

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.40,650/bale on Wednesday. MCX cotton prices have reduced over 25 % as compared to the last week mainly because of the expectation of good production in the 2022-23 season. ICE cotton futures closed red on Tuesday.

News: Cotton arrivals have also started from Warangal around one month before the new 2022-23 season. However, arrivals are very slow in the market. Cotton prices in Warangal are trading at Rs. 8,199 per quintal. As per Agriwatch Sources, the overall quality of cotton is good in the market.

With the increase in arrivals, the cotton prices have reduced from nearly Rs. 1,00,000 to Rs. 90,000 a candy in the market. However, Indian cotton prices are still higher by around 15% to 20% compared to international prices.

As per the Southern India Mills Association, the cotton requirement by the domestic textile industry is likely to be more than the production in the 2022-23 season and duty-free export of cotton that may result in 12% to 15% of good quality raw cotton going out of the country, which may lead to cotton shortage during the off-season.

As of Sept. 09th, 2022 Cotton sowing has reached 126.62 Lakh Ha. Vs 117.99 Lakh Ha. same period last year. Agriwatch expects overall cotton sowing to reach 128 Lakh Ha. in 2022-23 season. Earlier, due to excess rainfall in July month cotton sowing was affected in central and southern India.

Cotton Sowing (Lakh Hectares) As of 09th Sept 2022

States	2021-22	2022-23	Difference
Andhra Pradesh	4.85	6.06	1.21
Karnataka	6.35	8.15	1.79
Gujarat	22.51	25.45	2.93
Maharashtra	39.37	42.33	2.95
Madhya Pradesh	6.0	5.99	0.01
Rajasthan	6.28	6.83	0.54
Punjab	2.54	2.48	0.06
Haryana	6.88	6.50	0.37
All India	117.99	126.62	8.66

Weather Forecast:

Heavy rainfall at isolated places over Uttarakhand, Uttar Pradesh, East Rajasthan, Gujarat State, Madhya Maharashtra, Konkan & Goa, Haryana, Madhya Pradesh, Bihar, Sub-Himalayan West Bengal, Sikkim, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Saurashtra & Kutch. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Haryana, Chandigarh, Delhi, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Odisha, Assam & Meghalaya, Gujarat State, Interior Karnataka, Tamil Nadu, Pondicherry, Karikal.

International Fundamentals:

The ICE cotton Futures was lower by 339 points at 102.32 cents/lb. The Cotlook A index was high at 122.40 cents/lb. The AWP for cotton was 94.92 cents/lb.

According to the U.S. Crop progress report, as of 11th Sep 2022, U.S cotton Cotton Bolls opening stands at 49 percent which is higher than that of the previous season (35 percent). In the previous week cotton bolls opening

was 39 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 30 percent in good to a fair condition which was 34 percent in the previous week.

According to USDA, Cotton and product update report, global cotton production is estimated higher at 118.40 million bales, and stocks are projected higher this month. However, Consumption has slightly decreased to 118.60 million bales with lower projected use in Pakistan and Vietnam. Global trade is unchanged as higher U.S. exports more than offset lower Brazil shipments.

Pakistan cotton production is forecasted down by 700,000 bales to 5.5 million bales amid smaller crop estimation due to heavy rains and floods. Cotton consumption is estimated lower by 400,000 bales to 10.5 million bales. Overall cotton imports are likely to increase in the 2022-23 season to 4.8 million bales. However, with a significant decline in production from the United States, The All-Pakistan Textile Mills Association is reported to have asked government officials to consider lifting the country's restriction on imports of Indian cotton. Earlier, Pakistan has restricted India cotton in 2019 due to border disputes and this urgent request underscores Pakistan's dire need for cotton.

MCX Stock Position:

MCX Stock Position as on 13 th Sep'2022			
Commodity	Location	Unit of Measure	Eligible Quantity
Cotton Bales	YAVATMAL	Bales	3700
Cotton Bales	KADI	Bales	300
Cotton Bales	RAJKOT	Bales	550
Cotton Bales	JALNA	Bales	NA
Cotton Bales	MUNDRA	Bales	NA
Cotton Bales	ADILABAD	Bales	1475
		Total	6025

Northern New Cotton Crop:

Cotton Arrivals		
	Total Arrivals up to 13.09.22	14 th Sept'22
Punjab	1100	200
Haryana	44200	4000
Lower Rajasthan	1600	700
Gang line	200	100
Net Total	47100	5000

