

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.35,630/bale on Monday. ICE cotton futures closed red on Thursday.

News: North India Cotton arrival has been delayed during the last week due to heavy rainfalls. Spot rate was improved despite fall in future markets. Despite some rain predicted in cotton belt of central and southern India otherwise crop conditions looks quite good. Also, India is heading towards higher yield this year.

As of Sept. 23rd, 2022 Cotton sowing has reached 127.39 Lakh Ha. Vs 118.56 Lakh Ha. same period last year. Agriwatch expects overall the 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.

According to the First Advance Estimates for 2022-23, total foodgrain production in the country is estimated at 149.92 million tonnes which is higher by 6.98 million tonnes than the average foodgrain production of previous five years' (2016-17 to 2020-21). Cotton production is estimated at 34.19 million bales (of 170 kg each) for the 2022-23 season.

As of 21st Sept 2022, Andhra Pradesh Cotton sowing has reached 6.47 lakh hecatres for the 2022-23 season which is higher compared to the previous season's sowing of 4.93 lakh hecatres. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 544 mm across the state.

As of 21st Sept 2022, Telangana Cotton sowing has reached 4998082 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 4668057 acres. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 1051 mm higher as compared to the previous season of 910 mm across the state.

Cotton Arrivals have been delayed in Gujarat due to heavy rains. The prices for raw cotton have also fallen in the local market to Rs. 5,000-7,000 per candy during the week. The Prices are trading at Rs.75,000-Rs.83,000 per candy in spot market Gujarat. Along with cotton, Yarn prices have also fallen in the market. Cotton yarn prices went down by Rs.3-7 per kg. Today, 30 count combed cotton yarn was traded at Rs. 345-350 per kg (GST extra), 34 count combed at Rs. 357-360- per kg and 40 count combed at Rs. 360-365 per kg.

Cotton Sowing (Lakh Hectares) As of 23 rd Sept 2022			
States	2021-22	2022-23	Difference
Andhra Pradesh	4.93	6.47	+1.54
Karnataka	6.43	8.21	+1.78
Gujarat	22.53	25.48	+2.95
Maharashtra	39.57	42.29	+2.72
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	118.56	127.39	8.83

Weather Forecast:

Heavy rainfall at isolated places over Sub-Himalayan West Bengal, Sikkim, Coastal Andhra Pradesh, Yanam, Tamil Nadu, Pondicherry & Karaikal. Thunderstorms accompanied by lightning at isolated places over Bihar, Jharkhand, West Bengal Sikkim, Odisha, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh, Yanam, Telangana, Rayalaseema, Tamil Nadu, Pondicherry & Karikal.

International Fundamentals:

The ICE cotton Futures was lower by 38 points at 96.54 cents/lb. The Cotlook A index was lower at 111.95 cents/lb. The AWP for cotton was 88.88 cents/lb.

Cotton production in Pakistan has reached 2.19 million bales till 15th September 2022, which is around 19% lower from the previous season. The production has fallen mainly due to heavy rainfalls. As a result, Pakistan may import 5.5-6 million bales of cotton to overcome the shortfall in the 2022-23 season.

According to the U.S. Crop progress report, as of 18th Sep 2022, U.S cotton Cotton Bolls opening stands at 59 percent which is higher than that of the previous season (46 percent). In the previous week cotton bolls opening was 49 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 30 percent in good to a fair condition which was 28 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.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 25.09.22	26 th Sept'22
Punjab	5500	500
Haryana	75500	2000
Lower Rajasthan	12000	1500
Ganga line	6000	2000
Net Total	99000	6000

Cotton Price (Rs./Quintal) as. of 24 th Sept'22	
	Ready Delivery
Punjab	7700-7750
Haryana	7700-7750
Ganga line	7300-7350

DOMESTIC PRICES AND ARRIVALS**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	26-Sep-22	24-Sep-22	
Gujarat	Ahmedabad	Shankar-6	9000	9500	-500
	Gondal	Shankar-6	15755	10305	5450
	Rajkot	B.T. Cotton	9375	9605	-230
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1650	1568	82
	Dhrol	B.T. Cotton	9340	8990	350
Haryana	Bhiwani	B.T. Cotton	9000	9100	-100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	9150	Closed	-
	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	8950	9100	-150
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	10200	10200	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7700	NA	-
	Hathras	Desi	8000	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9406	9479	-73
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9750	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	26-Sep-22	24-Sep-22	
Punjab	Bhatinda	J-34	7750	7750	Unch
	Abohar	J-34	7700	7700	Unch
	Mansa	J-34	7800	7800	Unch
Haryana	Sirsa	J-34	7700	7700	Unch
Rajasthan	Sri-Ganganagar	J-34	7050	7238	-188

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
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State	Centre	Variety	26-Sep-22	24-Sep-22	
Gujarat	Ahmedabad	Shankar-6	5100	4420	680
	Gondal	Shankar-6	9200	8000	1200
	Rajkot	B.T. Cotton	750	540	210
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	37	8	29
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	100	Closed	-
	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	1400	1400	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	NA	-
	Hathras	Desi	5	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	3463	6384	-2921
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	26-Sep-22	24-Sep-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	170	170	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	NA	NA	-
Rajasthan	Sri-Ganganagar	J-34	250	150	100

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	26-Sep-22	24-Sep-22	
Gujarat	Rajkot	Rs. /10 Kg.	1280	1320	-40
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1295	1300	-5
Maharashtra	Mumbai	Rs. /10 Kg.	1295	1290	5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake	Price	Change
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State	Centre	Unit	26-Sep-22	24-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2428	2437	-9
Maharashtra	Akola	Rs./Qtl	2723	2719	4

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

Index	Unit	26-Sep-22	24-Sep-22	Change
CCIndex(328)	RMB/Ton	15503	Closed	-
CCIndex(527)	RMB/Ton	14071	Closed	-
CCIndex(229)	RMB/Ton	15947	Closed	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	26-Sep-22	24-Sep-22	Change
FC Index (S)	Cents/lb	114.04	Closed	-
FC Index (M)	Cents/lb	112.6	Closed	-
FC Index (L)	Cents/lb	111.26	Closed	-

Cotlook Index:

Cotlook Indices	Unit	23-Sep-22	23-Sep-22	Change
A-Index	Cents/Pound	NA	NA	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		23-Sep-22	23-Sep-22	Bales
Southeast	cents/lb.	96.54	98.79	0
North Delta	cents/lb.	95.54	97.79	0
South Delta	cents/lb.	95.54	97.79	0
East TX-OK	cents/lb.	91.79	94.04	233
West Texas	cents/lb.	91.54	93.04	0
Desert SW	cents/lb.	90.54	92.79	0
SJ Valley	cents/lb.	91.04	99.94	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
				24-Sep-22	23-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	53000	53000	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	53700	53700	Unch
J-34(202)	26mm	3.5 - 4.9	23	70000	70000	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	73000	73000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	74000	74000	Unch
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	85000	85000	Unch

Daily Futures Price Listing Friday, Sept 23rd 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220923	98.26	98.26	94.19	94.49	-2.34	44	42	-14
22-Dec	220923	96.3	96.5	92.54	92.54	-4.00	22,187	108,727	-996
22-Mar	220923	93.7	93.7	89.67	89.67	-4.00	10,363	49,756	210
23-May	220923	91.38	91.42	87.49	87.49	-4.00	3093	19,454	-354
23-Jul	220923	88.7	88.7	84.78	84.78	-4.00	1712	12,642	-50
23-Oct	220923	81.01	81.01	80.24	80.24	-2.17			
Total Volume and Open Interest							38,667	214,256	-1,227

Source: MRCI

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