

DAILY COTTON MARKET REPORT AND NEWSLETTER

27th November, 2023

Sr.	Particulars of Cotton Market		Current Price	Current Month Average	Same-Date Last-Year
1	Cotlook-Index (Cents/lb) for 'A' Index www.cotlook.com	(24.11.2023)	90.90	90.61	101.35
2	New-York Cotton Market Cont. No.2 (cents/lb) (24.11.2023)	Dec-2023	80.39	78.39	84.02
		Mar-2024	80.99		82.90
3	China Cotton Index (24.11.2023) www.cottonchina.org.cn	Yuan/MT	16569		15092
		Cents/lb.	105.13	106.02	95.60
4	Indian Cotton Index <Shankar-6>(24.11.2023)	IR/Candy	56300		66900
		Cents/lb.	86.03	86.43	104.14
5	Karachi Cotton Association (25.11.2023) <Ex-gin Price>	PKR/40kg	18,755		17,897
		PKR/Maund	17,500		16,700
		Cents/Lb.	74.49	74.28	90.48

Source: Karachi Cotton Association

Table: 1 NEWYORK COTTON MARKET CLOSING DELIVERY CONTRACT NO.2 AS ON 24.11.23

Contract	Open	High	Low	Previous	Close	Change
Dec-23	79.58	80.68	78.27	79.58	80.39	+0.81
Mar-24	80.70	81.73	80.19	80.90	80.99	+0.09
May-24	81.00	82.23	80.82	81.45	81.69	+0.24
July-24	81.43	82.63	81.34	81.89	82.24	+0.35

Source:- Cotton Outlook

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

Province	Targets 2023-24		
	Area (Million Hectares)	Production (Million Bales)	Yield (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
Total	2.764	12.770	785

Source: Federal Committee on Agriculture

Table: 3 SOWING POSITION OF COTTON CROP 2023-24 SEASON (Million Hectares)

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
Total	2.764	2.367	2.144	85.64%	+10.4

Source : Provincial Agri. Ext & Crop Reporting

Table:4 TARGETS ANDA CHIEVEMENTS OF COTTONCROP 2022-23* (Bale=170kg)

Province	Area (millionhac.)		Production(million bales)		%ageAgainstTarget	
	Target	Achievement	Target	Achievement	Area	Production
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
Baluchistan	0.0700	0.0685	0.430	0.113	97.86	26.28
Total	2.5333	2.144	11.034	4.910	84.63	44.50

Source: ProvincialAgricultureCropReportingDepartment. (*Provisional)

Table: 5 SEED COTTON ARRIVAL AS ON 15th 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 TextileMills	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, RAW COTTON,COTTON SEED AND COTTON SEED CAKEPRICES (RS 40kg)

Market	Seed Cotton	Raw Cotton (Lint)	Cottonseed	Cottonseed Cake
	25.11.2023	25.11.2023	25.11.2023	25.11.2023
RahimYarKhan	7000-7900	18000	2680	2570
Bahawalpur	6000-7500	17700	2480	2590
MianChannu	6600-7400	-	2480	2645
Vehari	6000-7900	17800	2465	2610
Burewala	5500-7500	17900	2520	2650
D.G.Khan*	6000-7600	18000	2480	2620
Punjab(Avg)	6183-7633	17880	2518	2614
Hyderabad*	5500-6900	14800	2360	2490
MirpurKhas*	5600-6800	14700	2330	2465
Sukkur*	6000-7600	16800	2520	2360
Khairpur*	6000-7700	16900	2490	2350
Sindh(Avg)	5775-7250	15800	2425	2416
Khuzdar	7500-8400	-	-	-
Lasbela	7000-7500	-	-	-
HubChowki	7000-7600	-	-	-
Baluchistan(Avg)	7167-7833	-	-	-
Pakistan (Avg)	6375-7572	16840	2471	2515

Source: Market Report

Tabel:7 PROVISIONAL STATEMENT OF EXPORT AND IMPORT OFCOTTON (value=MillionRS)

July-Oct (2023)		July-Oct (2022)		%changeover lastyear		July-Oct (2023)		July-Oct (2022)		% Change overlastyear	
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: PakistanBureauofStatistics.
Agriculture Extension & Crop Reporting Service

