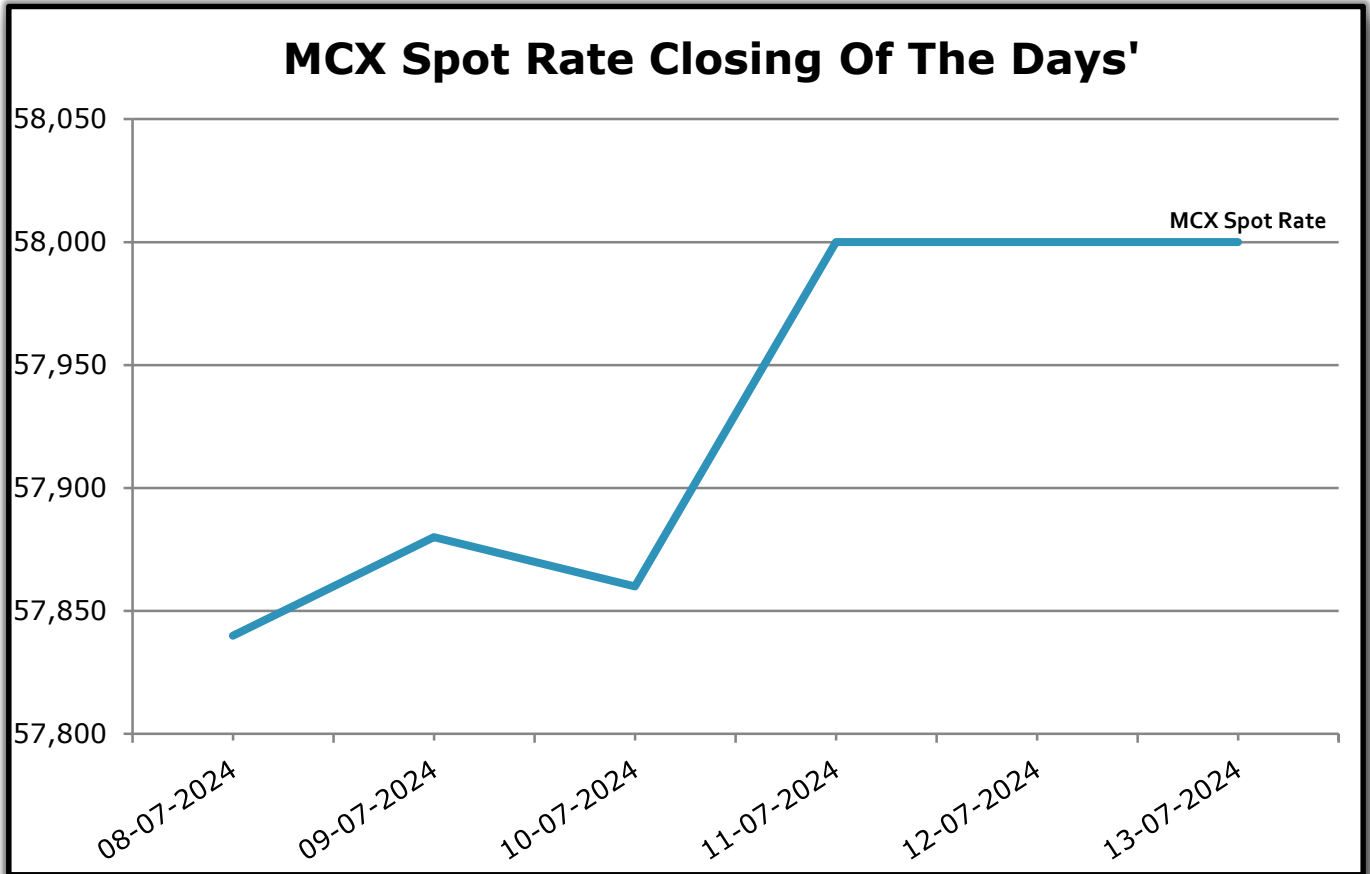






