



# GUJCOT TRADE ASSOCIATION

WEEKLY REPORT      11-JAN-2020

## Market Movement from 06th Jan 2020 to 11th Jan 2020

- During this week NY March future continuing its bullish momentum on market sentiment moved up from last Friday's close of 69.20 to 71.31 gaining 211 points and touching 8 months high supported by optimism surrounding the US-China trade deal as the date of signing the Phase one of trade deal is getting closer. Signing in ceremony is scheduled to be held on 15th of January.
- Specs are buying on technical reasons and support of positive news put market on new high to close above 71 cents mark. Terms of the trade deal is still a suspense; market is waiting to see the share of cotton purchase by China in trade deal.
- The World Agricultural Supply and Demand Estimates (WASDE) had many changes, but nearly all were fairly minor. USDA cut US Production but not as much as market had anticipated but cut in world carryover stock was positive. Overall WASDE report was neutral to somewhat bullish.
- US Export sales was lower but firm market sentiment ignored it.
- Indian ginners are playing long with support of sentiment and support of basis players and exporters. Gujarat Shankar-6 29 mm prices touched its season high of Rs 40,700 per Candy.
- Indian Rupee remained volatile over uncertainty of how Iran would react to US actions. Indian Rupee reacted to various negative and positive news of this front.
- Next week details of the US China trade deal will be made public and will be the market mover
- Indian daily arrivals between 2,25,000-2,50,000 bales Gujarat arrival near between 60,000-65,000 bales a day.
- Gujcot Spot Rate was remained between 39,750 to 40,750 Rs/Candy.
- Indian basis remained between 0.45 to 1.69.
- Indian Rupee remained stronger between 71.93 to 70.94 during this week.



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### Global

#### US Weekly Export Sales

- Net UPLAND sales of 1,52,000 RB for 2019-2020 were down 38 percent from the previous week and 33 percent from the prior 4-week average. Increases primarily for Vietnam (97,600 RB, including 6,900 RB switched from Hong Kong, 2,100 RB switched from South Korea, 300 RB switched from Japan, and decreases of 1,500 RB), Pakistan (24,400 RB), Turkey (19,000 RB), South Korea (15,700 RB, including decreases of 200 RB), and Bangladesh (12,800 RB, including decreases of 600 RB), were offset by reductions primarily for India (18,000 RB), Hong Kong (6,900 RB), and Nicaragua (3,900 RB).
- For 2020-2021, net UPLAND sales of 5,500 RB were for Turkey (4,400 RB) and Vietnam (1,100 RB). Exports of 2,11,400 RB were down 6 percent from the previous week, but up 2 percent from the prior 4-week average.
- UPLAND Exports were primarily to Pakistan (58,900 RB), Vietnam (54,000 RB), China (34,000 RB), Indonesia (12,600 RB), and Turkey (11,000 RB).
- Net sales of PIMA totaling 5,200 RB were down 66 percent from the previous week and 62 percent from the prior 4-week average. Increases were primarily for Pakistan (1,700 RB), India (1,600 RB), Vietnam (900 RB), Greece (700 RB), and Turkey (200 RB).
- PIMA Exports of 5,400 RB were down 13 percent from the previous week and 37 percent from the prior 4-week average. The primary destinations were Peru (2,000 RB), India (1,800 RB), Turkey (1,300 RB), and Thailand (200 RB).

US Export Sales	02-Jan-2020
<b>Marketing Year 2019-20</b>	
Upland Gross Sales	2,18,400
Cancellation	66,400
<b>Net Upland Sales</b>	<b>1,52,000</b>
PIMA Gross Sales	5,200
Cancellation	0
<b>Net PIMA Sales</b>	<b>5,200</b>
Total Gross Sales	2,23,600
Total Cancellation	66,400
<b>Total Net Sales</b>	<b>1,57,200</b>
<b>Shipments</b>	
UPLAND	2,11,400
PIMA	5,400
<b>Total Shipment</b>	<b>2,16,800</b>
<b>Marketing Year 2020-21</b>	
Net Upland Sales	5,500
Net PIMA Sales	0
<b>Total Net Sales</b>	<b>5,500</b>
All Figures in US Running Bale	



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## WASDE – JAN – 2020

This month's outlook for U.S. cotton in 2019-20 includes lower production and ending stocks compared with last month, while domestic mill use and exports are unchanged. Production is lowered 1,00,000 bales, mainly due to a decline in Texas which was partially offset in other States. Ending stocks are 1,00,000 bales lower this month at 5.4 million bales. Upland cotton season-average price received by farmers is projected 2 cents higher than a month ago at 63 cents per pound, based on stronger-than-expected early season prices.

The global 2019-20 cotton forecasts include lower production, trade, and ending stocks. Production is forecast 6,30,000 bales lower, and changes for 2019-20 this month, other than the United States, include decreases for Turkey, Australia, Mali, and Pakistan. World consumption is virtually unchanged as an increase in Uzbekistan's expected use is offset by declines for Bangladesh and Vietnam. World trade in 2019-20 is projected 5,50,000 bales lower, largely due to a 5,00,000-bale drop in China's expected imports. Smaller declines for Bangladesh and Vietnam are offset by increases for Turkey and Pakistan. Exports are 2,00,000 bales lower for India and Uzbekistan, and also lower for Australia and Mali. Global 2019-20 ending stocks are 7,30,000 bales lower this month. At 79.6 million bales, total ending stocks are projected about unchanged from 2018-19, but stocks outside of China are expected 3.0 million bales above the year before.



