



MONTHLY
COTTON REVIEW

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MONTHLY COTISTICS (JULY, 2024)

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DOMESTIC COTTON CROP SCENARIO

The latest report from the Pakistan Cotton Ginners Association, released on July 15, 2024, indicates a substantial decline in cotton arrivals compared to the previous year. The total number of bales dropped from 0.858 million in 2023-24 to 0.442 million in 2024-25. In Punjab, arrivals significantly decreased to 0.114 million bales from 0.199 million bales. Sindh also experienced a considerable reduction, with arrivals falling from 0.659 million bales to 0.328 million bales. Detailed information is provided in the table below:

Table: 1 SEED COTTON ARRIVALS AS ON 15th July, 2024

(Bales)

Heads	2024-2025 Season			2023-2024 Season		
	Punjab	Sindh	Total	Punjab	Sindh	Total
Arrivals	114375	327666	442041	198873	659134	858007
Sales to Exporters	0	0	0	1000	0	1000
Sales to Textile Mills	90209	284680	374889	146660	545071	691731
Total Bales Sold	90209	284680	374889	147660	545071	692731
Unsold Stock	10349	10457	20806	12626	14903	27529
Un-ginned Stock	13817	32529	46346	38587	99160	137747

Source: Pakistan Cotton Ginners Association

Table2: PROPOSED TARGET OF COTTON CROP DURING (2024-25 Season)

Province	Targets 2024-25		
	Area (Million Hectares)	Production (Million Bales)	Yield (Kg/ hectares)
Punjab	1.680	6.500	657.74
Sindh	0.630	3.900	1052.38
KPK	0.00030	0.00093	527.00
Balochistan	0.808	0.473	99.52
Total	3.118	10.874	592.81

Source: Federal Committee on Agriculture.

Table 3: SOWING POSITION OF COTTON CROP

(Million Hectares)

Province	Propose Target	Area Sown		%age against target	%age change over last year
		2024-25	2023-24		
Punjab	1.680	1.304	1.680	78%	-22%
Sindh	0.630	0.550	0.625	87%	-14%
KPK	0.00030	NA	NA	-	-
Balochistan	0.808	NA	NA	-	-
Total	3.118	-	-	-	-

Source: Provincial Crop Reporting Service.

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Table 4: SEED COTTON PRICES: MONTHLY AVERAGE (2023-24 & 2022-23)

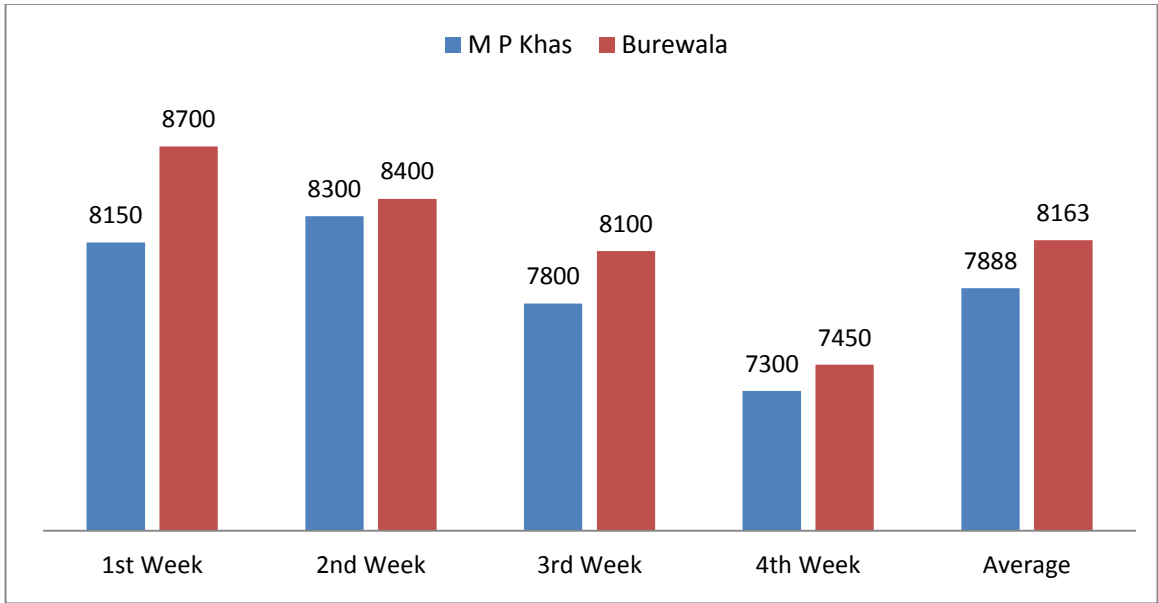
(Rs. / 40 Kg)

