

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.33,840/bale on Friday. ICE cotton futures closed red on Thursday.

News: As of 28th Sept 2022, Andhra Pradesh Cotton sowing has reached 6.53 lakh hectares for the 2022-23 season which is slightly higher compared to the previous season's sowing of 5 lakh hectares during the corresponding period. Average rainfall for the period from 01.06.2022 to 28.09.2022 has reached 563.2 mm against the normal of 562 mm in the state.

As per AgriWatch Sources, the rainfall during the last week has affected the quality of cotton in some parts of Gujarat. Overall, the moisture percentage has increased to 30-35% in the new cotton. The market is currently witnessing low demand as textile mills are closed for the 2021-22 season but will soon start operations for the 2022-23 season as the new cotton season is going start from 01st October 2022.

As of 28th Sept 2022, Telangana Cotton sowing has reached 5000724 acres for the 2022-23 season which is slightly higher compared to the previous season's sowing of 4668057 acres. Average rainfall for the period from 01.06.2022 to 28.09.2022 has reached 1075 mm higher as compared to the previous season of 1007 mm across the state.

The heavy rainfall during the past week has affected the cotton crop in Mansa district of Punjab. As per the market sources around 24 villages have been damaged as fields have become inundated. The Agriculture Department is yet to access the loss suffered by farmers. Along with Punjab, farmers from Haryana had also suffered crop loss due to incessant rains during the last week. Farmers from Bhiwani district of Haryana had suffered losses majorly.

The Department of Agriculture, Rajasthan has released its first advance estimate for the 2022-23 season. Overall cotton production in the state is expected to reach 2897428 tonnes during the 2022-23 season. The area under cotton cultivation in the state has increased from 6.28 lakh hectares to 6.83 lakh hectares. The average yield is expected to be 721 kgs per hectare in the 2022-23 season.

The Directorate of Agriculture, Gujarat has released its first advance estimate for the 2022-23 season. Overall cotton production in Gujarat is expected to reach 9184.96 bales (170kg each) during the 2022-23 season. The area under cotton cultivation in the state has increased from 22.53 lakh hectares to 25.48 lakh hectares. The average yield is expected to increase in the 2022-23 season to 615 kgs per hectare due to favorable weather conditions.

According to the Indian Cotton Federation (ICF), the cotton scenario for the 2022-23 season remains unpredictable. The overall estimates of cotton area and production are changing almost on a daily basis. Further, Textile mills are demanding contamination-free cotton with just 8 % moisture level. The Central government is considering a model cotton contract along with arbitration norms for dispute resolution.

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.

Cotton Sowing (Lakh Hectares) As of 23rd 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 Odisha, Andaman & Nicobar Islands, Nagaland, Manipur, Mizoram, Tripura, Coastal Andhra Pradesh, Yanam, Tamil Nadu, Pondicherry & Karikal. Thunderstorms accompanied by lightning at isolated places over Andaman & Nicobar Islands, Bihar, Jharkhand, West Bengal, Odisha, Andaman & Nicobar Islands, Nagaland, Manipur, Mizoram, Tripura, Marathwada, Konkan, Goa, Coastal Andhra Pradesh, Yanam, Telangana, Rayalaseema, Karnataka, Tamil Nadu, Pondicherry & Karaikal.

International Fundamentals:

The ICE cotton Futures was lower by 333 points at 85.16 cents/lb. The Cotlook A index was lower at 106.70 cents/lb. The AWP for cotton was 82.42 cents/lb.

According to the U.S. Crop progress report, as of 26th Sep 2022, U.S cotton Cotton Bolls opening stands at 67 percent which is higher than that of the previous season (59 percent). In the previous week cotton bolls opening was 58 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 27 percent in good to a fair condition which was 28 percent in the previous week.

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 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 29.09.22	30 th Sept'22
Punjab	9000	800
Haryana	92500	5000
Lower Rajasthan	22500	3000
Ganga line	21500	5000
Net Total	135500	13800

Cotton Price (Rs./Quintal) as. of 30 th Sept'22	
	Ready Delivery
Punjab	6700
Haryana	6700
Ganga line	6700

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
	State	Centre	Variety	30-Sep-22	
Gujarat	Ahmedabad	Shankar-6	8500	9000	-500
	Gondal	Shankar-6	8855	9555	-700
	Rajkot	B.T. Cotton	8700	8850	-150
	Patan	B.T. Cotton	8765	8905	-140
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1458	1400	58
	Dhrol	B.T. Cotton	8680	9250	-570
Haryana	Bhiwani	B.T. Cotton	8500	8500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8400	8850	-450
	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	8000	8400	-400
	Rawatsar	B.T. Cotton	NA	0	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-