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## WEEKLY REPORT 11-JAN-2020

Gujarat Spot Rate Weekly Changes						
Variety	Staple Length	Mic.	04-01-2020	11-01-2020	Change	Change (in Per.)
					W/W	W/W
Shankar 6	29 mm	3.8	39,600	40,750	1,150	2.82%
V-797	13 % Trash		33,450	33,600	150	0.45%
MCX Spot Rate			19,010	19,400	390	2.01%
USD-INR Exchange			71.79	70.94	-0.85	-1.20%

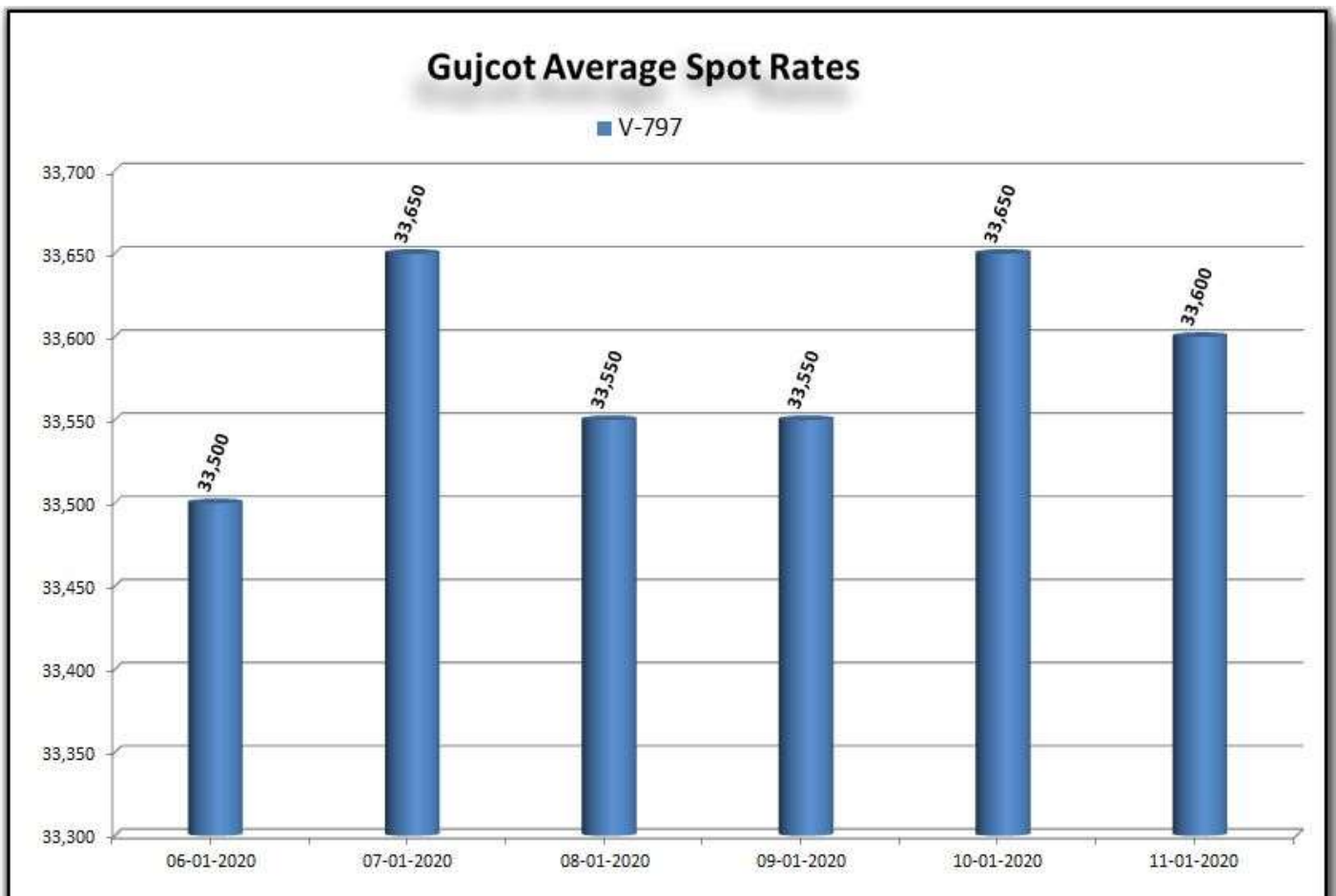
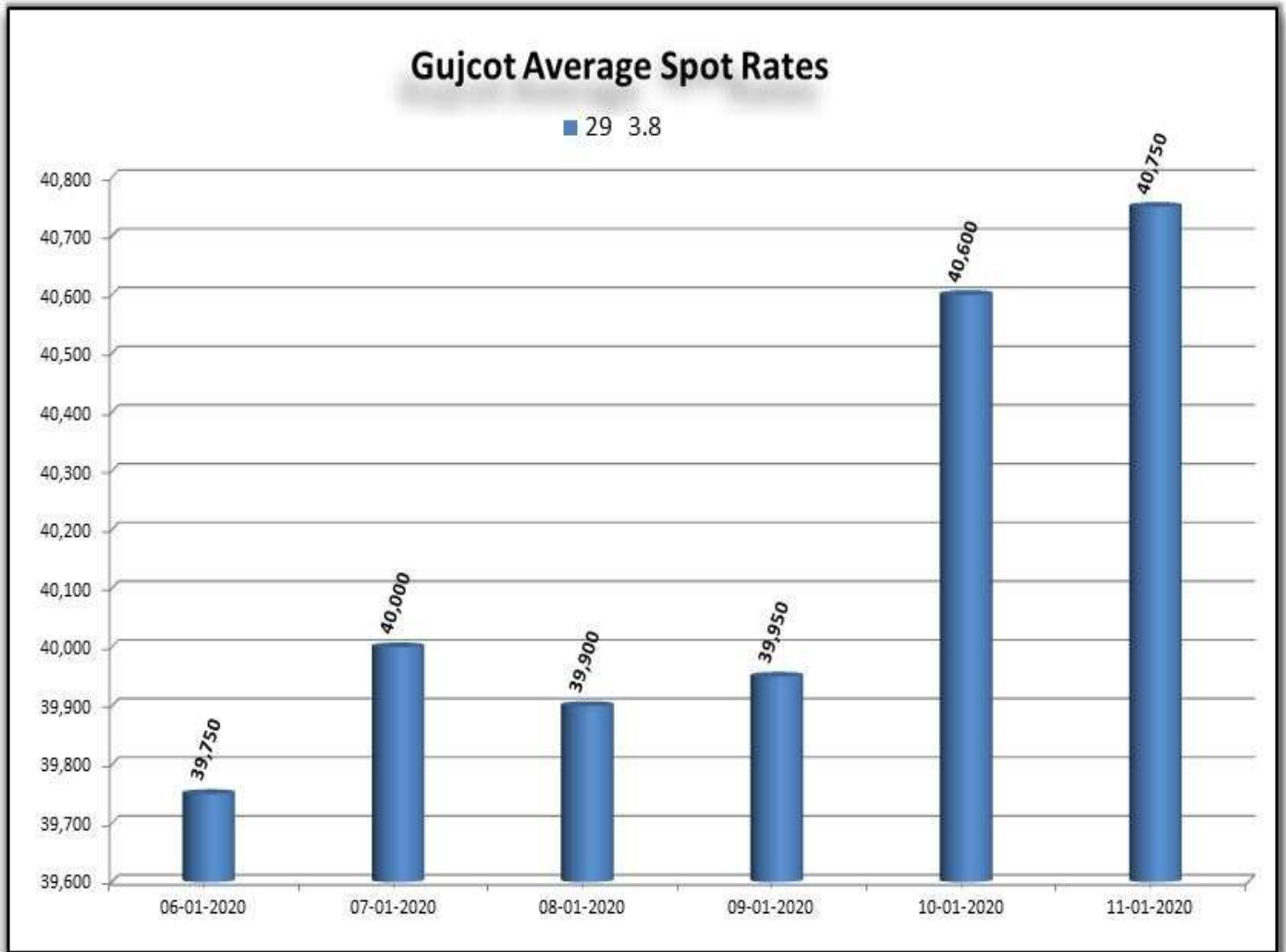
Average Rate of Last week					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	39,750	40,750	40,158
Shankar 6	28.5	3.7	No Quote	No Quote	No Quote
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3.0	No Quote	No Quote	No Quote
V-797	13% Trash		33,500	33,650	33,583
MCX Spot Rate			19,100	19,400	19,260
USD Exchange Rate			70.94	71.93	71.42

