

Weekly Publication of



Cotton  
Association  
of India

# COTTON STATISTICS & NEWS

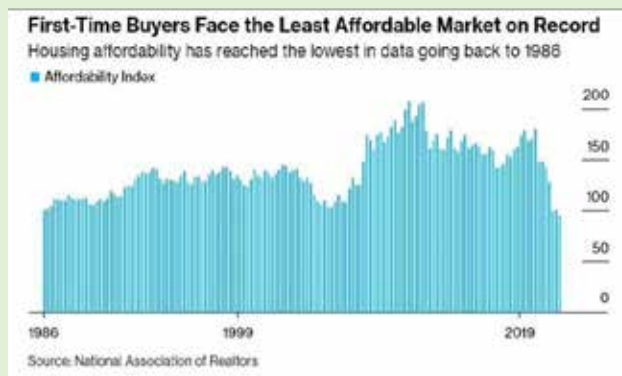
Edited & Published by Amar Singh

2022-23 • No. 52 • 28<sup>th</sup> March, 2023 Published every Tuesday

Cotton Exchange Building, 2nd Floor, Cotton Green, Mumbai - 400 033  
Telephone: 8657442944/45/46/47/48 Email: cai@caionline.in  
www.caionline.in

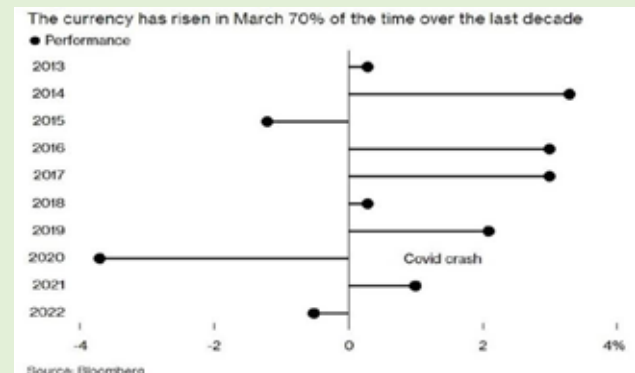
## The Month That Was - Snippets for March 2023

### Americans Need to Be Richer Than Ever to Buy Their First Home



The pandemic boom has given way to higher mortgage rates and tight inventory, further squeezing entry-level house hunters. The US housing market has softened a bit after years of soaring prices and frantic bidding wars, but there's little reprieve for buyers trying to crack into the market. First-time buyers made up the smallest share of sales on record last year, at 26%, even as home values started to cool, according to the National Association of Realtors. And rising borrowing costs and still-high prices have pushed housing to the most unaffordable levels in records going back almost four decades. With the spring homebuying season approaching – a time young families often try to find houses before summer and a new school year – scant inventory means the market is still tight.

### Best Performing Month for Rupee



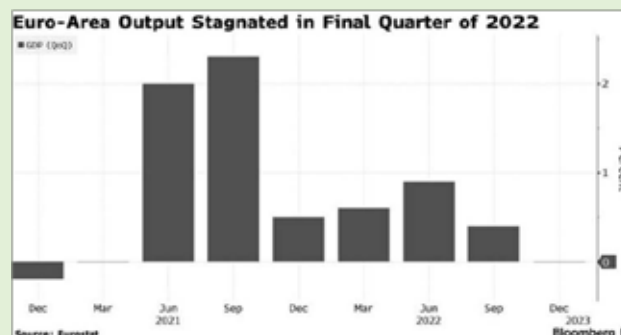
Rupee bear StanChart now sees it rising to highest since August. Balance of payments is showing improvement, Parul Mittal Sinha, head of financial markets for India, said in an interview. Rupee is emerging Asia's 3rd-best performing currency in 2023. Standard Chartered Plc., which was among the most bearish forecasters for the Indian rupee over the past couple of years, is turning more upbeat on the currency amid an improvement in the nation's trade deficit and a softer dollar. The British lender now sees the base case for the rupee at 81 per dollar by end-2023 but says the currency can easily gain to even 79 levels, Sinha says. That would be the highest since August and imply a gain of more than 3% from current levels. The rupee has gone from being emerging Asia's worst-performing currency last year to rank the third best so far in 2023 after the Indonesian rupiah and the Philippine peso.