Cotton New Crop Price		
	20 th Sept'22	20 th Sept'22
	Ready Dely.	Delivery
Punjab	8300-8350	8200-8250
Haryana	8300-8350	8200-8250
Gang line	-	8200-8250

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	14-Sep-22	13-Sep-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	NA	NA	-
	Rajkot	B.T. Cotton	10470	10420	50
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1525	1700	-175
	Dhrol	B.T. Cotton	9640	9750	-110
Haryana	Bhiwani	B.T. Cotton	9900	10000	-100
	Bhiwani	Desi	12000	12000	Unch
	Adampur	B.T. Cotton	9900	10180	-280
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	10000	9950	50
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NA	10111	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	8200	8200	Unch
	Hathras	Desi	9150	9200	-50
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	10870	10729	141
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11000	10666	334
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	14-Sep-22	13-Sep-22	
Punjab	Bhatinda	J-34	8350	8700	-350
	Abohar	J-34	8200	8560	-360
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8200	8650	-450
Rajasthan	Sri-Ganganagar	J-34	9024	9024	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	14-Sep-22	13-Sep-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-

	Gondal	Shankar-6	9055	8975	80
	Rajkot	B.T. Cotton	80	130	-50
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	4	2	2
Haryana	Bhiwani	B.T. Cotton	14000	15000	-1000
	Bhiwani	Desi	100	100	Unch
	Adampur	B.T. Cotton	680	850	-170
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NA	57	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	200	100	100
	Hathras	Desi	50	25	25
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	6137	4063	2074
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	16	16	Unch
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	14-Sep-22	13-Sep-22	
Punjab	Bhatinda	J-34	238	255	-17
	Abohar	J-34	136	306	-170
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	85	255
Rajasthan	Sri-Ganganagar	J-34	1700	1700	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	14-Sep-22	13-Sep-22	
Gujarat	Rajkot	Rs. /10 Kg.	1335	1330	5
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1320	1315	5
Maharashtra	Mumbai	Rs. /10 Kg.	1310	1300	10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	14-Sep-22	13-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2545	2492	53

Maharashtra	Akola	Rs./Qtl	2773	2750	22
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INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	14-Sep-22	13-Sep-22	Change
CCIndex(328)	RMB/Ton	15612	15706	-94
CCIndex(527)	RMB/Ton	14224	14286	-62
CCIndex(229)	RMB/Ton	16033	16110	-77
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	14-Sep-22	13-Sep-22	Change
FC Index (S)	Cents/lb	124.6	127.56	-2.96
FC Index (M)	Cents/lb	123.23	126.16	-2.93
FC Index (L)	Cents/lb	121.56	124.56	-3.00

Cotlook Index:

Cotlook Indices	Unit	13-Sep-22	10-Sep-22	Change
A-Index	Cents/Pound	124.25	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		13-Sep-22	13-Sep-22	Bales
Southeast	cents/lb.	110.32	112.57	0
North Delta	cents/lb.	109.32	111.57	15
South Delta	cents/lb.	109.32	111.57	5
East TX-OK	cents/lb.	105.82	108.07	596
West Texas	cents/lb.	106.32	107.82	0
Desert SW	cents/lb.	104.32	106.57	0
SJ Valley	cents/lb.	104.82	113.72	0

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				13-Sep-22	12-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	58100	58600	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	58800	59300	-500
J-34(202)	26mm	3.5 - 4.9	23	81200	82700	-1500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	81000	81000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	86000	86500	-500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	NA	NA	-
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	95500	95500	Unch

Pakistan Cotton Spot rates: As on 12-Sep-2022

				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	18000	180	22735
Equivalent	40 Kgs	19291	193	24365

Daily Futures Price Listing Tuesday, Sept 13th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220913	108.34	108.34	106.32	106.32	-3.89	8	72	0
22-Dec	220913	105.73	105.95	101.85	102.32	-3.39	12,056	111,380	-134
22-Mar	220913	102.56	102.56	98.63	99.01	-3.36	4,278	46,299	-13
23-May	220913	100.12	100.21	96.55	96.88	-3.25	905	18,042	20
23-Jul	220913	96.98	97.01	93.72	94	-2.91	379	12,666	137
23-Oct	220913	84.79	84.79	84.79	84.79	-2.32			
Total Volume and Open Interest							17,926	210,884	13

Source: MRCI

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