Rate of Last Week				
Date	29 3.8	V-797	MCX Spot Rate	USD-INR Exchange
06-01-2020	39,750	33,500	19,100	71.93
07-01-2020	40,000	33,650	19,180	71.83
08-01-2020	39,900	33,550	19,250	71.69
09-01-2020	39,950	33,550	19,230	71.21
10-01-2020	40,600	33,650	19,400	70.94
11-01-2020	40,750	33,600	19,400	70.94



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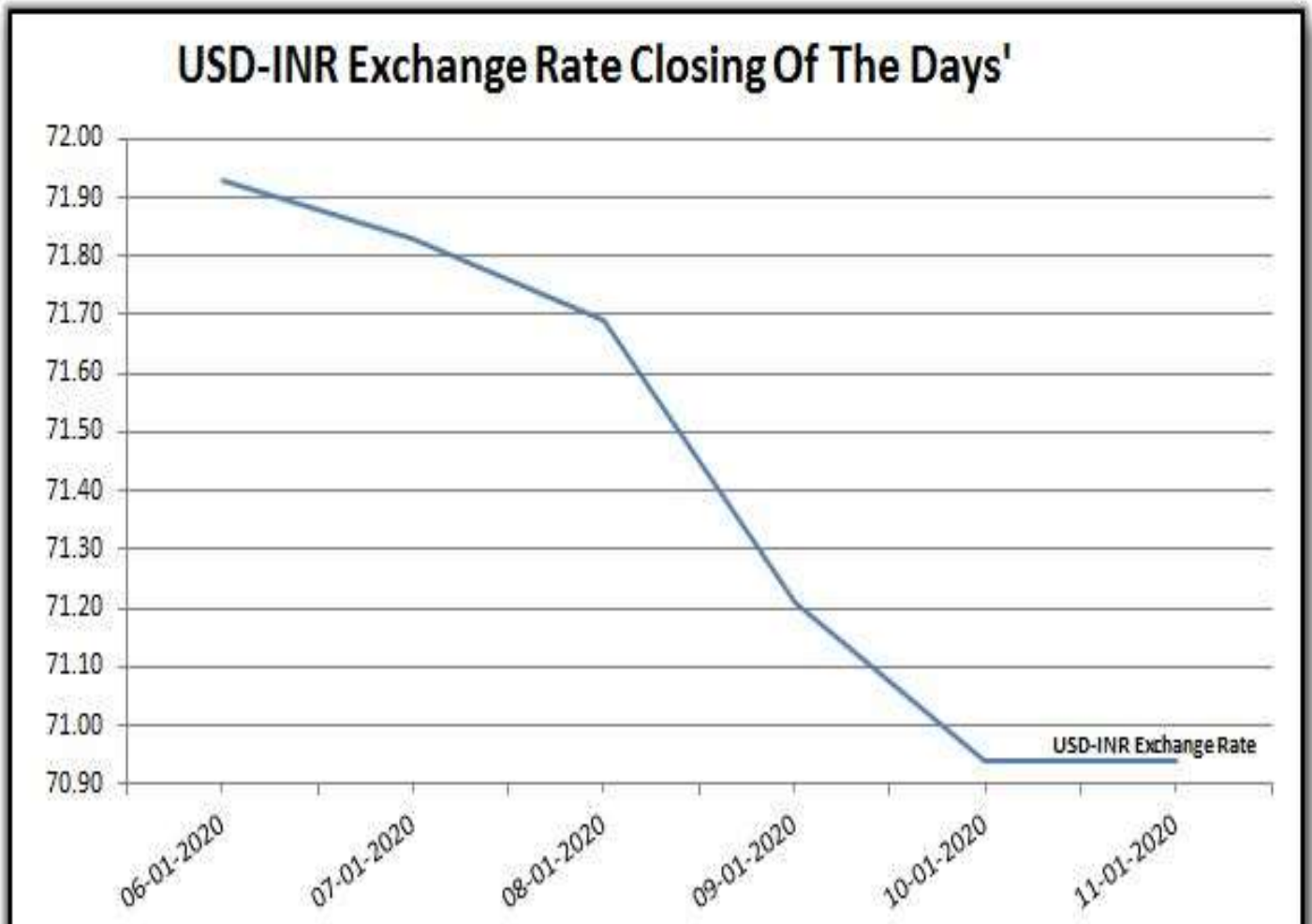