## Euro-Area GDP Watch



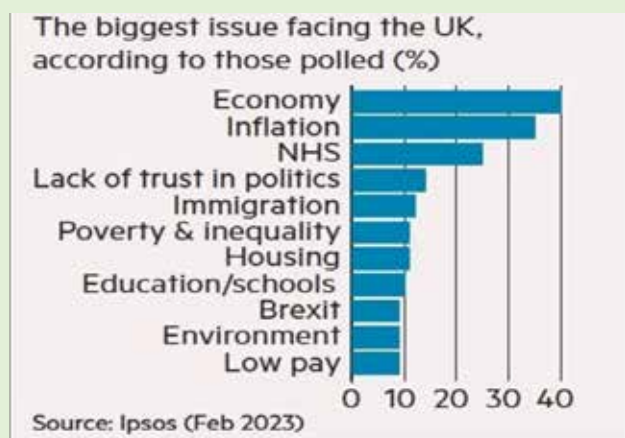
While gloomier than thought, stagnation means the bloc may still manage to narrowly dodge a recession that was seen as unavoidable after Russia invaded Ukraine. Looking ahead, analysts predict a downturn in the first quarter as the rising cost of living continues to weigh on consumers. Inflation remains a problem. A measure stripping out volatile components such as food and power quickened to a record 5.6% last month even as a retreat in energy costs helped bring the headline number down for a fourth month. The European Central Bank is set to hike borrowing costs by another half-point when it meets next week, adding to the most aggressive tightening push in its history. There'll probably be more to come in the following months, with the full force of action to date also expected to weigh on output this year.

## Euro Zone's Economy Failed to Grow at End of Last Year



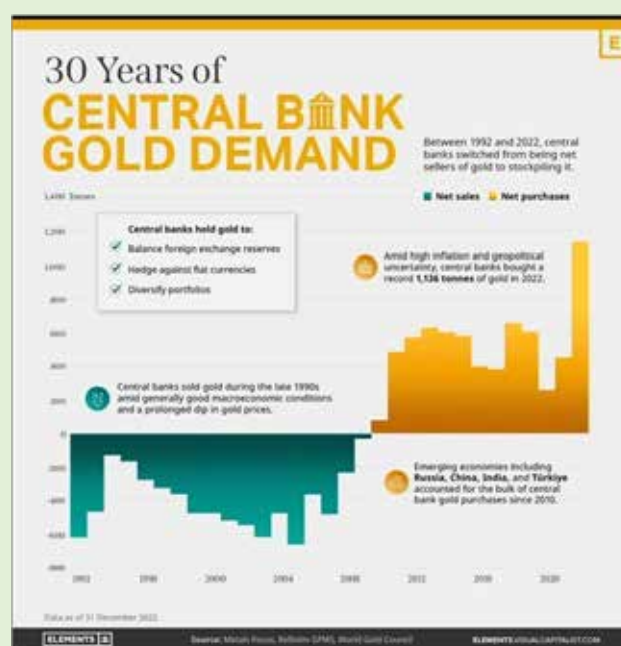
GDP was unchanged in fourth quarter; initial est. +0.1%. The downgrade follows revisions to German, Irish output. The euro-area economy failed to expand at the end of 2022 as worse-than-expected performances in Germany and Ireland helped pull down initial growth readings. Gross domestic product was unchanged from the previous quarter during the final three months of last year – worse than the preliminary estimate for a 0.1% advance – data released Wednesday by Eurostat showed. While household expenditure and investment declined, government spending and trade helped offset the drops. Germany's economy, the continent's largest, shrank by 0.4%, while Ireland's rose by significantly less than initially reported.

## Very British Problems

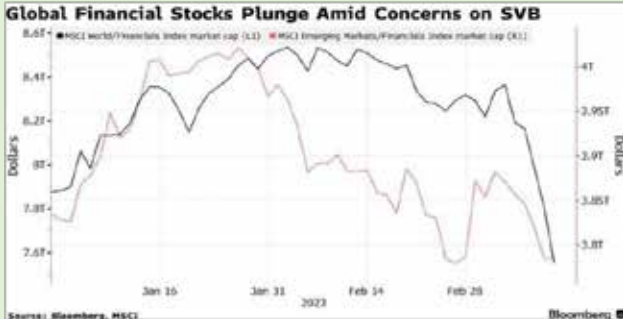


Forty per cent of Britons say the economy is the biggest problem facing the country, overtaking NHS concerns, which fell by 17 percentage points from January this year. A further 35 per cent cite inflation and prices, a dip from the previous month.