Months	Hyderabad	M.P. Khas	Khair Pur	Sukkur	R.Y. Khan	BWP	Vehari	Mian Channu	D.G. Khan	Burewala
Aug 2023	7897	7793	-	-	8466	8217	8601	8390	8303	8583
Sept 2023	8207	8182	-	-	9031	8816	8974	8628	8873	8962
Oct 2023	6429	6423	7135	7165	7907	7795	7831	7070	7707	7552
Nov 2023	6759	6659	7489	7539	8044	7748	7797	7380	7798	7828
Dec 2023	-	-	7070	7053	7942	7699	8021	-	7813	7852
Jan 2024	-	-	7508	7605	8941	8673	9365	-	-	-
Feb 2024	-	-	-	-	9539	9198	-	-	-	-
March 2024	-	-	-	-	9250	9662	-	-	-	-
Avg 2023-24	7323	7264	7301	7341	8640	8476	8432	7867	8099	8155
Aug 2022	7174	7145	-	-	9475	9727	9395	9344	8324	9424
Sept 2022	8346	8256	9122	9126	10557	10836	10285	10104	9868	10486
Oct 2022	7288	7236	7955	8044	9032	8588	8596	8371	8563	8667
Nov 2022	7048	6979	7476	7584	8704	8195	8415	8381	8599	8410
Dec 2022	7140	-	7393	7493	8543	8114	8335	8229	8190	8565
Jan 2023	-	-	7756	7720	9533	9084	9509	-	9078	-
Feb 2023	-	-	8032	8029	9436	9230	9427	-	-	9531
March 2023	-	-	-	-	8622	8056	8283	-	-	-
Avg 2022-23	7399	7404	7956	7999	9238	8979	9031	8886	8770	9181

Source: Market Report.

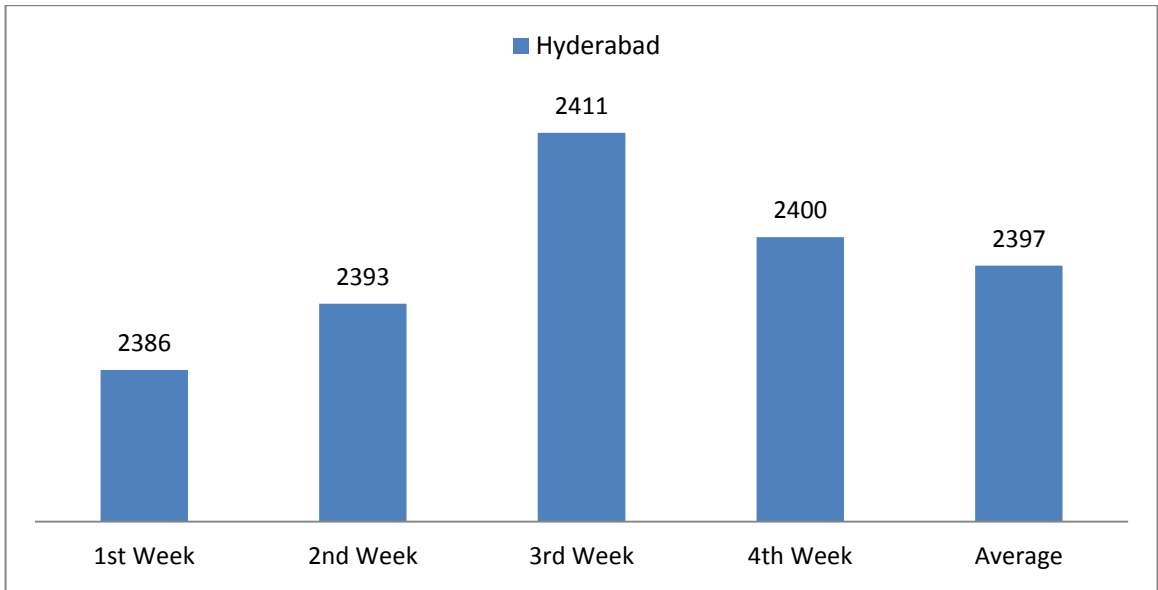
Monthly Cotton Review July, 2024.

Figure-I: SEED COTTON PRICES DURING JULY, 2024 (Rs /40 kg)



Source: Market Report.