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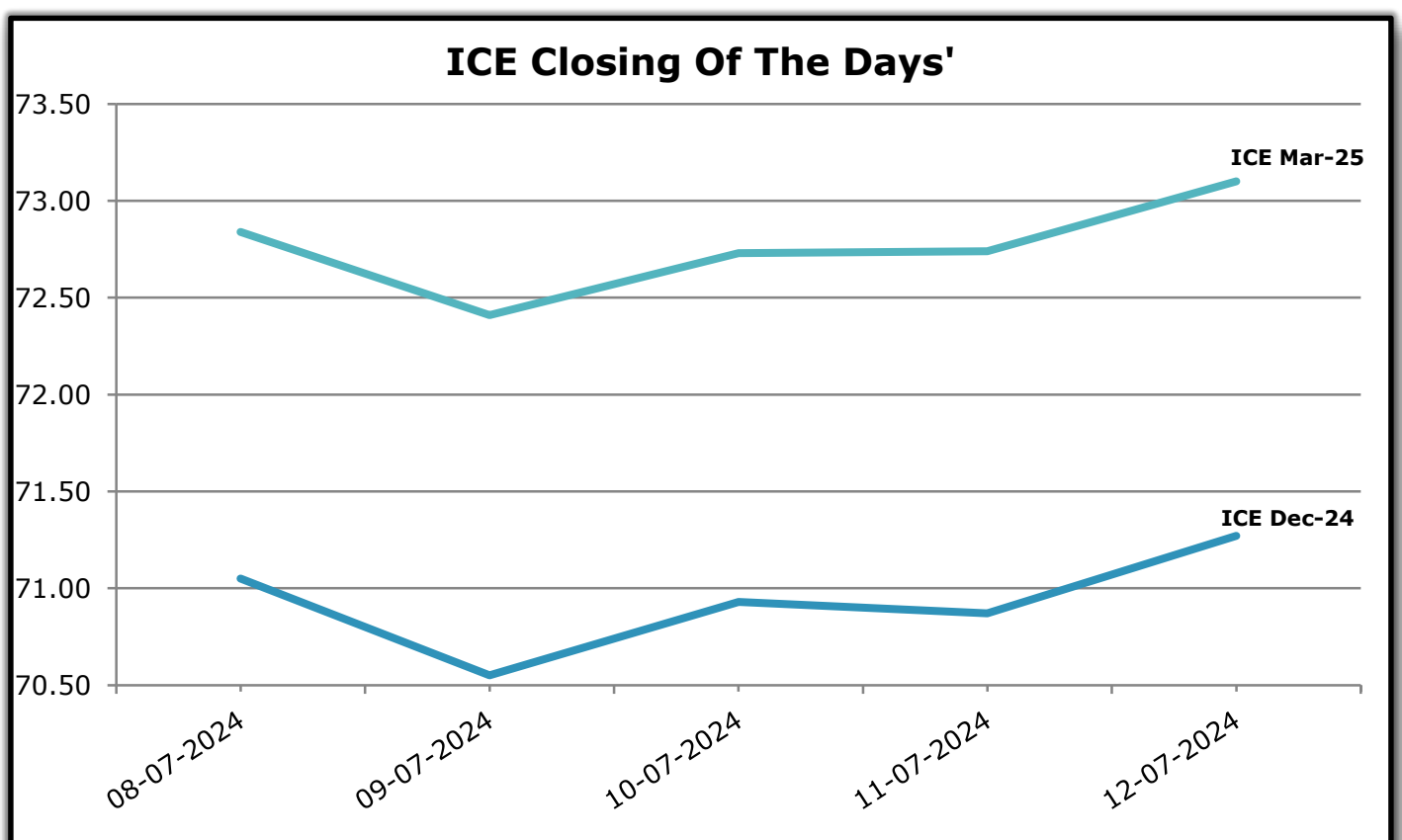