## The Midas Touch

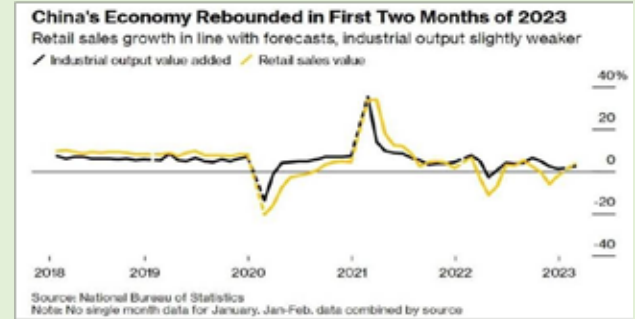


## Global Financial Stocks Lose \$465 Billion on SVB Impact Worry



Mitsubishi UFJ Financial drops as much as 8.3%. ‘Markets are walking on eggshells,’ Credit Suisse’s Woods says. Global financial stocks have lost \$465 billion in market value in two days as investors cut exposure to lenders from New York to Japan in the wake of Silicon Valley Bank’s collapse. Losses widened with the MSCI Asia Pacific Financials Index dropping as much as 2.7% to the lowest since Nov. 29. Mitsubishi UFJ Financial Group Inc. slid as much as 8.3% in Japan, while South Korea’s Hana Financial Group Inc. fell 4.7% and Australia’s ANZ Group Holdings Ltd. lost 2.8%. There are concerns that financial firms could see an impact from their investments in bonds and other instruments on the SVB-induced worry. Treasury yields have plunged amid expectations the Federal Reserve will hold off raising rates due to turmoil in the banking system.

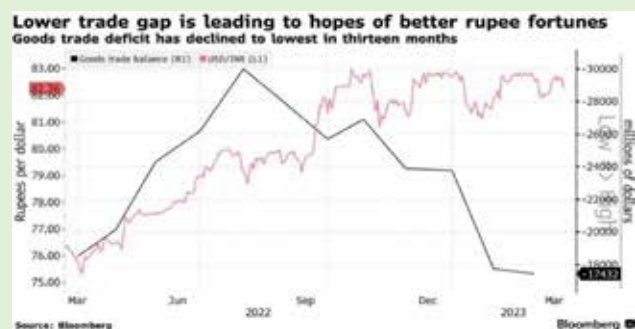
## China’s Economy Strengthens in First Two Months of 2023



China’s economy strengthened in the first two months of the year following the end of Covid restrictions, although the recovery remains unbalanced as industrial output lagged. Retail sales rose 3.5% from the same period last year, the National Bureau of Statistics said in line with forecasts and reversing from a 1.8% drop in December. Industrial output rose at a slower-than-expected pace of 2.4%, while the jobless rate increased following the Lunar New Year holidays. Fixed-asset investment grew strongly, a sign the government is boosting infrastructure spending to spur the recovery. “This probably reinforces the view that even if we have a sequential upswing on China rebound on the back of the reopening, it’s not going to be like a big boom,” Johanna Chua, chief Asia Pacific economist at Citigroup Global Markets, said.

## India’s Shrinking Current Account Gap Provides a Reprieve for Rupee

Citi, Barclays have cut current-account gap forecast for FY24. Rupee may rally later as broader dollar weakens, Barclays says. Economists are lowering their forecasts for India’s current-account shortfall, thanks to favorable trade trends that are proving to be a blessing for the rupee – currently among the worst performers in emerging Asia. Barclays Plc expects the gap in current account – the broadest measure of trade in goods and services – to be 1.9% of gross domestic product in the year starting April 1, down from a 2.3% deficit it had estimated earlier. Citigroup Inc. slashed its forecast even further to 1.4% of GDP from 2.2% previously, reflecting a steady drop in goods imports and strength in



services exports. The lower prints will provide a tailwind to the rupee, which is vulnerable to a selloff, given the twin deficits in the nation’s budget and current account make it more reliant on foreign inflows.