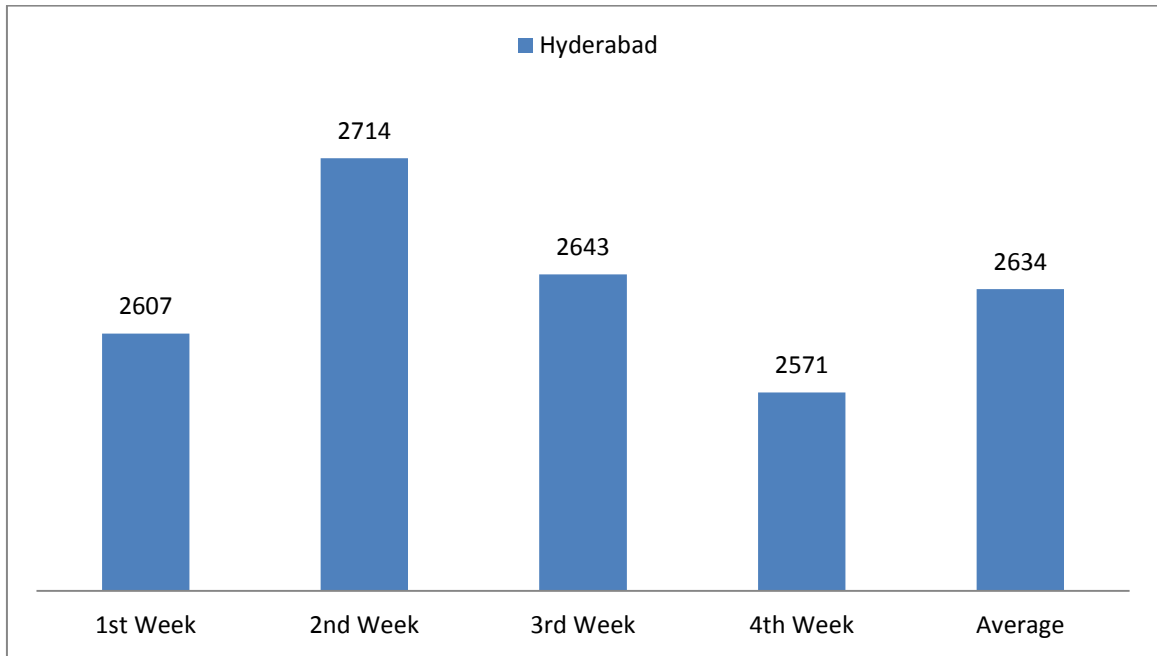
Figure-II: COTTON SEED PRICES DURING JULY, 2024 (Rs / 40 kg)



Source: Market Report.

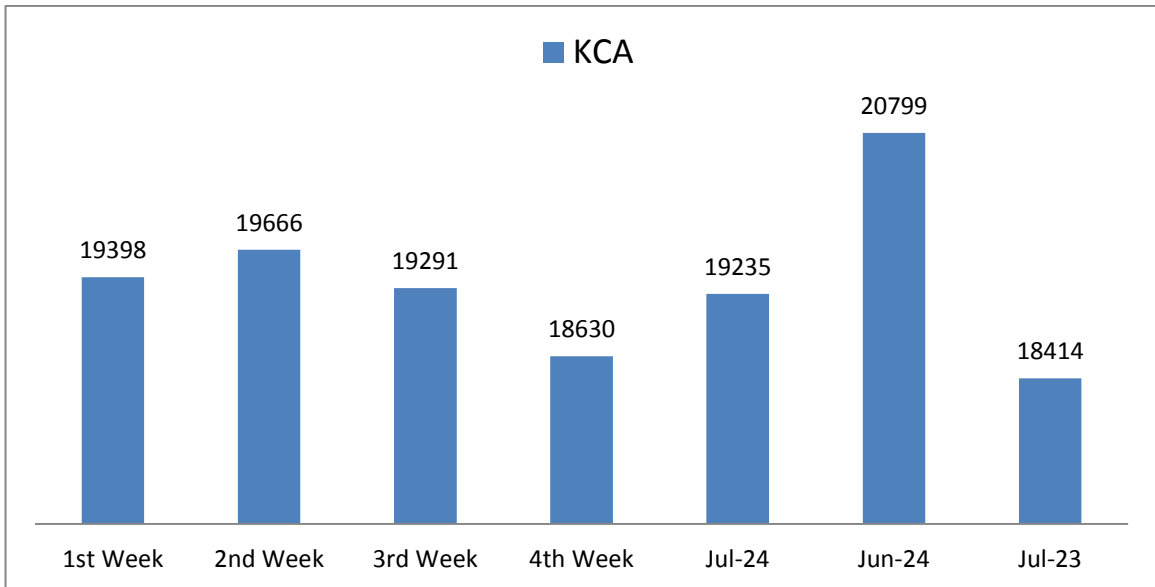
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Figure-III: COTTON SEED CAKE PRICES DURING JULY, 2024 (Rs /40 kg)



Source: Market Report.

Figure-IV: KCA SPOT RATE (EX-GIN) DURING JULY, 2024(Rs/40 Kg)



Source: The Karachi Cotton Association.

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The graph above shows a decrease in the price of raw cotton, with prices dropping to monthly average of 19235 rupees per 40 kg in July 2024. The average monthly price for July 2024 is lower than that of June 2024.