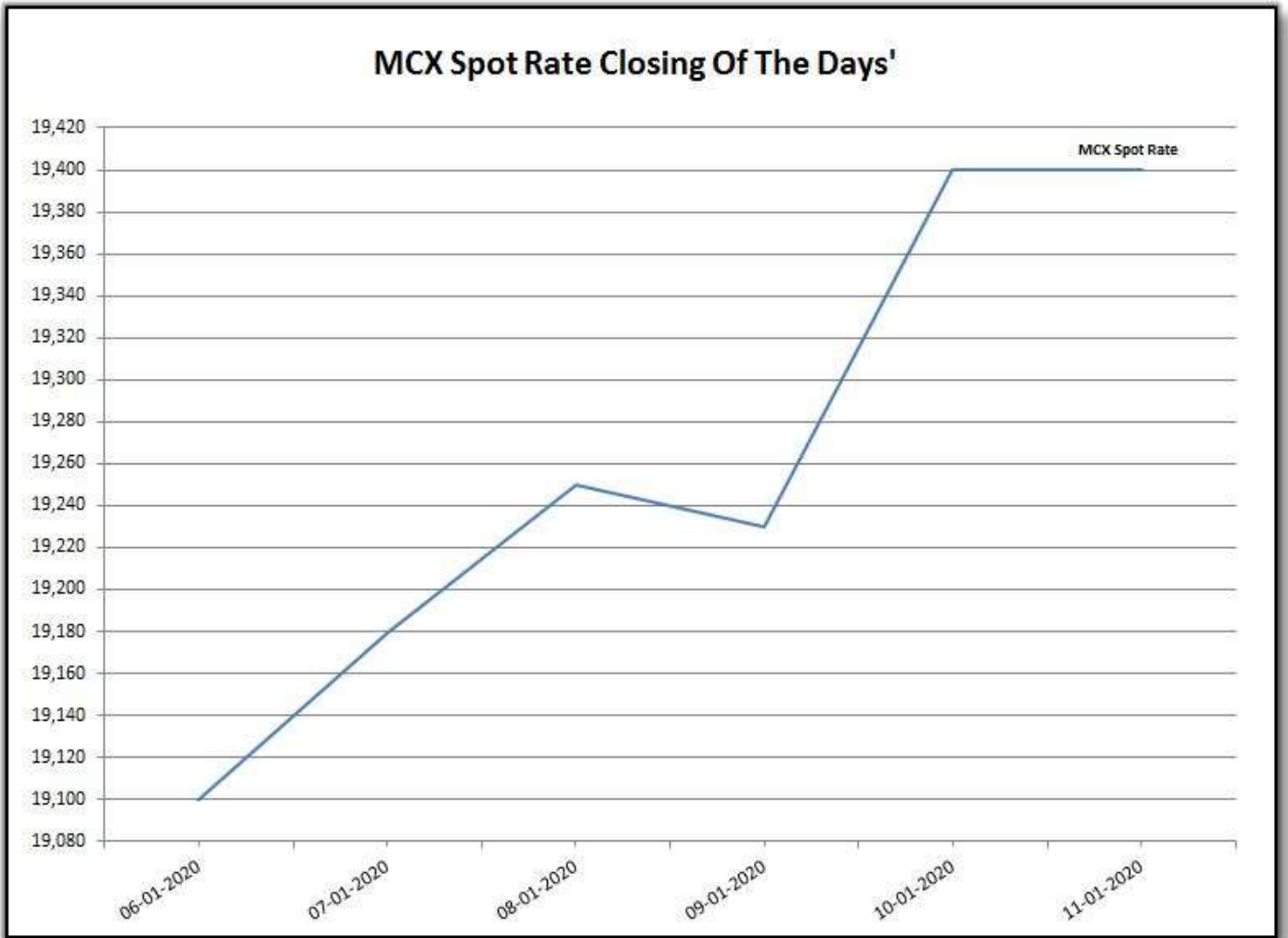
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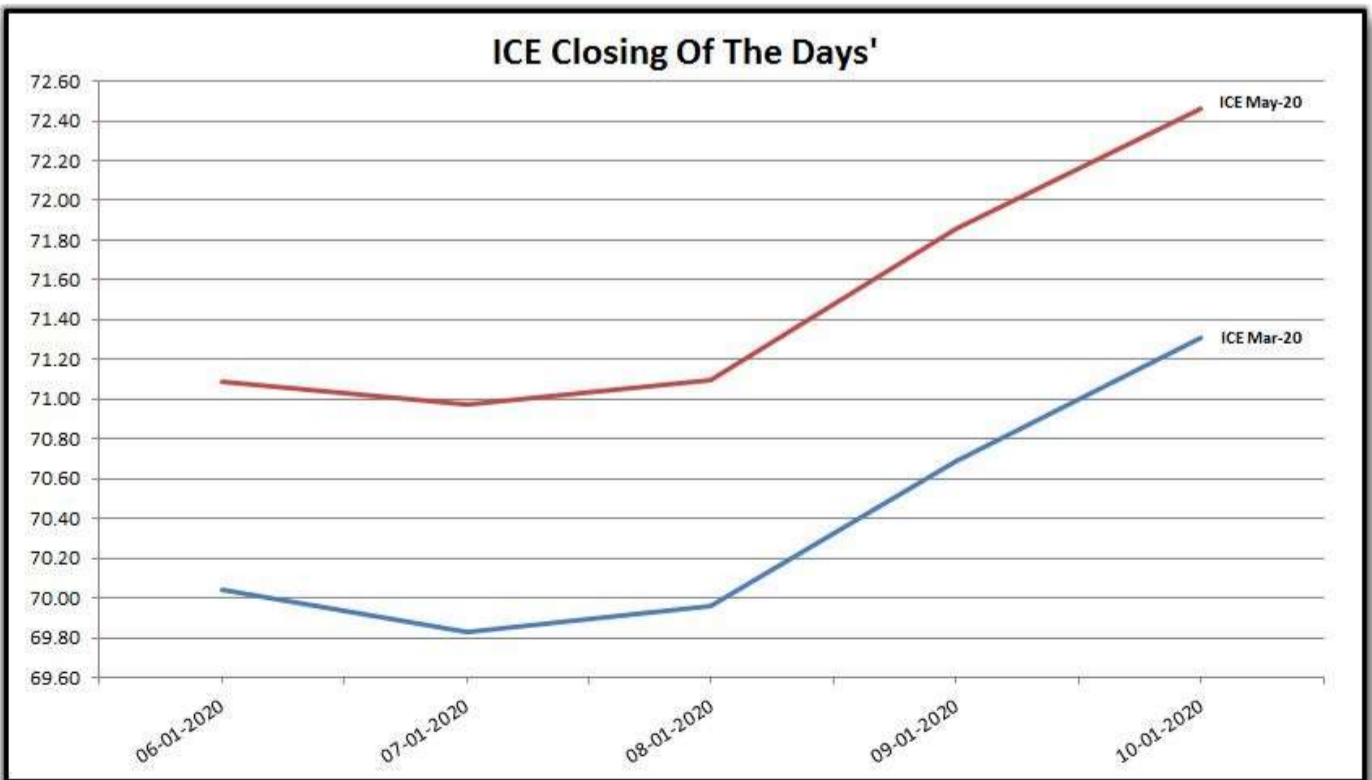
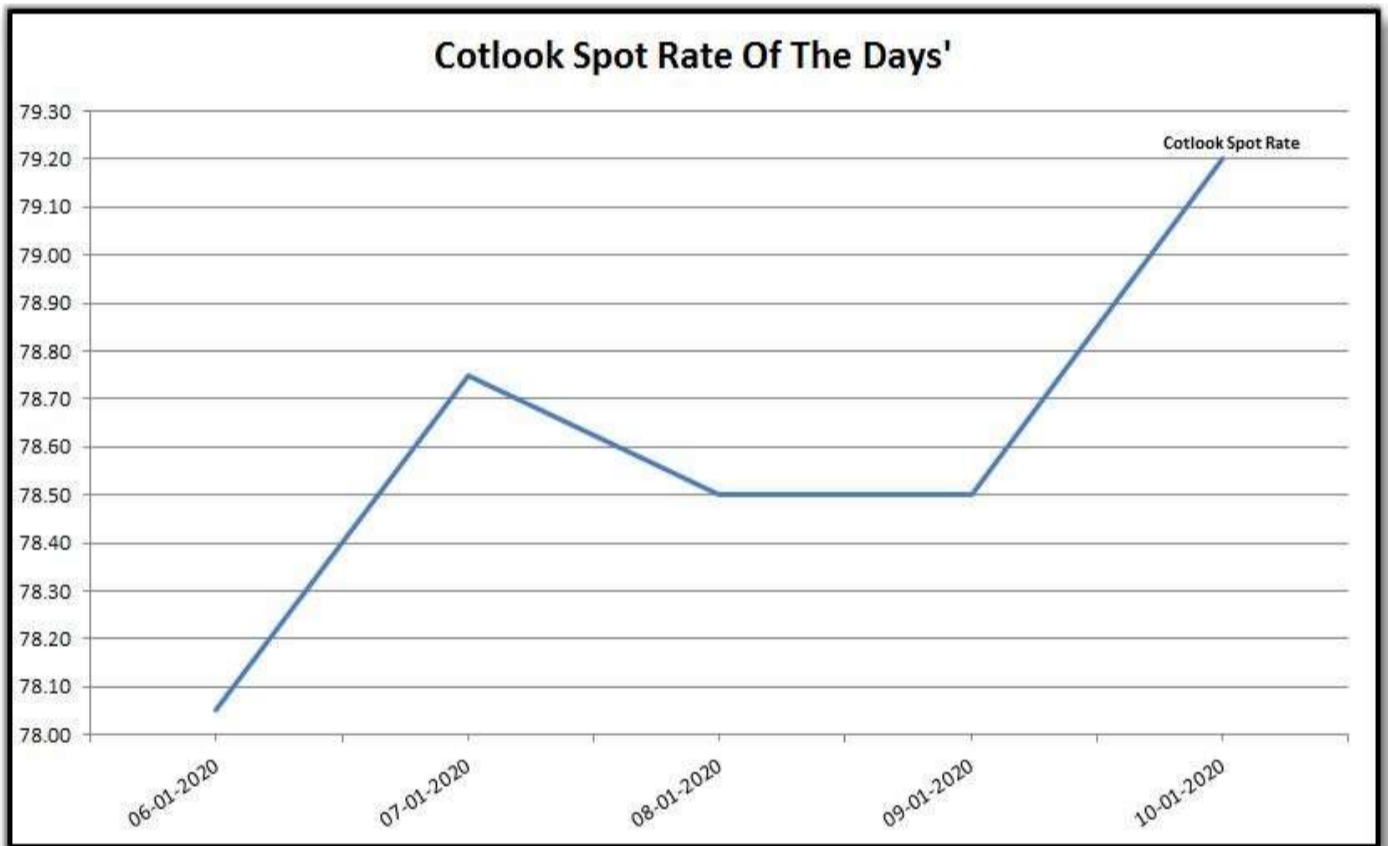