## COTTON ASSOCIATION OF INDIA

Cotton Association of India's HVI  
Laboratories in the major cotton  
growing regions of India





## COTTON ASSOCIATION OF INDIA

### Cotton Testing and Research Laboratory (NABL ACCREDITED & ISO 9001:2015 CERTIFIED)

The CAI's network of independent cotton testing & research laboratories are strategically spread across major cotton centers in India and are equipped with

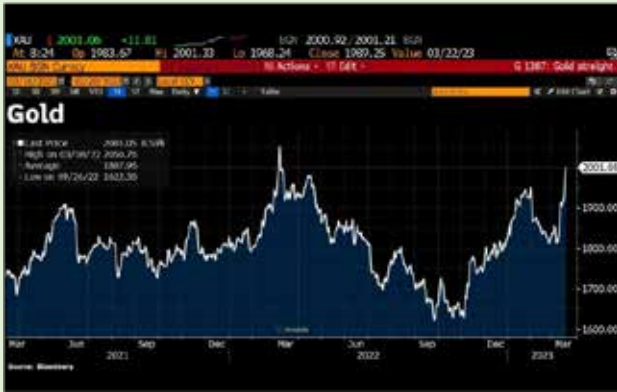
State-of-the-art technology & world-class Premier and MAG cotton testing machines  
HVI test mode with trash% tested gravimetrically

### CAI LABORATORIES AT DIFFERENT LOCATIONS

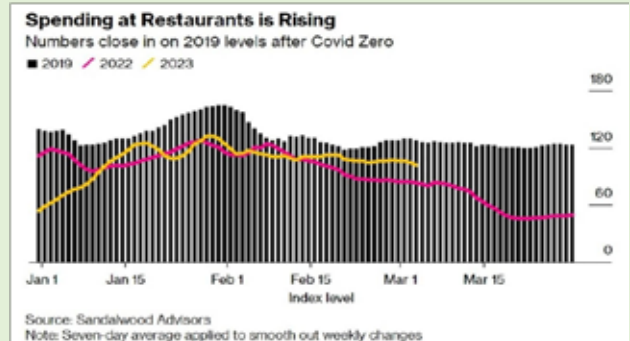
Sr.No.	Location	Address	Contact Details
1	Mumbai	2nd floor, Cotton Exchange Building, Opp. Cotton Green Railway Station, Cotton Green, Mumbai 400 033.	Mr. Sanket Shingote - 8691068976 laboratory.mb@caionline.in
2	Rajkot	Maruti Nandan Commercial Complex, In Side Ground Floor, Opp. Galaxy Hotel, Jawahar Road, Rajkot 360 001.	Mr. Hemal Vyas - 9924580810 laboratory.rk@caionline.in
3	Aurangabad	Awargaonkar Complex, Basement of Hotel Ramgiri, CIDCO, Jalna Road, Aurangabad 431 003.	Mr. Prasad Deodikar - 9922794884 laboratory.ag@caionline.in
4	Warangal	House No.8-3-163, Sri Krishna Colony, Ground Floor, Warangal 506 002.	Mr. Akash Gudimalla - 7601055471 laboratory.wl@caionline.in
5	Hubli	Center Point Building, Room No. 305, 3rd Floor, Opp. Sanjevani Press, New Cotton Market, Hubli - 580 029.	Mr. Pintu Basak - 8453697954 laboratory.hb@caionline.in
6	Bathinda	2nd Floor, Shop No. 4465, Bank Bazaar, Above State Bank of Bikaner & Jaipur Bank, Bathinda 151 001	Mr. Ankit Singh - 9695258862 laboratory.bt@caionline.in
7	Ahmedabad	101, Arth Complex, 1st Floor, Mithakali, 6 Rastha, Opp Passport Office, Near LG Showroom, Navrangpura, Ahmedabad 380 009.	Mr. Brijesh Mishra - 800090356 laboratory.ah@caionline.in
8	Adilabad	Door No. 3-2-29/13, Ground Floor, Ambedkar Chowk, SBH. Road, Near Canara Bank, Adilabad 504 001	Mr. Satish Bollu - 9640758670 laboratory.ad@caionline.in
9	Khargone	Ground Floor, Hotel P.M. Commercial Area, Opp. Agrawal Hotel, Near Bus Stand, Khargone - 451 001	Mr. Kishna Bisen - 9691073336 laboratory.kh@caionline.in
10	Yavatmal	First Floor, Veer Wamanrao Chowk, Drushti Sankul, Yavatmal 445 001	Mr. Jivan - 9763152502 laboratory.yl@caionline.in
11	Adoni	First Floor, NO. 17/104-7, Agri Market Yard Road, Adoni 518 301.	Mr. Naveen Kumar - 9390240024 laboratory.an@caionline.in
12	Jalgaon	52-B, Karmyog, Jila Peth, Behind Saibaba Mandir, Near Ambedkar Market, Jalgaon 425 001.	Mr. Pushpendra Singh - 8957143110 laboratory.jl@caionline.in