Table 5: MONTHLY AVERAGE PRICES OF RAW COTTON DURING 2023-24, 2022-23 and 2021-22
(Rs. / 40 kg)

Month	2023-24	2022-23
	Ex-Gin Rate	Ex-Gin Rate
August	19,579	20,875
September	20,127	23,374
October	17,892	19,095
November	18,720	17,966
December	18,230	17,745
January	20,193	20,914
February	22,664	22,474
March	23,042	20,840
April	22,619	21,037
May	21,145	21,434
June	20,799	20,912
July	19,235	18,414
Average	20,354	20,423
Month	2022-23	2021-22
	Ex-Gin Rate	Ex-Gin Rate
August	20,875	14,547
September	23,374	14,383
October	19,095	15,611
November	17,966	17,799
December	17,745	18,219
January	20,714	20,161
February	22,474	21,443
March	20,840	21,434
April	21,037	22,015
May	21,434	22,673
June	20,912	22,038
July	18,414	17,794
Average	20,423	19,010

Source: Karachi Cotton Association.

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Table 6: COTTON BALANCE SHEET DURING (2018-19 to 2021-22) (Bale= 170kg)

Sr.#	Position	2018-19		2019-20		2020-21		2021-22	
		'000' Bales	'000' M/Tons	'000' Bales	'000' M/Tons	'000' Bales	'000' M/Tons	'000' Bales	'000' M/Tons
1.	Carryover	949	162	1089	185	147	25	148	25
2.	Production	9860	1676	9148	1555	7064	1201	8328	1416
3.	Imports	2441	415	3157	537	5043	857	4567	776
Total		15905	13250	2253	13394	2277	12254	2083	13043
4.	Mill Consumption	12085	2055	13172	2239	12102	2057	13000	2210
5.	Exports	76	13	75	13	04	01	16	03
6.	End Session Stocks	1089	185	147	25	148	25	27	04
Total		13250	2253	13394	2277	12254	208	13043	2217

Source: i) Textile Commissioner Organizations (Mill Consumptions) for 2018-19 to 2020-21
ii) Pakistan Bureau of Statistics (Imports & Exports).
iii) Provincial Crop Reporting Department and D.G Agriculture (Ext & Res)

Note: For exports and imports data covers (July-June)

(Note: Cotton Balance Sheet for 2022-23 not released by Textile Commissioner Organization)

DOMESTIC COTTON YARN PRICES:

In June 2024, cotton yarn prices saw a decrease. Count 21's were priced at 3538, down from 3555 in May 2024 and 3577 in June 2023. Similarly, Count 30's were priced at 3883 in June 2024, compared to 3892 in May 2024 and 3832 in June 2023.

Table 7: DOMESTIC COTTON YARN PRICES DURING JUNE, 2024 (Rs. per bundle of 4.54 kg)

Count/Week	W E E K				June 2024	May 2024	June 2023
	1	11	111	1V			
10/1	3150	3150	3150	3150	3150	3188	3300
16/1	3270	3270	3270	3270	3270	3290	3430
21/1	3538	3538	3538	3538	3538	3555	3577
22/1	3625	3625	3625	3625	3625	3650	3594
26/1	3750	3750	3750	3750	3750	3775	3768
28/1	3800	3800	3800	3800	3800	3825	3700
30/1	3883	3883	3883	3883	3883	3892	3832
32/1	3900	3900	3900	3900	3900	3925	3800
40/1	4350	4350	4350	4350	4350	4488	4200
52/1	4900	4900	4900	4900	4900	4925	4675
60/1	5100	5100	5100	5100	5100	5125	4800
70/1	5400	5400	5400	5400	5400	5425	5000
20/2	3840	3840	3840	3840	3840	3875	3834

Source: Pakistan Yarn Merchants Association, Karachi

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Export and Import of Textile Commodities:

In June 2024, textile exports fell compared to May 2024, with cotton yarn showing the steepest decline of 30% in both quantity and value. Cotton cloth and towels followed, with decreases of 22% and 16% in quantity, respectively. Over the period from July to June 2023-24, raw cotton exports experienced the highest growth in value at 420%, followed by cotton yarn at 28%, compared to the same period in 2022-23. Detailed figures for specific textile commodities are available in Table 8.

Table 8: EXPORTS OF TEXTILE COMMODITIES DURING JUNE, 2024.