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Foreign Indices			
Date	Cotlook	ICE	
	Spot Rate	Mar-20	May-20
06-01-2020	78.05	70.04	71.09
07-01-2020	78.75	69.83	70.97
08-01-2020	78.50	69.96	71.10
09-01-2020	78.50	70.69	71.86
10-01-2020	79.20	71.31	72.46



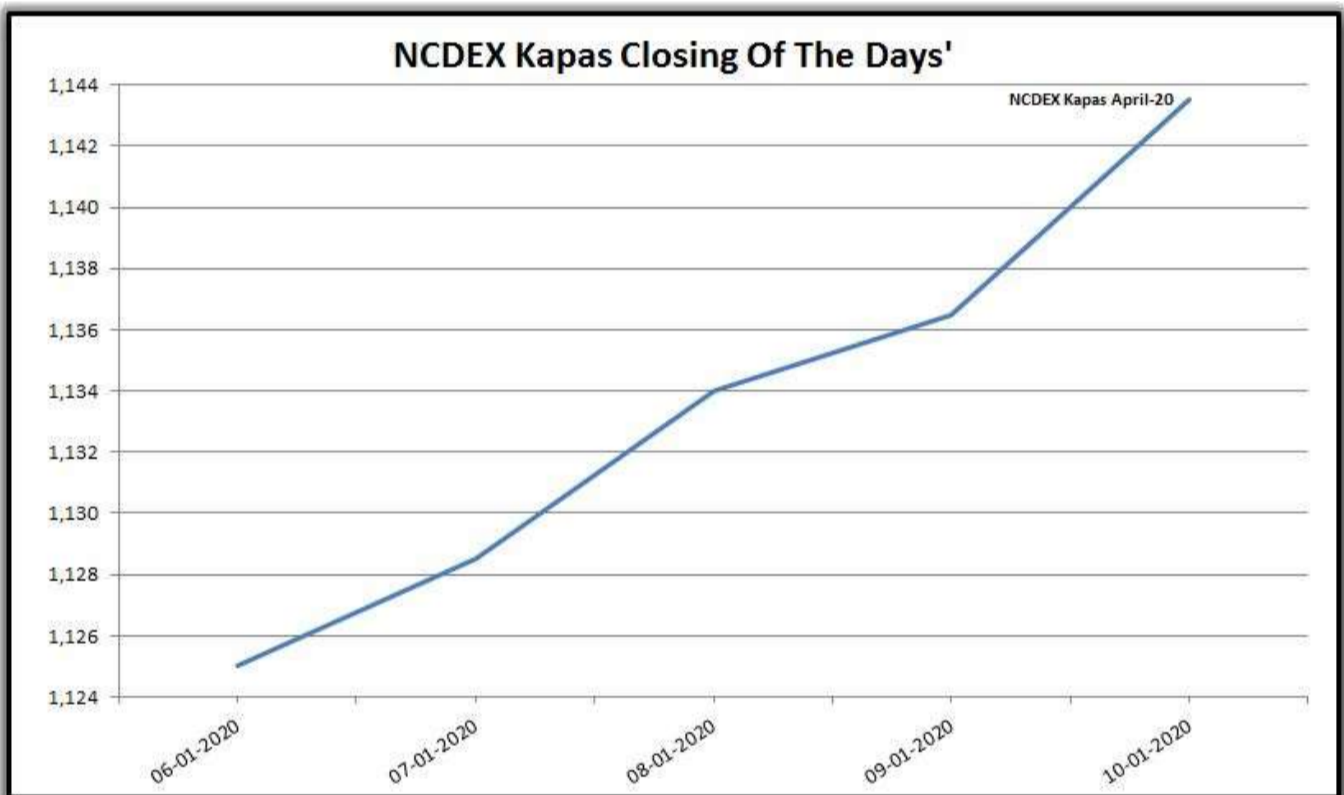


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## WEEKLY REPORT 11-JAN-2020

### Indian Indices

Date	NCDEX Kapas	MCX		
	30-Apr-2020	Jan-20	Feb-20	Mar-20
06-01-2020	1,125.00	19,740	20,020	20,220