+91-865742947/48 | [cai@caionline.in](mailto:cai@caionline.in) | [www.caionline.in](http://www.caionline.in)

## Gold Tops \$2,000/oz for First Time Since March 2022



## China's Post-Covid Zero Consumer Boom Has Yet to Materialise



It's been three months since the crippling curbs were ended. Are people spending the way they used to? The answer affects the fate of businesses, the outlook for global inflation and will be a factor in whether the world economy goes into a recession. China's population is emerging from a massive virus wave unleashed by the rapid reversal of Covid Zero in mid-December. People are planning trips, dining out and returning to shopping malls. Still, residents of the world's second-biggest economy aren't splashing out like they used to, with extreme pandemic measures – and the economic uncertainties that accompanied them – casting a long shadow.

## Global Central Bank Update

Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	Last Move	Last Move Month
Japan	Policy Rate Bal	-0.10%	4.3%	-4.4%	Cut	Jan-16
Switzerland	Target Rate	1.00%	3.4%	-2.4%	Hike	Dec-22
Thailand	Policy Rate	1.50%	3.8%	-2.3%	Hike	Jan-23
Taiwan	Discount Rate	1.75%	2.4%	-0.7%	Hike	Dec-22
Denmark	Deposit Rate	2.50%	7.5%	-5.0%	Hike	Mar-23
Norway	Deposit Rate	2.75%	6.3%	-3.6%	Hike	Dec-22
Malaysia	Policy Rate	2.75%	3.7%	-1.0%	Hike	Nov-22
Eurozone	Deposit Rate	3.00%	8.5%	-5.5%	Hike	Mar-23
Sweden	Repo Rate	3.00%	12.0%	-9.0%	Hike	Feb-23
South Korea	Repo Rate	3.50%	4.8%	-1.3%	Hike	Jan-23
Australia	Cash Rate	3.60%	7.4%	-3.8%	Hike	Mar-23
China	Loan Prime Rate	3.65%	1.0%	2.7%	Cut	Aug-22
UK	Bank Rate	4.00%	10.4%	-6.4%	Hike	Feb-23
Canada	Overnight	4.50%	5.2%	-0.7%	Hike	Jan-23
New Zealand	Cash Rate	4.75%	7.2%	-2.5%	Hike	Feb-23
US	Fed Funds	4.88%	6.0%	-1.1%	Hike	Mar-23
Hong Kong	Base Rate	5.25%	2.4%	2.9%	Hike	Mar-23
Saudi Arabia	Repo Rate	5.50%	3.0%	2.5%	Hike	Mar-23
Indonesia	Repo Rate	5.75%	5.5%	0.3%	Hike	Jan-23
Philippines	Key Policy Rate	6.00%	8.6%	-2.6%	Hike	Feb-23
India	Repo Rate	6.50%	6.4%	0.1%	Hike	Feb-23
Poland	Repo Rate	6.75%	18.4%	-11.7%	Hike	Sep-22
Czech Republic	Repo Rate	7.00%	16.7%	-9.7%	Hike	Jun-22
South Africa	Repo Rate	7.25%	7.0%	0.2%	Hike	Jan-23
Russia	Key Policy Rate	7.50%	11.0%	-3.5%	Cut	Sep-22
Peru	Policy Rate	7.75%	8.7%	-0.9%	Hike	Jan-23
Turkey	Repo Rate	8.50%	55.2%	-46.7%	Cut	Feb-23
Mexico	Overnight Rate	11.00%	7.6%	3.4%	Hike	Feb-23
Chile	Base Rate	11.25%	11.9%	-0.6%	Hike	Oct-22
Colombia	Repo Rate	12.75%	13.3%	-0.5%	Hike	Jan-23
Brazil	Target Rate	13.75%	5.6%	8.2%	Hike	Aug-22
Argentina	Benchmark Rate	78.00%	102.5%	-24.5%	Hike	Mar-23

-The Fed hiked rates for the 9th time, 25 bps increase to 4.75-5.00%. This is now the highest Fed Funds Rate since September 2007.

- Hong Kong: 25 bps hike to 5.25% (9th hike)
- Saudi Arabia: 25 bps hike to 5.50% (9th hike)

## India's Top Ten Export Commodities



India's exports from Apr '22 to Dec '22 were worth \$372,065 million with a Y-O-Y growth of 9.34%. Above is the list of commodities we exported the most.