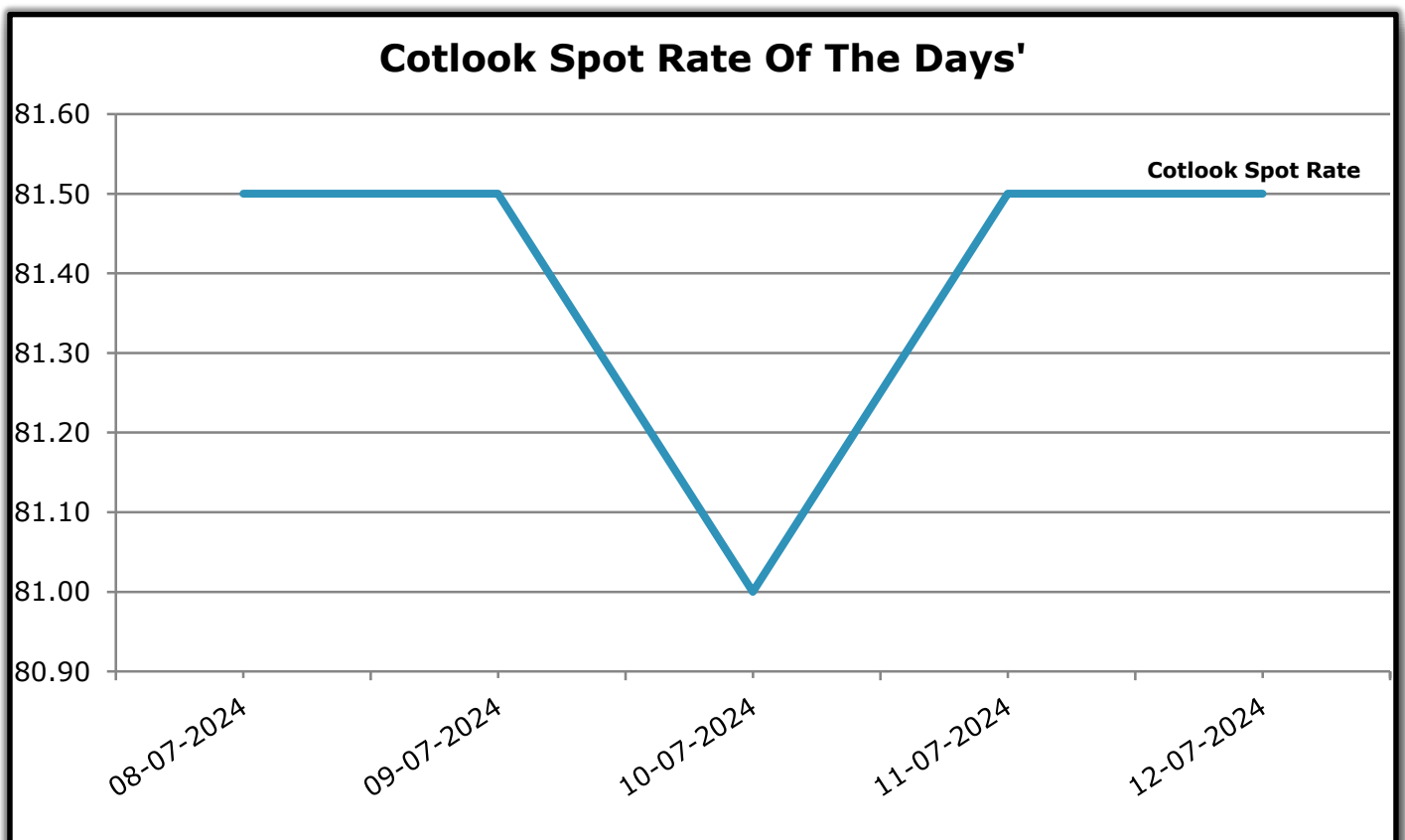




