

## DAILY COTTON MARKET REPORT AND NEWSLETTER

21<sup>st</sup> November, 2023

| Sr. | Particulars of Cotton Market                                                                          |              | Current Price | Current Month Average | Same-Date Last-Year |
|-----|-------------------------------------------------------------------------------------------------------|--------------|---------------|-----------------------|---------------------|
| 1   | Cotlook-Index (Cents/lb) for 'A' Index<br><a href="http://www.cotlook.com">www.cotlook.com</a>        | (17.11.2023) | 90.90         | 90.53                 | 104.05              |
| 2   | New-York Cotton Market Cont. No.2 (cents/lb)<br>(20.11.2023)                                          | Dec-2023     | 77.97         | 78.13                 | 85.16               |
|     |                                                                                                       | Mar-2024     | 81.25         |                       | 83.78               |
| 3   | China Cotton Index (20.11.2023)<br><a href="http://www.cottonchina.org.cn">www.cottonchina.org.cn</a> | Yuan/MT      | 16898         |                       | 15183               |
|     |                                                                                                       | Cents/lb.    | 106.95        | 106.08                | 96.17               |
| 4   | Indian Cotton Index <Shankar-6><br>(20.11.2023)                                                       | IR/Candy     | 56800         |                       | 69100               |
|     |                                                                                                       | Cents/lb.    | 86.83         | 86.64                 | 107.61              |
| 5   | Karachi Cotton Association (20.11.2023)<br><Ex-gin Price>                                             | PKR/40kg     | 18,755        |                       | 18,433              |
|     |                                                                                                       | PKR/Maund    | 17,500        |                       | 17,200              |
|     |                                                                                                       | Cents/Lb.    | 74.21         | 74.25                 | 93.69               |

Source: Karachi Cotton Association

**Table: 1 NEW YORK COTTON MARKET CLOSING DELIVERY CONTRACT NO. 2 ASON 20.11.23**

| Contract | Open  | High  | Low   | Previous | Close | Change |
|----------|-------|-------|-------|----------|-------|--------|
| Dec-23   | 78.60 | 79.12 | 77.02 | 78.92    | 77.97 | -0.95  |
| Mar-24   | 81.21 | 81.80 | 79.70 | 81.51    | 81.25 | -0.26  |
| May-24   | 81.91 | 82.40 | 80.51 | 82.19    | 81.96 | -0.23  |
| July-24  | 82.19 | 82.68 | 81.11 | 82.60    | 82.44 | -0.16  |

**Table: 2 PROPOSED TARGET OF COTTON CROP DURING 2023-24 SEASON**

| Province     | Targets 2023-24            |                               |                        |
|--------------|----------------------------|-------------------------------|------------------------|
|              | Area<br>(Million Hectares) | Production<br>(Million Bales) | Yield<br>(kg/hectares) |
| Punjab       | 2.018                      | 8.336                         | 702                    |
| Sindh        | 0.671                      | 4.000                         | 1013                   |
| KPK          | 0.002                      | 0.004                         | 336                    |
| Baluchistan  | 0.073                      | 0.430                         | 998                    |
| <b>Total</b> | <b>2.764</b>               | <b>12.770</b>                 | <b>785</b>             |

Source: Federal Committee on Agriculture

**Table: 3 SOWING POSITION OF COTTON CROP 2023-24 SEASON**

| Province     | Proposed Target 2023-24 | Area Sown    |              | % age Against Target | % Change Over Last Year |
|--------------|-------------------------|--------------|--------------|----------------------|-------------------------|
|              |                         | 2023-24      | 2022-23      |                      |                         |
| Punjab       | 2.018                   | 1.68         | 1.485        | 83.25%               | +13.1                   |
| Sindh        | 0.671                   | 0.61         | 0.590        | 90.91%               | +3.4                    |
| KPK          | 0.002                   | 0.00018      | 0.00018      | 9.0%                 | +0.0                    |
| Baluchistan  | 0.073                   | 0.0768       | 0.0685       | 105.21%              | +12.1                   |
| <b>Total</b> | <b>2.764</b>            | <b>2.367</b> | <b>2.144</b> | <b>85.64%</b>        | <b>+10.4</b>            |

Source: Provincial Agriculture Extension & Crop Reporting Service, Departments.

