

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.38,960/bale on Monday. 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 Friday.

News: Cotton Corporation of India has estimated cotton production to increase by 15% at 370 lakh bales in the 2022-23 season. With the increase in area, yields are also expected to increase due to good weather conditions. Further production is expected to rise in the 2022-23 season. As per CCI, If the weather remains conducive in the coming months, the production can increase to 370-375 lakh bales. However, if not, then the production can fall to 325-330 lakh bales.

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.

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 Odisha, Chhattisgarh, Jharkhand, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, East Madhya Pradesh, Coastal Andhra Pradesh, Yanam & Telangana. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Uttar Pradesh, Haryana, East Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, Bihar, Bengal, Sikkim, Madhya Maharashtra, Telangana, Kerala & Mahe, Coastal Andhra Pradesh, Yanam, Interior Karnataka, Tamil Nadu, Pondicherry, Karaikal.

International Fundamentals:

The ICE cotton Futures was lower by 400 points at 99.29 cents/lb. The Cotlook A index was high at 121.25 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 14 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 18.09.22	19 th Sept'22
Punjab	2500	500
Haryana	63000	2000
Lower Rajasthan	5200	1000
Gang line	900	500
Net Total	71600	4000

Cotton Price (Rs./Quintal) as. of 19 th Sept'22	
	Ready Delivery
Punjab	8000-8025
Haryana	8000-8025
Ganga line	7900-7925

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	19-Sep-22	17-Sep-22	
Gujarat	Ahmedabad	Shankar-6	9500	NA	-
	Gondal	Shankar-6	11005	10055	950
	Rajkot	B.T. Cotton	9880	9250	630
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	1400	-
	Dhrol	B.T. Cotton	NA	8150	-
Haryana	Bhiwani	B.T. Cotton	NR	9400	-
	Bhiwani	Desi	NR	12700	-
	Adampur	B.T. Cotton	Closed	9500	-
	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	8900	9250	-350
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-

	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	10600	10600	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	8500	NR	-
	Hathras	Desi	9200	NR	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	10379	10620	-241
Karnataka	Bijapur	Bunny	9615	9509	106
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	10000	10200	-200
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	19-Sep-22	17-Sep-22	
Punjab	Bhatinda	J-34	8025	8125	-100
	Abohar	J-34	8000	8100	-100
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8000	8100	-100
Rajasthan	Sri-Ganganagar	J-34	8225	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	19-Sep-22	17-Sep-22	
Gujarat	Ahmedabad	Shankar-6	8500	NA	-
	Gondal	Shankar-6	8500	8600	-100
	Rajkot	B.T. Cotton	230	600	-370
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	5	-
Haryana	Bhiwani	B.T. Cotton	NR	6000	-
	Bhiwani	Desi	NR	NA	-
	Adampur	B.T. Cotton	Closed	1360	-
	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	1000	1000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	12	NR	-
	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	3943	7253	-3310
Karnataka	Bijapur	Bunny	117	69	48

	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	15	16	-1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	19-Sep-22	17-Sep-22	
Punjab	Bhatinda	J-34	0	119	-119
	Abohar	J-34	255	255	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	NA	680	-
Rajasthan	Sri-Ganganagar	J-34	200	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	19-Sep-22	17-Sep-22	
Gujarat	Rajkot	Rs./10 Kg.	1285	1310	-25
Delhi	New Delhi	Rs./10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs./10 Kg.	1294	1310	-16
Maharashtra	Mumbai	Rs./10 Kg.	1310	1320	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	19-Sep-22	17-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2461	2510	-49
Maharashtra	Akola	Rs./Qtl	2875	2805	70

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	16-Sep-22	15-Sep-22	Change
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A-Index	Cents/Pound	121.25	121.25	Unch
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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
				17-Sep-22	16-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	53800	54300	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	54500	55000	-500
J-34(202)	26mm	3.5 - 4.9	23	76200	76700	-500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	79500	79500	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	82000	82500	-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 19-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 Saturday, Sept 18th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220916	102.45	102.45	101.24	101.24	-4.00	2	68	-2
22-Dec	220916	103.07	103.29	99.29	99.29	-4.00	11,092	109,187	-754
22-Mar	220916	100.12	100.12	96.15	96.15	-4.00	4,099	46,530	513
23-May	220916	97.51	97.51	93.88	93.9	-3.98	845	18,708	283
23-Jul	220916	94.25	94.28	90.85	90.98	-3.86	268	12,613	-10
23-Oct	220916	82.98	82.98	82.98	82.98	-2.76			
Total Volume and Open Interest							16,511	209,733	117

Source: MRCI

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