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Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	Dec-24	Mar-25
08-07-2024	81.50	71.05	72.84
09-07-2024	81.50	70.55	72.41
10-07-2024	81.00	70.93	72.73
11-07-2024	81.50	70.87	72.74
12-07-2024	81.50	71.27	73.10

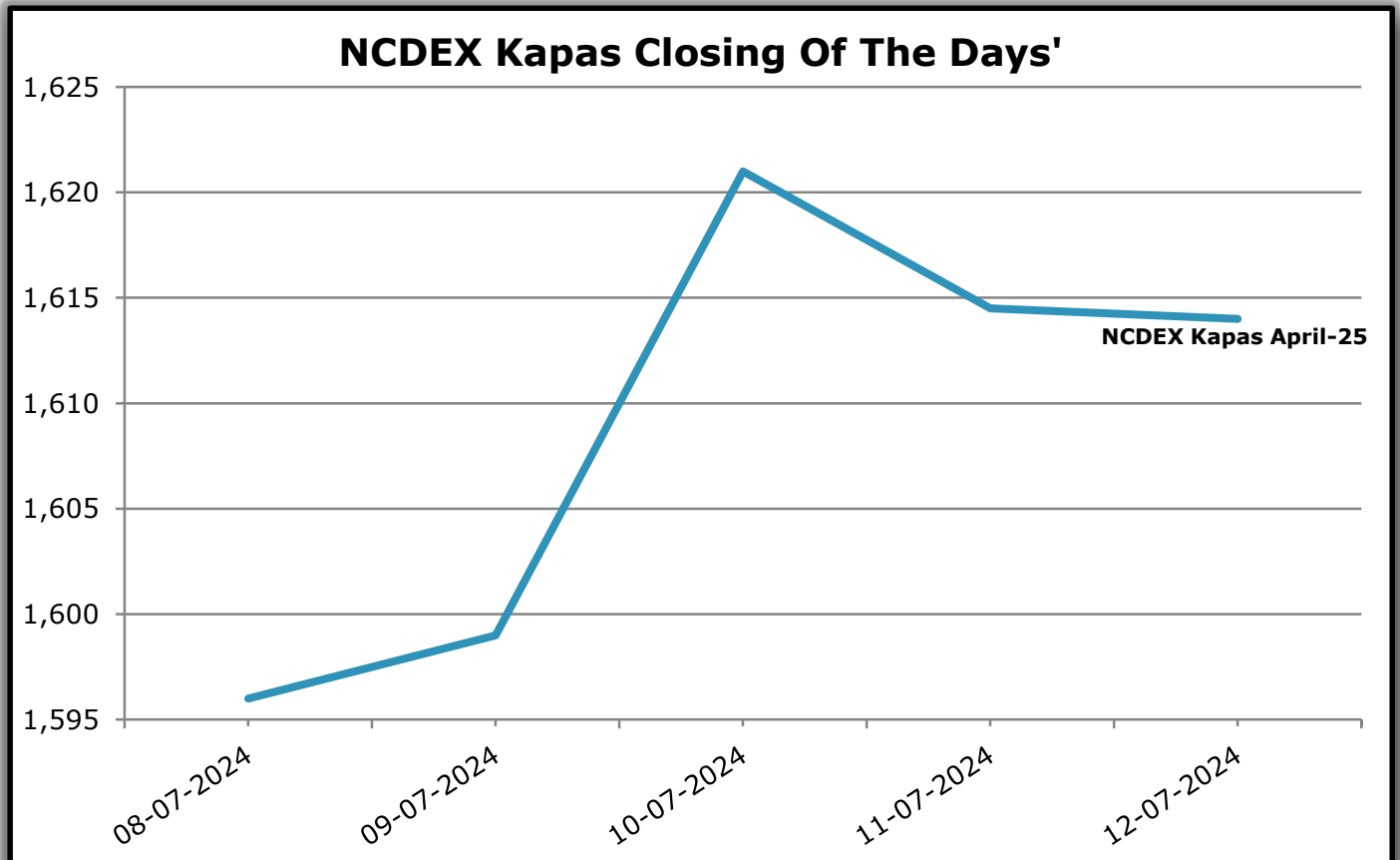




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Indian Indices	
Date	NCDEX Kapas
	April-25
08-07-2024	1,596.00
09-07-2024	1,599.00
10-07-2024	1,621.00
11-07-2024	1,614.50
12-07-2024	1,614.00