Maharashtra	Amravati	Mech-1	8000	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NR	5200	-
	Hathras	Desi	NR	7700	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9859	9769	90
Karnataka	Bijapur	Bunny	9029	9771	-742
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9500	9500	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	30-Sep-22	29-Sep-22	
Punjab	Bhatinda	J-34	6700	6925	-225
	Abohar	J-34	6800	6900	-100
	Mansa	J-34	6800	6800	Unch
Haryana	Sirsa	J-34	6700	6900	-200
Rajasthan	Sri-Ganganagar	J-34	7238	6486	752

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
	State	Centre	Variety	30-Sep-22	
Gujarat	Ahmedabad	Shankar-6	15300	13600	1700
	Gondal	Shankar-6	8400	8500	-100
	Rajkot	B.T. Cotton	1700	1800	-100
	Patan	B.T. Cotton	1705	1680	25
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	70	18	52
Haryana	Bhiwani	B.T. Cotton	2500	2500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	600	500	100
	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	0	-
	Rawatsar	B.T. Cotton	NA	0	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NR	0	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NR	200	-
	Hathras	Desi	NR	25	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	4708	4688	20
Karnataka	Bijapur	Bunny	144	179	-35
	Hubli	D.C.H.	NA	NA	-

	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	14	15	-1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	30-Sep-22	29-Sep-22	
Punjab	Bhatinda	J-34	0	0	Unch
	Abohar	J-34	510	340	170
	Mansa	J-34	153	85	68
Haryana	Sirsa	J-34	NA	510	-
Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	30-Sep-22	29-Sep-22	
Gujarat	Rajkot	Rs./10 Kg.	1240	1250	-10
Delhi	New Delhi	Rs./10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs./10 Kg.	1250	1260	-10
Maharashtra	Mumbai	Rs./10 Kg.	1240	1250	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	30-Sep-22	29-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2381	2404	-23
Maharashtra	Akola	Rs./Qtl	2700	2706	-6

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	30-Sep-22	29-Sep-22	Change
CCIndex(328)	RMB/Ton	15502	15487	15
CCIndex(527)	RMB/Ton	14023	14023	Unch
CCIndex(229)	RMB/Ton	15946	15936	10

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

China Foreign Cotton (FCE) Index :

Index	Unit	30-Sep-22	29-Sep-22	Change
FC Index (S)	Cents/lb	106.38	110.04	-3.66
FC Index (M)	Cents/lb	104.85	108.56	-3.71
FC Index (L)	Cents/lb	103.51	107.23	-3.72

Cotlook Index:

Cotlook Indices	Unit	29-Sep-22	27-Sep-22	Change
A-Index	Cents/Pound	107.1	106.95	0.15

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		29-Sep-22	29-Sep-22	Bales
Southeast	cents/lb.	89.16	91.41	0
North Delta	cents/lb.	88.16	90.41	0
South Delta	cents/lb.	88.16	90.41	0
East TX-OK	cents/lb.	84.91	87.41	0
West Texas	cents/lb.	84.16	85.66	0
Desert SW	cents/lb.	83.16	85.41	0
SJ Valley	cents/lb.	83.66	92.56	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
				29-Sep-22	28-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	50000	52000	-2000
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	50700	52700	-2000
J-34(202)	26mm	3.5 - 4.9	23	63000	66000	-3000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	70000	71000	-1000
Shankar-6(105)	29mm	3.5 - 4.9	28	70500	72000	-1500
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	80000	81000	-1000

Daily Futures Price Listing Thursday, Sept 29th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220929	87.11	87.11	87.11	87.11	-3.33	0	16	0
22-Dec	220929	88.5	88.93	85	85.16	-3.33	19,308	107,407	-939
22-Mar	220929	85.85	86.23	82.63	82.73	-3.12	9,063	53,106	1195
23-May	220929	84.64	84.64	81.26	81.33	-2.93	3360	21,198	80
23-Jul	220929	81.99	82.42	79.21	79.4	-2.59	2101	13,211	-33
23-Oct	220929	75.73	75.73	75.73	75.73	-1.53	0	1	0
Total Volume and Open Interest							35,353	219,294	430

Source: MRCI

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