Compiled by Shri. Kunal Thakkar

# COTTON ASSOCIATION OF INDIA



**COTTON  
ASSOCIATION  
OF INDIA**  
Established in 1921  
ISO 9001:2015

**A CHILD'S CHILDHOOD IS FOR LEARNING  
DON'T USE THEIR CHILDHOOD FOR EARNING  
SAY NO TO CHILD LABOUR**

UPCOUNTRY SPOT RATES													
Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length [ By law 66 (A) (a) (4) ]								Spot Rate (Upcountry) 2022-23 Crop March 2023					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash	Strength /GPT	20th	21st	22nd	23rd	24th	25th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	17997 (64000)	18165 (64600)		18334 (65200)	18475 (65700)	18587 (66100)
2	P/H/R (SG)	ICS-201	Fine	Below 22mm	5.0 – 7.0	4.5%	15	18137 (64500)	18306 (65100)		18475 (65700)	18615 (66200)	18728 (66600)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	13%	20	12879 (45800)	12851 (45700)	H	12851 (45700)	12795 (45500)	12795 (45500)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	4.5%	21	-	-		-	-	-
5	M/M (P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	16310 (58000)	16310 (58000)		16310 (58000)	16310 (58000)	16310 (58000)
6	P/H/R(U) (SG)	ICS-202	Fine	27mm	3.5 – 4.9	4.5%	26	16478 (58600)	16478 (58600)	O	16478 (58600)	16422 (58400)	16338 (58100)
7	M/M(P)/SA/TL	ICS-105	Fine	26mm	3.0 – 3.4	4%	25	-	-		-	-	-
8	P/H/R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	16675 (59300)	16675 (59300)		16675 (59300)	16619 (59100)	16506 (58700)
9	M/M(P)/SA/TL/G	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15578 (55400)	15578 (55400)	L	15578 (55400)	15494 (55100)	15438 (54900)
10	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	15944 (56700)	15944 (56700)		15944 (56700)	15888 (56500)	15832 (56300)
11	P/H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17041 (60600)	17041 (60600)		17041 (60600)	16928 (60200)	16844 (59900)
12	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	16310 (58000)	16310 (58000)	I	16310 (58000)	16253 (57800)	16197 (57600)
13	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.5	3.5%	27	16366 (58200)	16366 (58200)		16366 (58200)	16310 (58000)	16253 (57800)
14	GUJ	ICS-105	Fine	28mm	3.7 – 4.5	3%	27	16816 (59800)	16675 (59300)		16703 (59400)	16675 (59300)	16591 (59000)
15	R(L)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	17013 (60500)	17013 (60500)	D	17013 (60500)	16928 (60200)	16844 (59900)
16	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.5	3.5%	28	16900 (60100)	16872 (60000)		16872 (60000)	16816 (59800)	16731 (59500)
17	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	16956 (60300)	16928 (60200)		16928 (60200)	16872 (60000)	16788 (59700)
18	GUJ	ICS-105	Fine	29mm	3.7 – 4.5	3%	28	17125 (60900)	16984 (60400)	A	17013 (60500)	16984 (60400)	16900 (60100)
19	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.5	3.5%	29	17125 (60900)	17097 (60800)		17097 (60800)	17069 (60700)	16984 (60400)
20	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.5	3%	29	17181 (61100)	17153 (61000)		17153 (61000)	17125 (60900)	17041 (60600)
21	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	17238 (61300)	17238 (61300)	Y	17238 (61300)	17209 (61200)	17153 (61000)
22	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.5	3%	30	17294 (61500)	17294 (61500)		17294 (61500)	17266 (61400)	17209 (61200)
23	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.2	3%	31	N.A. (N.A.)	N.A. (N.A.)		N.A. (N.A.)	N.A. (N.A.)	N.A. (N.A.)
24	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	19825 (70500)	19825 (70500)		19825 (70500)	19825 (70500)	19768 (70300)
25	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	20106 (71500)	20106 (71500)		20106 (71500)	20106 (71500)	20049 (71300)
26	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	20387 (72500)	20387 (72500)		20387 (72500)	20387 (72500)	20331 (72300)
27	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	20528 (73000)	20528 (73000)		20528 (73000)	20528 (73000)	20471 (72800)

(Note: Figures in bracket indicate prices in Rs./Candy)