(Value= Rs. in Million)

Commodities	Unit	June 2024		May 2024		June 2023		%age change over May 2024		July-June 2023-2024		July-June 2022-23		%age change over July-June 2022-2023	
		Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val
Raw Cotton	M.T	0	0	0	0	32	12	0.00	0.00	31027	15944	11635	3064	-	420
Cotton Yarn	M.T	16028	12618	22835	17883	38545	30692	-29.81	-29.44	353164	271546	283031	212451	24.78	27.82
Bed wear	M.T	39826	65290	46565	77184	38519	68891	-14.47	-15.41	469767	792919	407528	664017	15.27	19.41
Towels	M.T	18316	24272	21857	28768	18261	24999	-16.20	-15.63	223277	298302	195814	248142	14.00	20.21
Cotton Cloth	M.T	25198	37626	32108	48117	22992	46601	-21.52	-21.80	361344	528142	311094	499035	16.15	5.83
Art, Silk & Synthetic Textile	M.T	6820	8738	7845	9550	5128	9499	-13.07	-8.49	82903	103799	66548	102301	24.58	1.46
Knit wear	'000' Dozens	24192	119053	22911	115022	16373	112348	5.59	3.50	246677	1246870	174401	1088860	41.44	14.51
Readymade garments	'000' Dozens	6777	90445	7364	97566	6474	91582	-7.97	-7.30	76216	1006957	74728	861249	1.99	16.92

Source: Pakistan Bureau of Statistics

In June 2024, the import of raw cotton surged by 39% in quantity and 41% in value. Compared to the previous month, the import of synthetic fiber rose by 27% in quantity and 26% in value. Additionally, the import of other textile items increased by 12% in value.

Table 9: IMPORTS OF TEXTILE COMMODITIES DURING JUNE, 2024

(Value = Rs. in Millions)

Commodities	Unit	June 2024		May 2024		June 2023		% Change over June 2024		July-June, 2023-24		July-June, 2022-23		%age change over July-June 2022-2023	
		Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val	Qty	Val
Raw Cotton	M.T	36986	21834	26613	15442	23549	15536	38.98	41.40	204890	126465	683689	408638	-70.03	-69.05
Synthetic Fiber	M.T	33883	14974	26735	11893	17854	14080	26.74	25.90	297852	139513	200279	119156	48.72	17.09
Synthetic & Artificial Silk Yarn	M.T	30166	13928	32569	14598	14131	12050	-7.38	-4.59	361280	171183	209274	142599	72.64	20.04
Worn Clothing	M.T	89925	11162	90552	10895	43442	6940	-0.66	2.45	987596	122655	748245	90917	31.99	34.91
Other Textile Items	-	-	21588	-	19220	-	10531	-	12.32	-	207114	-	150249	-	37.85

Source: Pakistan Bureau of Statistics

ECONOMICS OF COTTON AND COMPETING CROPS

Cotton a Kharif crop, competes with rice, sugarcane and other crops for land, water and other farm resources in the area where the cultivation of all other crops is technically feasible. Mainly cotton faces indirect competition from sugarcane, the annual crop which keeps the land throughout the year. The economics of cotton and competing crops has been analyzed on the basis of inputs-outputs costs paid and received growers during 2021-22 year. The summaries of various indicators for Punjab and Sindh are presented in table as under:

Table 10: ECONOMICS OF SEED COTTON AND COMPETING CROPS AT PRICES RELEASED BY THE GROWERS 2022-23 CROP

Sr.#	Province/ Crops/ Crop Combination	Output Input ratio	Gross Revenue Per		
			Rupee of Purchased inputs cost	Days of Crop Duration	Acre inch of irrigation water used
			Rupees		
1	2	3	4	5	
PUNJAB					
1.	Seed Cotton	1.41	3.85	496	5415
2.	Basmati Paddy	1.08	2.00	419	1300
3.	IRRI Paddy	1.10	2.32	443	1285
4.	Cotton + Wheat	1.30	3.64	444	5491
5.	Cotton + Sunflower	1.35	3.80	483	4608
6.	Sugarcane	1.25	3.42	421	3458
SINDH					
1.	Seed Cotton	1.43	4.19	532	7087
2.	IRRI Paddy	1.24	3.33	468	1504
3.	Cotton + Wheat	1.37	3.99	497	6958
4.	Cotton + Sunflower	1.28	3.56	443	4651
5.	Sugarcane	1.27	3.69	333	2286

Source: API's Cotton Policy Analysis Report 2022-23 Crop

1. WORLD COTTON SITUATION

The forecast for 2023-24 predicts a slight decline of 1.85% in the global cotton growing area, estimated to be 31.33 million hectares. This reduction in cultivation area is expected to result in a 1.23% decrease in production, with an estimated output of 24.09 million tons, down from 24.39 million tons in 2022-23. Despite the drop in production, global cotton consumption is projected to increase by 5.66%, reaching 25.00 million tons in 2023-24, compared to 23.66 million tons in the previous season. Consequently, ending stocks are expected to decrease by 4.49%, totaling 18.51 million tons in 2023-24, down from 19.38 million tons the previous year.