07-01-2020	1,128.50	19,760	20,040	20,320
08-01-2020	1,134.00	19,780	20,040	20,260
09-01-2020	1,136.50	19,800	20,060	20,300
10-01-2020	1,143.50	20,000	20,280	20,520





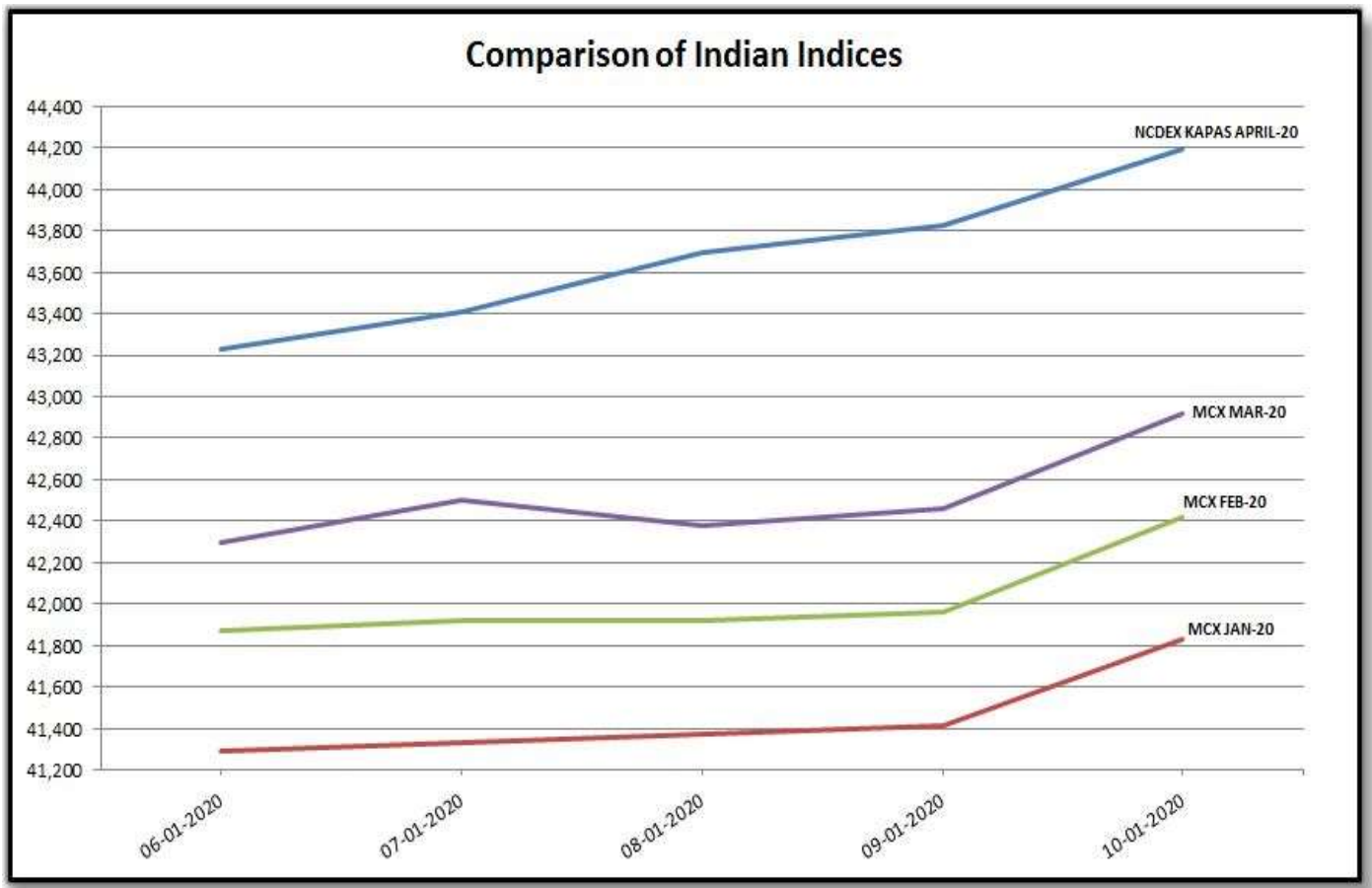


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Indian Indices in Candy Rate				
Date	NCDEX Kapas	MCX		
	April	Jan-20	Feb-20	Mar-20
06-01-2020	43,228	41,290	41,876	42,294
07-01-2020	43,411	41,332	41,918	42,503
08-01-2020	43,698	41,374	41,918	42,378
09-01-2020	43,829	41,416	41,960	42,462
10-01-2020	44,195	41,834	42,420	42,922