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

Exports						Imports					
July,2022-June,2023		July,2021-June,2022		%Changeover Lastyear		July2022-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
Total		13250	2253	13394	2277	12254	2083	13043	2217
4.	Mill Consumption	12085	2055	13172	2239	12102	2057	13000	2210
5.	Exports	76	13	75	13	04	01	16	03
6.	EndSeason Stocks	1089	185	147	25	148	25	27	04
Total		13250	2253	13394	2277	12254	2083	13043	2217

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 DIVISION-WISE 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
Total		70,689	638,981

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

NEWS LETTER

Brief Summary of Cotton Incorporated: Monthly Economic Letter, Cotton Market Fundamentals & Price Outlook (November 2023)

- ❖ Cotton prices experienced a decline in various benchmarks over the past month. Notably, open interest shifted from the NY/ICE December contract to the March contract, with current March values at 80 cents/lb compared to 89 cents/lb a month ago. The A Index decreased from 97 to 89 cents/lb, and Chinese prices fell from 114 to 106 cents/lb. Indian spot prices decreased slightly, Pakistani spot prices increased, and the overall price outlook is influenced by global factors, including changes in world cotton production, mill use, and trade according to the latest USDA report. Despite supply concerns in China, the release of import quotas and sales from the reserve system has alleviated anxiety, but there are reports of sluggish demand globally, with a potential impact on the market.

The decline in cotton prices, particularly in NY/ICE and Chinese futures markets, is attributed to supply concerns in China for the 2023/24 crop year. The decrease in cotton purchased at reserve auctions indicates lower demand, possibly due to a slow downstream market. Reports suggest a sluggish demand environment in major spinning markets, as reflected in weekly U.S. export sales data showing a year-over-year decrease of -24%. Concerns about a potential economic downturn and the fear of recession, especially in the Euro Zone, contribute to cautious downstream order placement. The article suggests that a definitive economic downturn could establish a bottom, leading to increased confidence and potential recovery in demand. However, factors such as inflation, higher financing costs, and reduced stimulus measures may result in a more muted recovery compared to previous economic crises.

Source: <https://www.cottoninc.com/market-data/monthly-economic-newsletter/>

❖ WEATHER UPDATE (South Punjab)

Meteorological Data Recorded at Central Cotton Research Institute, Multan For the Month of November, 2023

Date	Air Temp (°C)		Difference between Max & Min	Relative Humidity %		Wind daily total (km/hr)	Sun	Rain	Fog	Frost
	Maxi	Mini		8 A.M.	5 P.M.		shine hours	fall (mm)		
20	25.0	13.0	12.0	82.0	64.0	1.2	7.00	...	...	...
21	27.0	13.0	14.0	82.0	64.0	1.2	6.00	...	...	...
22	26.0	12.0	14.0	84.0	66.0	2.7	7.00	...	...	...
23	27.0	12.0	15.0	86.0	68.0	4.5	7.00	...	...	...
24	26.0	15.0	11.0	88.0	62.0	4.5	2.00	...	...	...
25	25.0	14.0	11.0	88.0	56.0	1.2	2.00	...	...	...
26	26.0	14.0	12.0	80.0	58.0	3.0	1.00	...	...	...

Next 10-Day Weather Forecast

10-Day Weather - Multan, Punjab, Pakistan

As of 09:57 PKT

Today	23°/14°	 Cloudy	 4%	 NNE 8 km/h	
Tue 28	25°/13°	 Partly Cloudy	 4%	 N 12 km/h	
Wed 29	25°/13°	 Sunny	 3%	 NNE 3 km/h	
Thu 30	25°/13°	 Mostly Sunny	 4%	 NNE 2 km/h	
Fri 01	24°/12°	 Sunny	 4%	 NNE 8 km/h	
Sat 02	24°/12°	 Mostly Sunny	 5%	 N 6 km/h	
Sun 03	24°/12°	 Mostly Sunny	 4%	 N 5 km/h	
Mon 04	24°/11°	 Sunny	 3%	 NNW 4 km/h	
Tue 05	23°/11°	 Sunny	 2%	 N 5 km/h	
Wed 06	23°/11°	 Sunny	 3%	 N 5 km/h	

Source: <https://weather.com/en-TT/weather/tenday/l/Multan+Punjab+Pakistan?canonicalCityId=c530536b4b53b1193dfc ee9d1f8a32031f7a29bce1e6e1e9e3de61782b82e4c2>

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