Table: TARGETS AND ACHIEVEMENTS OF COTTON CROP 2022-23\*

(Bale=170kg)

| Province        | Area (millionhac.) |              | Production(millionbales) |              | %ageAgainstTarget |                |
|-----------------|--------------------|--------------|--------------------------|--------------|-------------------|----------------|
|                 | Target             | Achievement  | Target                   | Achievement  | Area              | Productio<br>n |
| Punjab          | 1.821              | 1.485        | 6.600                    | 3.210        | 81.55             | 48.64          |
| Sindh           | 0.6400             | 0.590        | 4.000                    | 1.586        | 92.19             | 39.65          |
| KPK             | 0.0022             | 0.00018      | 0.004                    | 0.000541     | 8.18              | 13.53          |
| Baluchi<br>stan | 0.0700             | 0.0685       | 0.430                    | 0.113        | 97.86             | 26.28          |
| <b>Total</b>    | <b>2.5333</b>      | <b>2.144</b> | <b>11.034</b>            | <b>4.910</b> | <b>84.63</b>      | <b>44.50</b>   |

Source: Provincial Agriculture Crop Reporting Department.(\*Provisional)

Table: 5 SEED COTTON ARRIVAL AS ON 15<sup>th</sup> NOVEBMER, 2023

(Bales)

| Heads                                             | 2023-24 (Season) |           |           |
|---------------------------------------------------|------------------|-----------|-----------|
|                                                   | Punjab           | Sindh     | Total     |
| Arrivals                                          | 3,428,915        | 3,941,709 | 7,370,624 |
| Sales to Exporters                                | 146,226          | 133600    | 279826    |
| Sales to Textile Mills                            | 2,816,973        | 3,505,074 | 6,322,047 |
| Sales to T.C.P                                    | -                | -         | -         |
| Unsold Stock                                      | 267,852          | 146,193   | 414,045   |
| Un-ginned Stock                                   | 197,864          | 156,842   | 354,706   |
| Data was not collected last year as on 15.11.2022 |                  |           |           |

Source: Pakistan Cotton Ginners Association

Table:6 SEED COTTON,RAWCOTTON,COTTONSEEDANDCOTTONSEEDCAKEPRICES (RS 40kg)

| Market                  | Seed Cotton      | Raw Cotton(Lint) | CottonSeed  | CottonSeedCake |
|-------------------------|------------------|------------------|-------------|----------------|
|                         | 20.11.2023       | 20.11.2023       | 20.11.2023  | 20.11.2023     |
| RahimYarKhan            | 7000-8100        | 18200            | 2650        | 2570           |
| Bhawalpur               | 6000-7900        | 17900            | 2520        | 2580           |
| MianChannu              | 6600-7700        | -                | 2570        | 2645           |
| Vehari                  | 6000-8000        | 17800            | 2520        | 2610           |
| Burewala                | 5500-8000        | 18000            | 2580        | 2650           |
| D.G.Khan*               | 6000-7900        | 17950            | 2525        | 2620           |
| <b>Punjab(Avg)</b>      | <b>6183-7933</b> | <b>17970</b>     | <b>2561</b> | <b>2613</b>    |
| Hyderabad*              | 5500-6900        | 14900            | 2360        | 2410           |
| MirpurKhas*             | 5600-6800        | 14800            | 2350        | 2430           |
| Sukkur*                 | 6000-7700        | 16700            | 2480        | 2360           |
| Khairpur*               | 5600-7600        | 16800            | 2490        | 2340           |
| <b>Sindh(Avg)</b>       | <b>5675-7250</b> | <b>15800</b>     | <b>2420</b> | <b>2385</b>    |
| Khuzdar                 | 7500-8400        | -                | -           | -              |
| Lasbela                 | 7000-7500        | -                | -           | -              |
| HubChowki               | 7000-7600        | -                | -           | -              |
| <b>Balochistan(Avg)</b> | <b>7167-7672</b> | <b>-</b>         | <b>-</b>    | <b>-</b>       |
| <b>Pakistan (Avg)</b>   | <b>6342-7672</b> | <b>16885</b>     | <b>2490</b> | <b>2499</b>    |

