

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.33,400/bale on Saturday. ICE cotton futures closed green on Friday.

News: According to the market sources, the Haryana Agriculture Department's preliminary survey report, cotton crop has been affected in the state on over 39,000 hectares due to heavy rainfall during September month. For the 2022-23 cotton season, around 6.50 lakh hectares of land was sown under cotton cultivation which was comparatively lower than the previous season's sowing of 6.88 lakh hectares. As per AgriWatch sources, around 15-20% loss is expected across the state.

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.

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.

Weather Forecast:

Heavy rainfall at isolated places over Jharkhand, Gangetic West Bengal, Odisha, Andaman & Nicobar Islands, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura. Thunderstorms accompanied by lightning at isolated places over East Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Gangetic West Bengal, Odisha, Andaman & Nicobar Islands, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Coastal Andhra Pradesh, Yanam, Kerala & Mahe.

International Fundamentals:

The ICE cotton Futures was higher by 18 points at 85.34 cents/lb. The Cotlook A index was lower at 107.10 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.

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

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 30.09.22	01 st Oct'22
Punjab	9800	800
Haryana	97500	4000
Lower Rajasthan	25500	3000
Ganga line	26500	4000
Net Total	159300	11800

Cotton Price (Rs./Quintal) as. of 01 st Oct'22	
	Ready Delivery
Punjab	6700-6750
Haryana	6700-6750
Ganga line	6700-6750

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	1-Oct-22	30-Sep-22	
Gujarat	Ahmedabad	Shankar-6	8500	8500	Unch
	Gondal	Shankar-6	NA	8855	-
	Rajkot	B.T. Cotton	8700	8700	Unch
	Patan	B.T. Cotton	8850	8765	85
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1400	1458	-58
	Dhrol	B.T. Cotton	8280	8680	-400
Haryana	Bhiwani	B.T. Cotton	8500	8500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8600	8400	200
	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	8000	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	8000	8000	-
	Jamner	Medium Staple	NA	NA	-

Uttar Pradesh	Hathras	B.T. Cotton	7500	NR	-
	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9501	9859	-358
Karnataka	Bijapur	Bunny	9021	9029	-8
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9450	9500	-50
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	1-Oct-22	30-Sep-22	
Punjab	Bhatinda	J-34	6750	6700	50
	Abohar	J-34	6800	6800	Unch
	Mansa	J-34	6800	6800	Unch
Haryana	Sirsa	J-34	6700	6700	Unch
Rajasthan	Sri-Ganganagar	J-34	6392	7238	-846

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	1-Oct-22	30-Sep-22	
Gujarat	Ahmedabad	Shankar-6	17000	15300	1700
	Gondal	Shankar-6	8400	8400	Unch
	Rajkot	B.T. Cotton	NA	1700	-
	Patan	B.T. Cotton	1857	1705	152
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	89	70	19
Haryana	Bhiwani	B.T. Cotton	2500	2500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	600	600	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	0	NR	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	350	NR	-
	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	4957	4708	249
Karnataka	Bijapur	Bunny	218	144	74
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	15	14	1

Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	1-Oct-22	30-Sep-22	
Punjab	Bhatinda	J-34	0	0	Unch
	Abohar	J-34	340	510	-170
	Mansa	J-34	102	153	-51
Haryana	Sirsa	J-34	NA	NA	-
Rajasthan	Sri-Ganganagar	J-34	1000	2000	-1000

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	1-Oct-22	30-Sep-22	
Gujarat	Rajkot	Rs. /10 Kg.	1245	1240	5
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1255	1250	5
Maharashtra	Mumbai	Rs. /10 Kg.	1270	1240	30

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	1-Oct-22	30-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2390	2381	9
Maharashtra	Akola	Rs./Qtl	2704	2700	4

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	1-Oct-22	30-Sep-22	Change
CCIndex(328)	RMB/Ton	Closed	15502	-
CCIndex(527)	RMB/Ton	Closed	14023	-
CCIndex(229)	RMB/Ton	Closed	15946	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	1-Oct-22	30-Sep-22	Change
FC Index (S)	Cents/lb	Closed	106.38	-
FC Index (M)	Cents/lb	Closed	104.85	-
FC Index (L)	Cents/lb	Closed	103.51	-

Cotlook Index:

Cotlook Indices	Unit	29-Sep-22	28-Sep-22	Change
A-Index	Cents/Pound	107.1	106.7	0.40

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
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		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
				30-Sep-22	29-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	51500	50000	1500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	52200	50700	1500
J-34(202)	26mm	3.5 - 4.9	23	63500	63000	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	68000	70000	-2000
Shankar-6(105)	29mm	3.5 - 4.9	28	69500	70500	-1000
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	80000	Unch

Daily Futures Price Listing Friday, Sept 30th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220930	93	93.22	93	93.22	6.11	0	14	-2
22-Dec	220930	85.46	85.95	83.6	85.34	0.18	20,182	107,518	111
22-Mar	220930	83.17	83.67	81.96	83.45	0.72	6,207	53,946	840
23-May	220930	81.88	82.22	80.68	82.09	0.76	2567	21,210	12
23-Jul	220930	79.89	80.49	78.83	80.28	0.88	1909	13,273	62
23-Oct	220930	77.02	77.02	77.02	77.02	1.29	0	1	0
Total Volume and Open Interest							34,239	220,793	1,499

Source: MRCI

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