Table-14: WORLD COTTON BALANCE SHEET (Million Metric Tons)

Heads	2019-20	2020-21	2021-22	2022-23 Proj	2023-24 Proj	% Change in 2023-24 over 2022-23
Beginning Stock	17.92	20.57	19.38	18.59	19.38	4.24
Production	26.04	24.61	25.06	24.39	24.09	-1.23
Consumption	23.05	25.71	25.84	23.66	25.00	5.66
Exports	9.12	10.76	9.70	8.28	9.82	18.60
Imports	8.78	10.66	9.61	8.23	9.82	19.32
Ending Stock	20.57	19.38	18.59	19.38	18.51	-4.49

Source: Cotton This Month July 02, 2024.

2. REGIONAL COTTON SITUATION

1. CHINA

In 2023-24, China's cotton cultivation area has decreased by 4.33% to 2.87 million hectares, down from 3.0 million hectares the previous year. Consequently, cotton production is expected to decline by 6.35%, from 5.98 million tons to 5.6 million tons. However, China's cotton consumption is projected to rise to 8.30 million tons in 2023-24, leading to an increase in imports, which are forecasted to reach 3.00 million tons. The anticipated ending stock of cotton in China for 2023-24 is estimated at 8.71 million tons.

Table-13: CHINA SUPPLY AND DEMAND POSITION (Million Metric Tons)

Heads	2019-20	2020-21	2021-22	2022-23 Proj	2023-24 Proj
Beginning Stock	8.88	9.02	9.37	8.60	8.44
Production	5.80	5.91	5.73	5.98	5.60
Consumption	7.23	8.40	8.31	7.50	8.30
Import	1.60	2.84	1.85	1.38	3.00
Ending Stock	9.02	9.37	8.60	8.44	8.71

Source: Cotton This Month July 02, 2024.

2. INDIA

In the upcoming 2023-24 period, India's cotton cultivation area is expected to decrease by 4.08%, from 13 million hectares in 2022-23 to 12.47 million hectares. Consequently, cotton production is anticipated to decline by 4.02%, totaling 5.49 million tons. Meanwhile, mill consumption is forecasted to rise to 5.39 million tons. Projections for Indian cotton exports in the 2023-24 season indicate an increase of 84%, reaching 0.46 million tons. Ending stocks for 2023-24 are estimated to be 2.60 million tons.

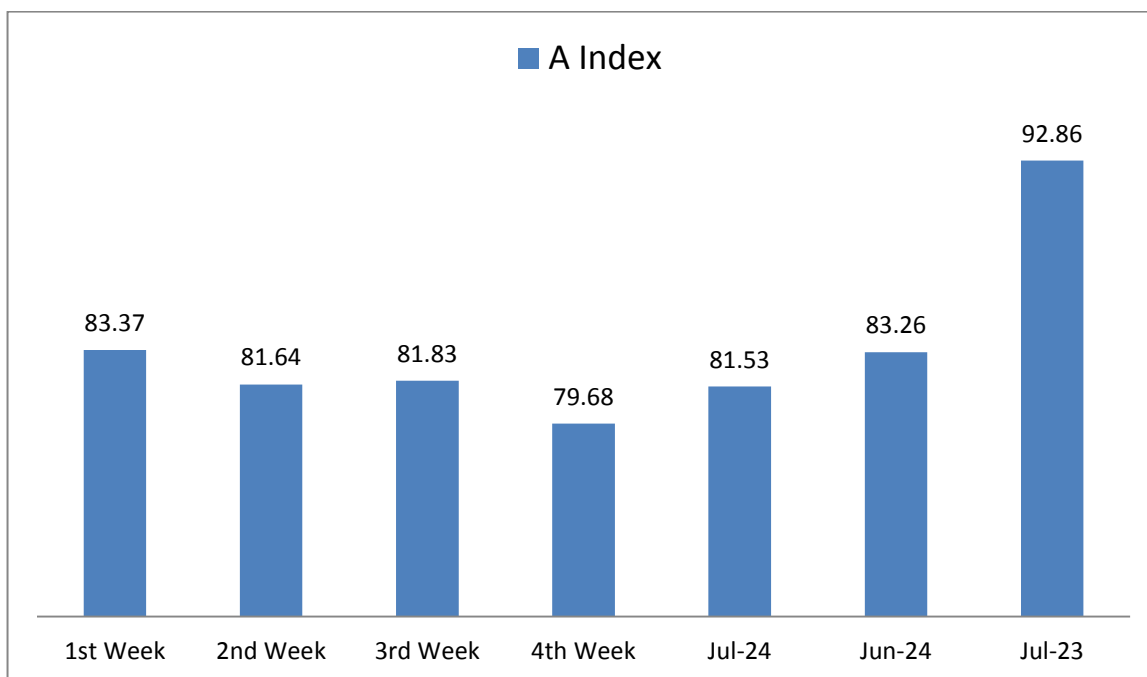
Table: COTTON PRODUCTION AND CONSUMPTION IN MAJOR COTTON GROWING COUNTRIES DURING LAST 5 YEARS (Million Metric Tons)

