

DAILY COTTON MARKET REPORT AND NEWSLETTER

16th 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	(15.11.2023)	91.05	90.43	102.55
2	New-York Cotton Market Cont. No.2 (cents/lb) (15.11.2023)	Dec-2023	78.41	78.01	88.74
		Mar-2024	81.01		86.97
3	China Cotton Index (15.11.2023) www.cottonchina.org.cn	Yuan/MT	16905		15213
		Cents/lb.	105.81	105.97	97.62
4	Indian Cotton Index <Shankar-6> (15.11.2023)	IR/Candy			69500
		Cents/lb.	N.Q	86.55	108.97
5	Karachi Cotton Association (15.11.2023) <Ex-gin Price>	PKR/40kg	18,755		18,219
		PKR/Maund	17,500		17,000
		Cents/Lb.	73.76	74.34	93.00

Source: Karachi Cotton Association

Table: 1 NEW YORK COTTON MARKET CLOSING DELIVERY CONTRACT NO. 2 ASON 15.11.23

Contract	Open	High	Low	Previous	Close	Change
Dec-23	78.54	79.19	78.04	78.68	78.41	-0.27
Mar-24	81.15	81.50	80.52	81.15	81.01	-0.14
May-24	81.88	82.18	81.37	81.88	81.74	-0.14
July-24	82.00	82.64	82.00	82.46	82.27	-0.19

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

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 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 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 stan	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: Provincial Agriculture Crop Reporting Department.(*Provisional)

Table: 5 SEED COTTON ARRIVAL AS ON 1st NOVEMBER,2023

(Bales)

Heads	2023-24 (Season)			2022-23 (Season)		
	Punjab	Sindh	Total	Punjab	Sindh	Total
Arrivals	2,996,921	3,797,085	6,794,006	2,097,788	1,635,400	3,733,188
SalestoExporters	145,726	133,300	279,026	-	4,900	4,900
Sales toTextileMills	2,449,596	3,352,234	5,801,830	1,689,603	1,371,326	3,060,929
TotalBales Sold	2595322	3485534	6,080,856	1689603	1376226	3065829
UnsoldStock	231,548	95,683	327,231	310,920	170,288	481,208
Un-ginnedStock	170,051	215,868	385,919	97,265	88,886	186,151

Source: Pakistan Cotton Ginners Association

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

Market	Seed Cotton	Raw Cotton(Lint)	CottonSeed	CottonSeedCake
	15.11.2023	15.11.2023	15.11.2023	15.11.2023
RahimYarKhan	7000-8100	17800	2670	2500
Bhawalpur	6000-7600	17575	2575	2580
MianChannu	6600-7500	-	2650	2535
Vehari	6000-8000	17680	2490	2610
Burewala	5500-7500	17700	2575	2660
D.G.Khan*	6000-7700	17790	2545	2645
Punjab(Avg)	6183-7733	17709	2584	2588
Hyderabad*	5500-6800	14800	2350	2470
MirpurKhas*	5600-6700	14680	2360	2450
Sukkur*	6000-7500	16800	2470	2485
Khairpur*	5600-7600	16900	2480	2475
Sindh(Avg)	5675-7150	15795	2415	2470
Khuzdar	7500-8400	-	-	-
Lasbela	7000-7500	-	-	-
HubChowki	7000-7600	-	-	-
Balochistan(Avg)	7167-7833	-	-	-
Pakistan (Avg)	6342-7572	16752	2500	2529

Source: Market Report

Tabel:7 PROVISIONALSTATEMENTOF EXPORTAND IMPORT OF COTTON

(value= Million RS)

July-Sept (2023)		July-Sept (2022)		%changeover lastyear		July-Sept (2023)		July-Sept (2022)		% Change over last year	
Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Bales		Bales		Bales		Bales		Bales		Bales	
24,053	1,952	25,806	1,307	-6.79	49.42	307,024	35,482	981,959	84,954	-68.73	-58.23

Source: Pakistan Bureau of Statistics.

Table: 8 PROVISIONAL STATEMENT OF EXPORT AND IMPORT OF COTTON (Value in 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
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.	End Season 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 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
Total		70,689	638,981

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.