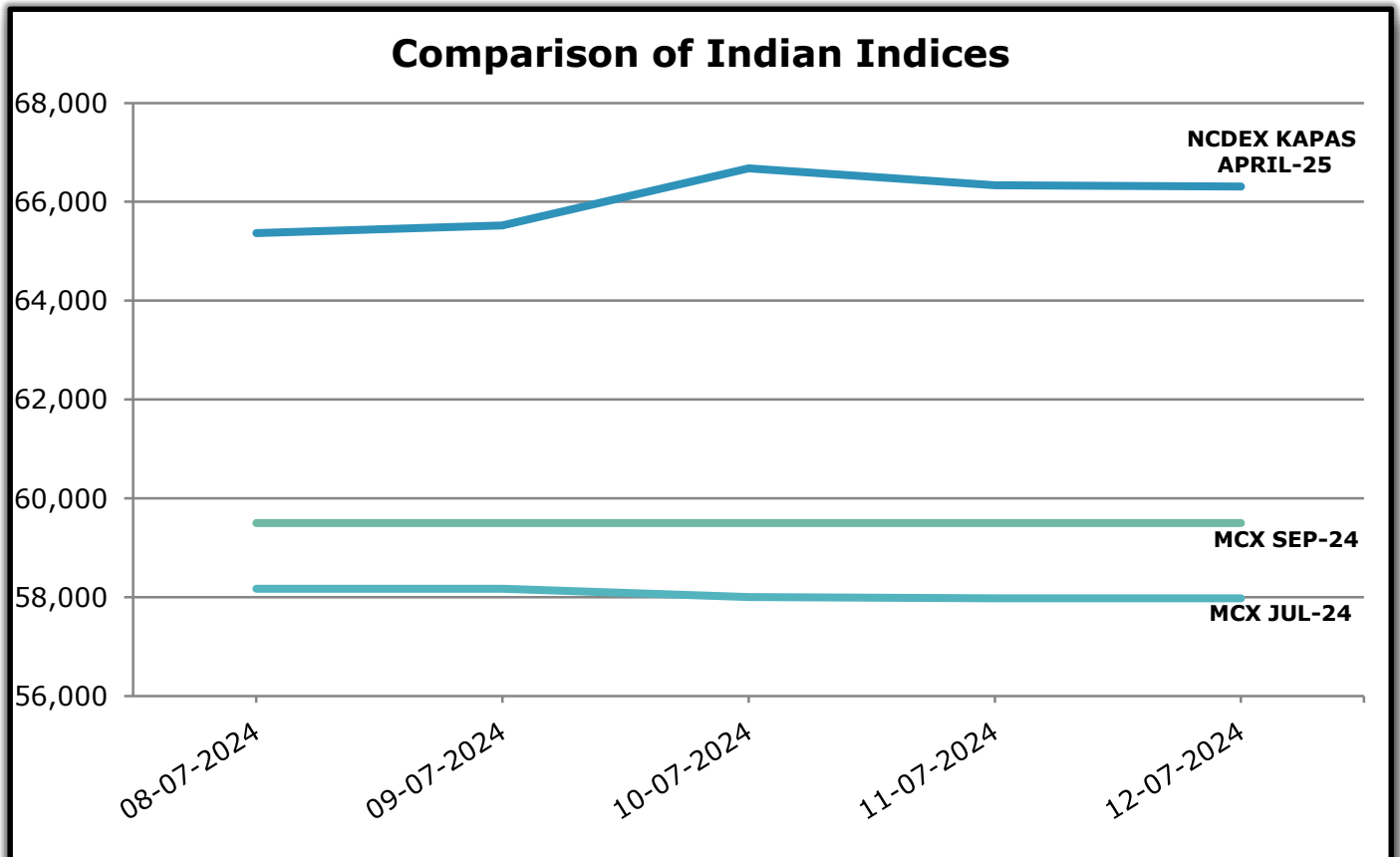


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Indian Indices in Candy Rate			
Date	NCDEX Kapas	MCX	
	April-25	Jul-24	Sep-24
08-07-2024	65,368	58,170	59,500
09-07-2024	65,525	58,170	59,500
10-07-2024	66,675	58,000	59,500
11-07-2024	66,335	57,980	59,500
12-07-2024	66,309	57,980	59,500