Countries	2018-19	2019-20	2020-21	2021-22	2022-23 Projected	2023-24 Projected
Production						
China	6.04	5.80	5.91	5.73	5.98	5.60
India	5.66	6.20	5.99	5.29	5.72	5.49
USA	4.00	4.34	3.18	3.82	3.15	2.63
Brazil	2.01	2.78	3.00	2.36	2.55	3.20
Pakistan	1.67	1.46	0.96	1.27	0.84	1.42
Uzbekistan	0.64	0.53	0.70	0.59	0.59	0.59
Others	5.20	4.93	4.87	6.01	5.56	5.16
World Total	25.21	26.04	24.61	25.06	24.39	24.09
Consumption						
China	8.25	7.23	8.40	8.31	7.50	8.30
India	5.40	4.45	5.70	5.30	5.20	5.39
Pakistan	2.36	2.34	2.15	2.45	1.90	2.30
Europe & Turkey	1.82	1.60	1.79	2.01	1.82	1.82
Bangladesh	1.58	1.50	1.64	1.73	1.60	1.60
Vietnam	1.51	1.45	1.52	1.46	1.30	1.42
Brazil	0.73	0.57	0.69	0.70	0.70	0.70
USA	0.65	0.47	0.52	0.56	0.45	0.40
Others	3.73	3.44	3.30	3.32	3.20	3.07
World Total	26.03	23.05	25.71	25.84	23.66	25.00

Source: Cotton This Month July 02, 2024.

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Figure-V: COTLOOK 'A' INDEX DURING JULY, 2024 (US Cents per Pound)



Source: CottonOutlook

'A' Index

The 'A' index prices showed a declining trend in July 2024, with the monthly average at 81.53 cents per pound, down from 83.26 cents per pound in June 2024. In comparison, the 'A' index was at 92.86 cents per pound in July 2023.

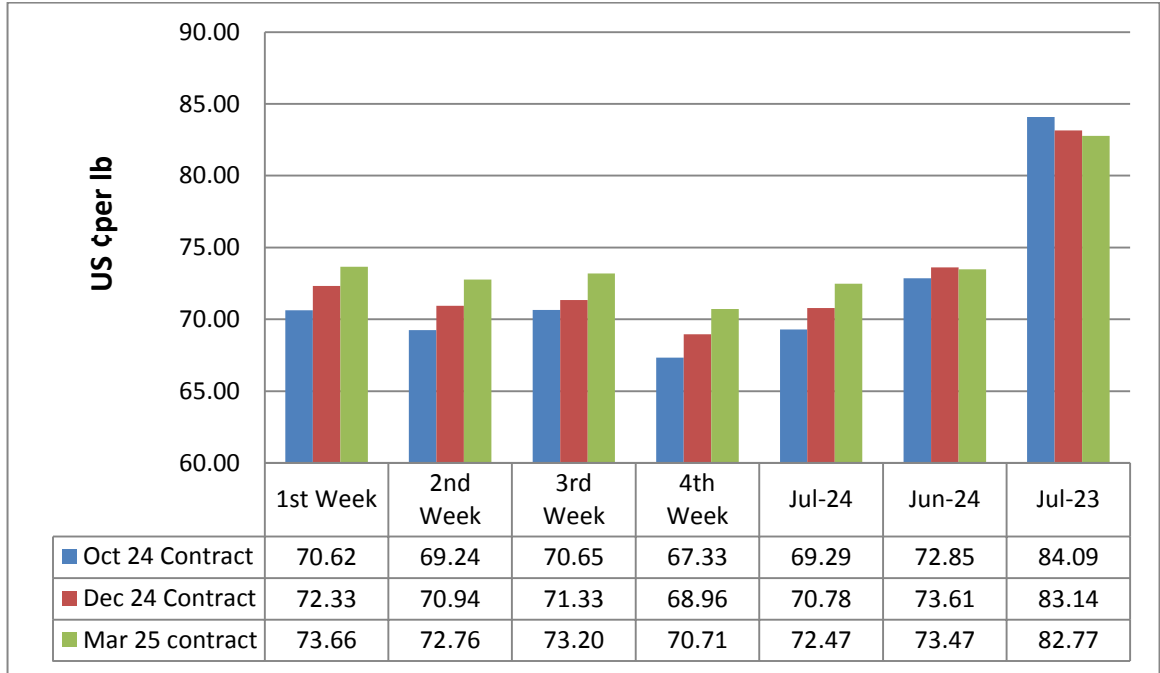
Table-16: MONTHLY AVERAGE PRICES OF "A" INDEX DURING 2022, 2023 & 2024. (US Cents per Pound)

