

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.40,310/bale on Friday. 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 Thursday.

News: As of Sept. 16th, 2022 Cotton sowing has reached 127.14 Lakh Ha. Vs 118.23 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.

AgriWatch expects that the coming 2-3 weeks are very crucial for the cotton crop. The ongoing heavy rains in Maharashtra and Gujarat may affect the cotton arrivals in the coming weeks. Also, if rain continues the cotton yield and quality may get affected adversely, currently the crop is in flowering stage in most of the key producing regions. In the coming days, raw cotton prices may see an uptrend if rains continue as predicted by Indian Metrological Department (IMD).

As of 14th Sept 2022, Telangana Cotton sowing has reached 4979225 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 5095678 acres. Average rainfall for the period from 01.06.2022 to 14.09.2022 has reached 1028 mm higher as compared to the previous season of 881 mm across the state.

Andhra Pradesh Cotton sowing has reached 6.37 lakh hectares for the 2022-23 season which is slightly higher as compared to the previous season's sowing of 4.86 lakh hectares, till 14th Sept 2022. Average rainfall for the period from 01.06.2022 to 14.09.2022 has reached 528 mm higher as compared to the previous season of 484 mm across the state.

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.

Cotton Sowing (Lakh Hectares) As of 16th Sept 2022

States	2021-22	2022-23	Difference
Andhra Pradesh	4.86	6.37	+1.51
Karnataka	6.43	8.21	+1.78
Gujarat	22.51	25.48	+2.97
Maharashtra	39.41	42.27	+2.86
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	118.23	127.14	8.91

Weather Forecast:

Heavy rainfall at isolated places over Uttarakhand, East Uttar Pradesh, Andaman & Nicobar Islands, ghats area of Madhya Maharashtra, and Konkan & Goa. Thunderstorms accompanied by lightning at isolated places over Himachal Pradesh, Uttarakhand, Uttar Pradesh, Haryana, Madhya Pradesh, Marathwada, Vidarbha, Chhattisgarh, Jharkhand, Bihar, Gangetic West Bengal, Arunachal Pradesh, Coastal Andhra Pradesh, Yanam, Interior Karnataka, Tamil Nadu, Pondicherry, Karikal.

International Fundamentals:

The ICE cotton Futures was higher by 58 points at 103.29 cents/lb. The Cotlook A index was high at 120.85 cents/lb. The AWP for cotton was 95.17 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 15.09.22	16 th Sept'22
Punjab	1700	300
Haryana	53500	4500
Lower Rajasthan	3200	1000
Gang line	600	100
Net Total	59000	5900

Cotton Price (Rs./Quintal) as. of 16 th Sept'22	
	Ready Delivery
Punjab	8300-8325
Haryana	8300-8325
Gang line	8200-8225

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	16-Sep-22	15-Sep-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	11755	9955	1800
	Rajkot	B.T. Cotton	9500	10900	-1400
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NR	9600	-
	Bhiwani	Desi	NR	12500	-
	Adampur	B.T. Cotton	9650	9650	Unch
	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	6200	9600	-3400
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-

Maharashtra	Amravati	Mech-1	10000	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7800	7800	Unch
	Hathras	Desi	8700	8700	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	10618	10810	-192
Karnataka	Bijapur	Bunny	NA	10165	-
	Hubli	D.C.H.	NA	0	-
	Hubli	B.T. Cotton	NA	0	-
	Raichur	H-44 Cotton	10600	10660	-60
Commodity		Lint	Prices (Rs./Maund)		Change
State	Centre	Variety	16-Sep-22	15-Sep-22	
Punjab	Bhatinda	J-34	8325	8125	200
	Abohar	J-34	8300	8100	200
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8300	8100	200
Rajasthan	Sri-Ganganagar	J-34	NA	NR	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	16-Sep-22	15-Sep-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	9000	10750	-1750
	Rajkot	B.T. Cotton	750	240	510
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NR	8000	-
	Bhiwani	Desi	NR	100	-
	Adampur	B.T. Cotton	680	680	Unch
	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	57	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	150	150	Unch
	Hathras	Desi	45	45	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	5156	4622	534
Karnataka	Bijapur	Bunny	NA	72	-
	Hubli	D.C.H.	NA	0	-

	Hubli	B.T. Cotton	NA	0	-
	Raichur	H-44 Cotton	15	17	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	16-Sep-22	15-Sep-22	
Punjab	Bhatinda	J-34	170	170	Unch
	Abohar	J-34	119	102	17
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	425	425	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NR	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	16-Sep-22	15-Sep-22	
Gujarat	Rajkot	Rs. /10 Kg.	1325	1355	-30
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1315	1335	-20
Maharashtra	Mumbai	Rs. /10 Kg.	1325	1340	-15

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	16-Sep-22	15-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2520	2541	-21
Maharashtra	Akola	Rs./Qtl	2825	2844	-19

INTERNATIONAL PRICES AND INDICES**China Cotton Index:**

Index	Unit	16-Sep-22	15-Sep-22	Change
CCIndex(328)	RMB/Ton	15728	15657	71
CCIndex(527)	RMB/Ton	14303	14230	73
CCIndex(229)	RMB/Ton	16144	16086	58

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

Index	Unit	16-Sep-22	15-Sep-22	Change
FC Index (S)	Cents/lb	125.26	124.82	0.44
FC Index (M)	Cents/lb	123.86	123.43	0.43
FC Index (L)	Cents/lb	122.53	122.09	0.44

Cotlook Index:

Cotlook Indices	Unit	15-Sep-22	13-Sep-22	Change
A-Index	Cents/Pound	121.25	124.25	-3.00

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		15-Sep-22	15-Sep-22	Bales
Southeast	cents/lb.	109.24	111.49	0
North Delta	cents/lb.	108.24	110.49	0
South Delta	cents/lb.	108.24	110.49	0
East TX-OK	cents/lb.	104.74	106.99	0
West Texas	cents/lb.	105.24	106.74	0
Desert SW	cents/lb.	103.24	105.49	0
SJ Valley	cents/lb.	103.74	112.64	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
				15-Sep-22	14-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	55800	57800	-2000
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	56500	58500	-2000
J-34(202)	26mm	3.5 - 4.9	23	76200	78200	-2000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	79000	78000	1000
Shankar-6(105)	29mm	3.5 - 4.9	28	82500	83000	-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	94000	94000	Unch

Pakistan Cotton Spot rates: As on 15-Sep-2022

				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	18000	180	22235
Equivalent	40 Kgs	19291	193	23829

Daily Futures Price Listing Thursday, Sept 15th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220915	105.24	105.24	105.24	105.24	-1.85	7	70	-5
22-Dec	220915	103	104.17	101.98	103.29	0.58	15,474	109,941	-643
22-Mar	220915	99.6	100.97	98.87	100.15	0.57	4,848	46,017	-346
23-May	220915	97.83	98.72	96.77	97.88	0.45	2550	18,425	357
23-Jul	220915	94.74	95.67	94.05	94.84	0.28	709	12,623	16
23-Oct	220915	85.74	85.74	85.74	85.74	-0.01			
Total Volume and Open Interest							24,002	209,616	-569

Source: MRCI

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