Source: Market Report

Tabel:7 PROVISIONALSTATEMENTOF EXPORTAND IMPORT OF COTTON

(value= Million RS)

| July-Oct (2023) |       | July-Oct (2022) |       | %changeover lastyear |       | July-Oct (2023) |        | July-Oct (2022) |         | % Change over last year |        |
|-----------------|-------|-----------------|-------|----------------------|-------|-----------------|--------|-----------------|---------|-------------------------|--------|
| Qty             | Value | Qty             | Value | Qty                  | Value | Qty             | Value  | Qty             | Value   | Qty                     | Value  |
| Bales           |       | Bales           |       | Bales                |       | Bales           |        | Bales           |         | Bales                   |        |
| 77,335          | 6,641 | 51,976          | 12175 | 48.79                | 205.3 | 371,582         | 42,197 | 1,264,965       | 114,896 | -70.63                  | -63.27 |

Source: Pakistan Bureau of Statistics.

**Table: 8 PROVISIONAL STATEMENT OF EXPORT AND IMPORT OF COTTON (Value Million Rs.)**

| Exports               |       |                       |       |                         |        | Imports              |         |                       |         |                         |       |
|-----------------------|-------|-----------------------|-------|-------------------------|--------|----------------------|---------|-----------------------|---------|-------------------------|-------|
| July, 2022-June, 2023 |       | July, 2021-June, 2022 |       | % Change over Last year |        | July 2022-June, 2023 |         | July, 2021-June, 2022 |         | % Change over last year |       |
| Qty Bales             | Value | Qty Bales             | Value | Qty Bales               | Value  | Qty Bales            | Value   | Qty Bales             | Value   | Qty Bales               | Value |
| 6,8441                | 3,064 | 16188                 | 1,160 | 322.79                  | 164.16 | 4,023,006            | 408,638 | 4,635,924             | 328,784 | -13.2                   | 24.29 |

Source: Pakistan Bureau of Statistics.

**Table: 9 COTTON BALANCE SHEET YEARWISE (2018-2022) (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.           |                   |              |              |              |              |              |              |              |              |
| 2.           | Carry over        | 949          | 162          | 1089         | 185          | 147          | 25           | 148          | 25           |
| 3.           | Production        | 9860         | 1676         | 9148         | 1555         | 7064         | 1201         | 8328         | 1416         |
|              | Imports           | 2441         | 415          | 3157         | 537          | 5043         | 857          | 4567         | 776          |
| <b>Total</b> |                   | <b>13250</b> | <b>2253</b>  | <b>13394</b> | <b>2277</b>  | <b>12254</b> | <b>2083</b>  | <b>13043</b> | <b>2217</b>  |
| 4.           | Mill Consumption  | 12085        | 2055         | 13172        | 2239         | 12102        | 2057         | 13000        | 2210         |
| 5.           | Exports           | 76           | 13           | 75           | 13           | 04           | 01           | 16           | 03           |
| 6.           | End Season Stocks | 1089         | 185          | 147          | 25           | 148          | 25           | 27           | 04           |
| <b>Total</b> |                   | <b>13250</b> | <b>2253</b>  | <b>13394</b> | <b>2277</b>  | <b>12254</b> | <b>2083</b>  | <b>13043</b> | <b>2217</b>  |