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

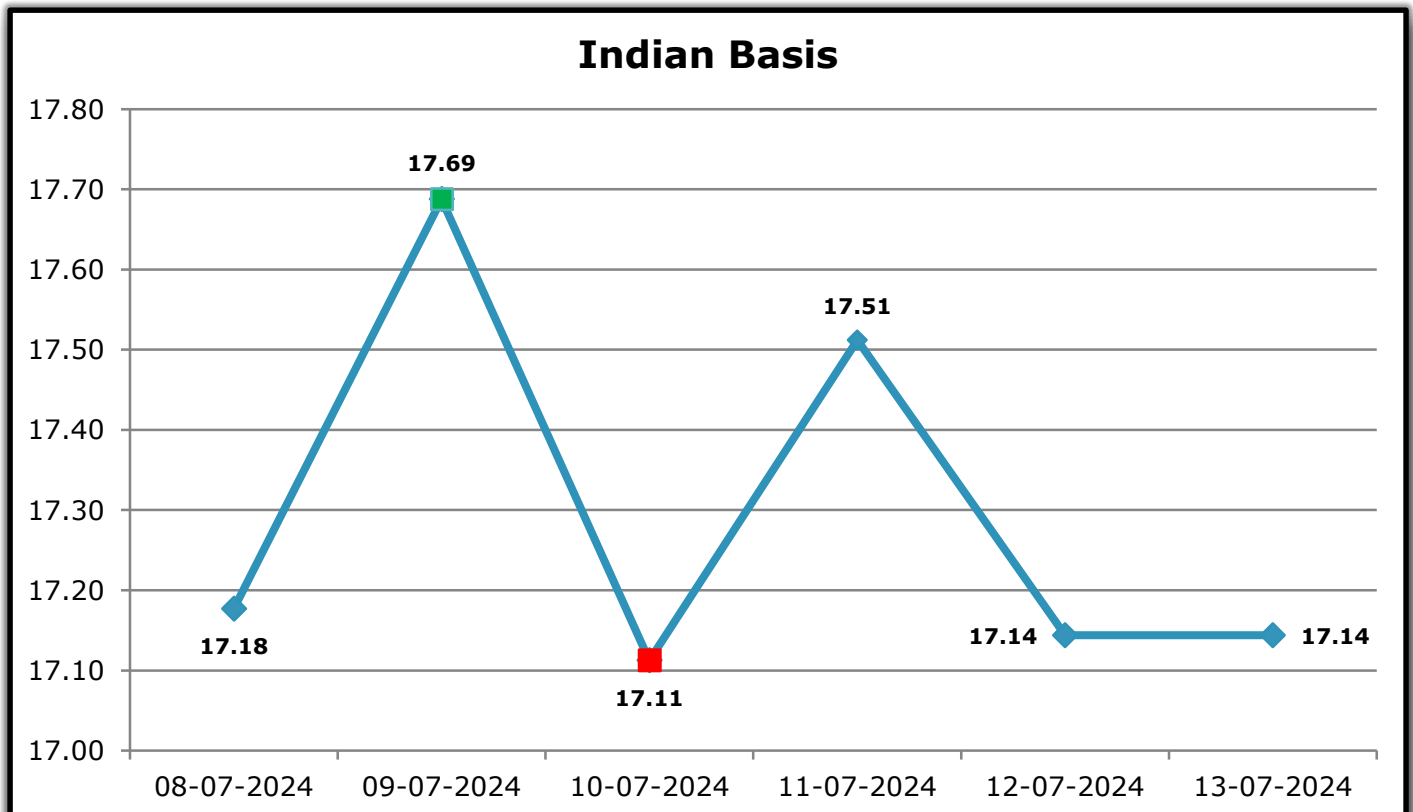




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Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE DEC	BASIS
08-07-2024	57,750	83.49	88.23	71.05	17.18
09-07-2024	57,750	83.48	88.24	70.55	17.69
10-07-2024	57,650	83.52	88.04	70.93	17.11
11-07-2024	57,900	83.56	88.38	70.87	17.51
12-07-2024	57,900	83.53	88.41	71.27	17.14
13-07-2024	57,900	83.53	88.41	71.27	17.14





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## WEEKLY REPORT 13-Jul-2024

### IN THE WEEK AHEAD

- Next week will be a slightly slower week for data releases. June retail sales will be released in addition to the usual reports on crop progress and condition and export sales.
- Hurricane Beryl brought high winds and heavy rains to South Texas, but the crop seems to have fared well overall. West Texas saw scattered storms throughout the week, bringing hail to some areas. Much of the cotton-growing regions in the Southwest received some moisture in the past week.

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