**Remark :- For NCDEX Kapas we have taken seed rate 525/20 Kg to convert in Candy.**

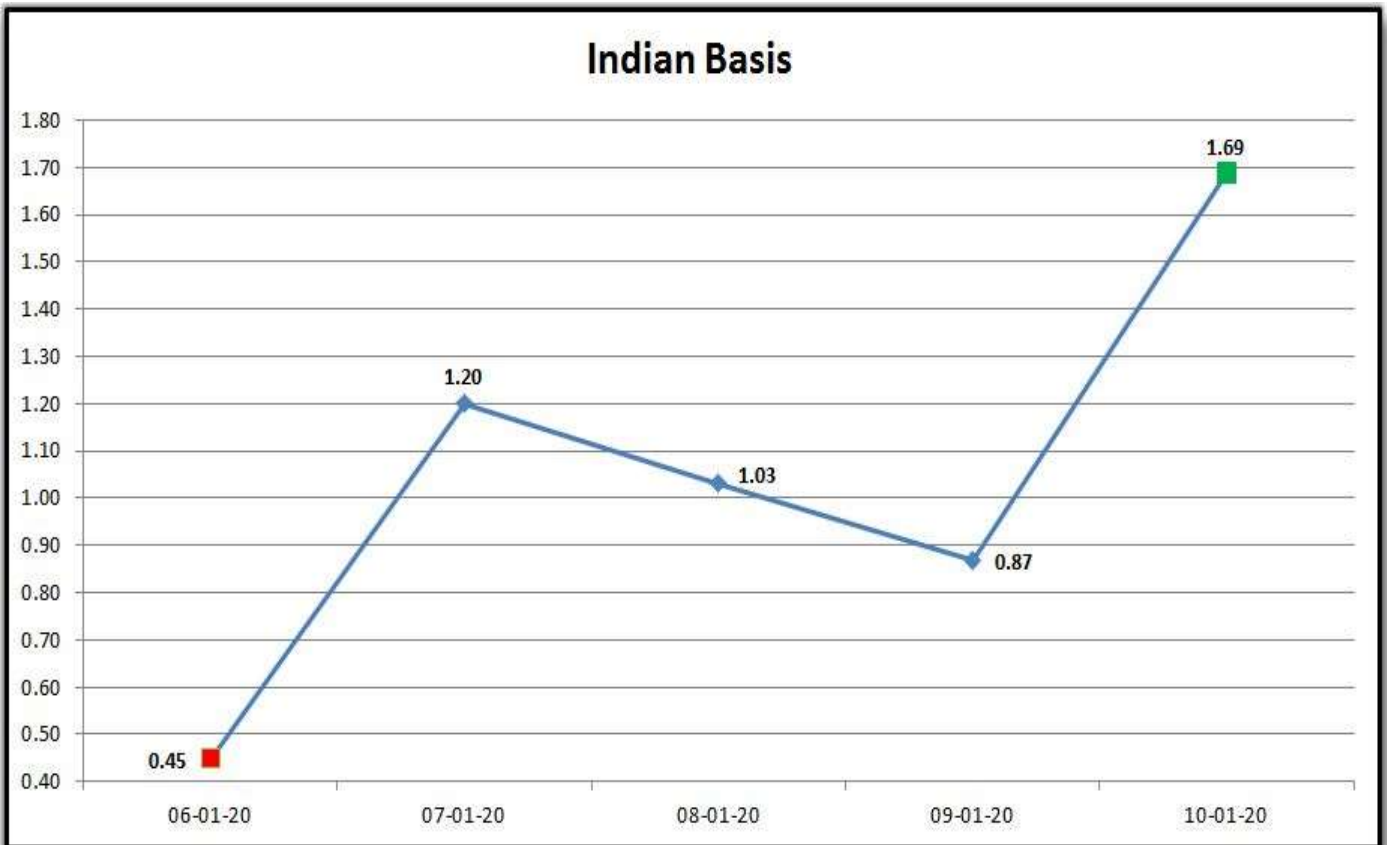




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Indian Basis					
DATE	29 MM	USD-INR	CENTS/LB	ICE MAR	BASIS
06-01-2020	39,750	71.93	70.49	70.04	0.45
07-01-2020	40,000	71.83	71.03	69.83	1.20
08-01-2020	39,900	71.69	70.99	69.96	1.03
09-01-2020	39,950	71.21	71.56	70.69	0.87
10-01-2020	40,600	70.94	73.00	71.31	1.69





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## IN THE WEEK AHEAD

- Today 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
- Friday at 2:30 p.m. Central – Commitments of Traders

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- All India Cotton Sowing data
- Gujarat Cotton Sowing District wise Report
- US Export Sales Report
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