Source: i. Textile Commissioners Organization (Mill Consumption for 2018-19 (Aug 2018 to April 2019), for 2019-20 (Aug 2019-June 2020),

and for 2020-21 (Aug 2020-April, 2021).

ii. Pakistan Bureau of Statistics (Imports & Exports).

iii. Provincial Crop Reporting Department and D.G Agriculture Ext. Deptt. (Production)

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

\*Provisional

**Table: 10 DIVISIONWISE FARMERS DATA OF EARLY COTTON SOWING 2023-24**

| Sr.#         | Division   | No. of Farmers | Area (Acres)   |
|--------------|------------|----------------|----------------|
| 1            | Bahawalpur | 21,454         | 231,777        |
| 2            | D.G.Khan   | 8,855          | 74,466         |
| 3            | Faisalabad | 7,187          | 27,753         |
| 4            | Lahore     | 93             | 250            |
| 5            | Multan     | 25,488         | 246,399        |
| 6            | Rawalpindi | 470            | 348            |
| 7            | Sahiwal    | 6,467          | 54,309         |
| 8            | Sargoda    | 675            | 3,680          |
| <b>Total</b> |            | <b>70,689</b>  | <b>638,981</b> |

Source:- Directorate General of Agriculture (Extension & Research) Punjab, Lahore.

## **NEWS LETTER**

### **Global cotton production sees slight rise to 113.5 mn bales: USDA**

Global cotton production has seen a marginal increase, now totaling 113.5 million bales, according to the 2023-24 outlook of US Department of Agriculture's (USDA) Cotton: World Markets and Trade report. This increase is primarily due to higher yields in Afghanistan, Argentina, the United States, and Paraguay, which have more than compensated for the reduced crops in Spain and Mexico. Notably, Afghanistan is set to achieve a record-level production, while Argentina is expected to have its highest yield in ten years. In a contrasting development, global cotton consumption is projected to decrease by 500,000 bales, bringing the total to 115.3 million bales. This reduction in consumption is attributed to lower usage in key cotton markets, including the United States, Turkey, and Vietnam. This trend is

largely due to weaker-than-anticipated trade activity in the first quarter of the marketing year, as per the report.

Global trade in cotton remains mostly stable, maintaining at 43.3 million bales. However, there have been significant shifts within this steadiness. China's increase in imports has balanced out the reduced volumes destined for Vietnam and Turkey. There is a notable increase in global ending stocks of cotton, now estimated at 81.5 million bales. This rise of 1.6 million bales is primarily due to an anticipated increase in China's government reserves, higher production in the U.S., and a decrease in exports from India. In the United States, the season-average farm price for the 2023/24 cotton crop is forecasted to decline slightly by 3 cents, settling at 77 cents per pound.

**Source:** <https://www.fibre2fashion.com/news/cotton-news/global-cotton-production-sees-slight-rise-to-113-5-mn-bales-usda-291323-newsdetails.htm>

### **Spot Rate Stability and Regional Cotton Prices**

On Tuesday, the Spot Rate Committee of the Karachi Cotton Association (KCA) maintained the spot rate at Rs 17,500 per maund. The domestic cotton market showed a mixed trend, with low trading volumes. Approximately 18 thousand bales were traded, ranging from 10 thousand to 18 thousand. Polyester fiber is currently priced at Rs 360 per kg. In Sindh, the price of cotton is in the range of Rs 17,000 to Rs 18,000 per maund, while the rate of seed cotton (Phutti) in Sindh varies between 5000 to 7500 rupees per 40 kg. In Punjab, the price of cotton ranges from Rs 16,000 to Rs 18,000 per maund, and the rate of seed cotton in Punjab is Rs 6,500 to Rs 8,200 per 40 kg. Balochistan sees cotton prices between Rs 15,500 to Rs 16,500 per maund, and the rate of seed cotton in Balochistan is Rs 6,500 to Rs 8,300 per 40 kg. Throughout these regions, domestic cotton and oil prices remained stable.