Month/Year	2024	2023	2022
January	91.83	100.12	131.91
February	99.42	99.54	138.46
March	99.74	95.59	139.76
April	90.78	95.24	154.99
May	86.34	94.03	163.89
June	83.26	93.01	155.41
July	81.53	92.86	131.55
August		95.81	123.62
September		97.98	118.28
October		95.69	99.91
November		90.44	101.08
December		90.51	100.87
Average	--	95.51	129.20

Source: Cotton Outlook

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Figure-VI: NEW YORK COTTON FUTURES VALUES DURING JULY 2024. (US Cents per Pound)



Source: Cotton Outlook

The October-2024 contract's monthly average decrease by 4.9%, reaching 69.29 cents. In Dec-2024, the contract saw a 3.8% decrease, reaching 70.78 cents, while the Mar-2025 contract decreases by 1.4% to 72.47 cents.

DESCRIPTION OF RATING OF DIFFERENT FIBER CHARACTERISTICS

i) Fiber Length Rating

Description	inches	mm
Short Staple	0.80 to 0.99	20.32 to 25.15
Medium Staple	1.00 to 1.10	25.40 to 27.94
Long Staple	1.11 to 1.26	28.19 to 32.00
Extra Long	Above 1.27	Above 32.00

II) Uniformity Ratio/ Uniformity Index.

Description		Rating
Uniformity Ratio %	Uniformity Index	
42.0 or Below	77 or below	Very Low
42.0 - 43.0	78 - 79	Low
44.0 - 45.0	80 - 82	Average
46.0 - 47.0	83 - 85	High
Above 47.0	Above 85	Very high

iii) Micronaire Value

Description	Rating
Below 3.0	Very fine
3.0 - 3.9	Fine
4.0 - 4.9	Average
5.0 - 5.9	Coarse
Above 6.0	Very coarse

iv) Maturity Ratio

Description	Rating
1.0 and above	Very mature
1.0 - 0.95	Above average
0.94 - 0.85	Mature
0.84 - 0.80	Below average
0.79 - 0.70	Immature

v) Flat Bundle Strength 000 lb PSI

Description	Rating
Less than 76	Very Weak
77 - 83	Weak
84 - 90	Average
91 - 97	Strong
Above 97	Very Strong

vi) Fiber Strength (G/Tex)

Description		Rating
ICC mode	HVI mode	
Less than 16	Less than 21	Very Low
17 - 19	22 - 24	Low
20 - 22	25 - 27	Average
23 - 25	28 - 30	High
Above 25	Above 30	Very High

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vii) Short Fiber Content

Description	Rating
Below 6	Very Low
6 to 9	Low
10 to 13	Average
14 to 17	High
Above 17	Very High

viii) Rd%

Description	Rating
80 and above	Very High
75 to 79	High
70 to 74	Average
64 to 69	Low
Below 63	Very Low

ix) +b

Description	Rating
6 and below	Very Low
6 to 8	Low
8 to 10	Average
10 to 12	High
Above 13	Very high

X) Moisture

Description	Rating
below 4.5	very low
4.5 to 6.5	low
6.6 to 8.5	Medium
8.6 to 10.0	High
10.1 and Higher	Very high

WEIGHTS AND MEASURES

Kilogram	=	2.2046 Pounds = 1.0717 Seers
Pounds	=	453.5924 Grams = 0.4536 Kilogram
Maund	=	82.2858 Pounds = 37.3242 Kilograms = 0.0373 Metric Ton
Metric Ton	=	2204.6229 Pounds= 26.7923 Maunds = 1000 Kilograms
Kantar	=	50 Kilograms = 110.2334 Pounds = 1.3396 Maunds
Quintal	=	1.9684 Cwt. = 2.6792 Maunds = 100 Kilograms
Hundred weight(CWT)	=	112 Pounds = 50.8029 Kilograms
Yard	=	0.9144 Meter
Square Yard	=	0.8361 Square Meter
Meter	=	3.2808 Feet = 1.0936 Yards
Square Meter	=	1.19603 Square Yards
Acre	=	4840 Square Yards = 0.4047 Hec. = 4046.7240 Sq. Meter
Hectare	=	2.4710 Acre = 11959.6400 Sq. Yards = 999.4550 Sq. Meter
Bale of Raw Cotton	=	375 Pounds = 170 Kilograms = 0.170 Metric Ton
Bale of Cotton Yarn	=	400 Pounds=181.4388 Kilograms=0.1814388 Metric Ton
Bale of Cotton Cloth	=	1500 Sq. Yards = 1254.1500 Sq. Meter
Lbs/Acre.	=	0.8922 X (Kgs. /Hectare)
Kgs/Hectare	=	1.1208 X (Lbs/Acre) = 92.2281 X (Mds. /acre)
Maund/Acre	=	0.01084268 X (Kgs. /Hectare)