

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.33,250/bale on Tuesday. ICE cotton futures closed red on Monday.

News: As of 03rd Oct 2022, Gujarat Cotton sowing has reached 25,48,968 hectares for the 2022-23 season which is slightly higher compared to the previous season's sowing of 22,53,933 hectares. As per AgriWatch, Overall cotton arrivals had increased in the state for the coming 2022-23 season where else, prices have come down to Rs. 8,750 per Quintal against the minimum support price of Rs. 6,025 per quintal.

North Indian cotton prices had corrected by Rs. 200-250 per maund as arrival had increased amid limited buying. Buyers including MNCs were very selective about new deals. According to the traders, they were waiting for the cotton prices to fall further to avoid losses.

Daily arrival in north India comprising Punjab, Haryana, upper Rajasthan and lower Rajasthan increased to 14,000 bales of 170 kg. Cotton was traded at Rs. 6,900-7,050 per maund of 37.20 kg for September and early October delivery deals. Forward cotton for the full month of October was traded at Rs. 6,500-7,550 per maund for October delivery.

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.

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

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 Uttarakhand, Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Odisha, Andaman & Nicobar Islands, Coastal Andhra Pradesh & Yanam and Telangana. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Haryana, Chandigarh, Delhi, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh & Yanam, Telangana, Rayalaseema, Karnataka, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe.

International Fundamentals:

The ICE cotton Futures was lower by 114 points at 84.20 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.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 03.10.22	04 th Oct'22
Punjab	12000	1000
Haryana	106500	5000
Lower Rajasthan	32500	4000
Ganga line	35500	5000
Net Total	186500	15000

Cotton Price (Rs./Quintal) as. of 04 th Oct'22	
	Ready Delivery
Punjab	7050-7100
Haryana	7050-7100
Ganga line	7050-7100

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	4-Oct-22	3-Oct-22	
Gujarat	Ahmedabad	Shankar-6	8750	8500	250
	Gondal	Shankar-6	9005	9055	-50
	Rajkot	B.T. Cotton	NA	8750	-
	Patan	B.T. Cotton	9030	8945	85
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1440	1380	60
	Dhrol	B.T. Cotton	8455	8275	180
Haryana	Bhiwani	B.T. Cotton	8500	8500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8700	8700	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	8800	8200	600
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	0	-
	Khargaon	Mech-1	NA	0	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7700	-200
	Hathras	Desi	7300	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	9100	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	4-Oct-22	3-Oct-22	

Punjab	Bhatinda	J-34	7100	7000	100
	Abohar	J-34	7100	7000	100
	Mansa	J-34	7150	7000	150
Haryana	Sirsa	J-34	7100	7000	100
Rajasthan	Sri-Ganganagar	J-34	6674	6298	376

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	4-Oct-22	3-Oct-22	
Gujarat	Ahmedabad	Shankar-6	13600	20400	-6800
	Gondal	Shankar-6	NA	8450	-
	Rajkot	B.T. Cotton	NA	1250	-
	Patan	B.T. Cotton	962	1801	-839
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	61	155	-94
Haryana	Bhiwani	B.T. Cotton	2500	2000	500
	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	0	-
	Khargaon	Mech-1	NA	0	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	150	150	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	18	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	4-Oct-22	3-Oct-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	425	-85
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	NA	-
Rajasthan	Sri-Ganganagar	J-34	1500	2000	-500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil	Price	Change
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State	Centre	Unit	4-Oct-22	3-Oct-22	
Gujarat	Rajkot	Rs. /10 Kg.	1280	1260	20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1260	1260	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1280	1270	10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	4-Oct-22	3-Oct-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2370	2390	-20
Maharashtra	Akola	Rs./Qtl	2395	2698	-303

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

Index	Unit	30-Sep-22	28-Sep-22	Change
CCIndex(328)	RMB/Ton	15502	15509	-7
CCIndex(527)	RMB/Ton	14023	14032	-9
CCIndex(229)	RMB/Ton	15946	15948	-2
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	30-Sep-22	28-Sep-22	Change
FC Index (S)	Cents/lb	106.38	109.58	-3.20
FC Index (M)	Cents/lb	104.85	108.13	-3.28
FC Index (L)	Cents/lb	103.51	106.8	-3.29

Cotlook Index:

Cotlook Indices	Unit	3-Oct-22	1-Oct-22	Change
A-Index	Cents/Pound	104	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		3-Oct-22	3-Oct-22	Bales
Southeast	cents/lb.	88.2	90.45	0
North Delta	cents/lb.	87.2	89.45	0
South Delta	cents/lb.	87.2	89.45	0
East TX-OK	cents/lb.	83.95	86.45	0
West Texas	cents/lb.	83.2	84.7	0
Desert SW	cents/lb.	82.2	84.45	0
SJ Valley	cents/lb.	82.7	91.6	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
				3-Oct-22	1-Oct-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	50800	50800	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	51500	51500	Unch
J-34(202)	26mm	3.5 - 4.9	23	64500	62400	2100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	66000	-
Shankar-6(105)	29mm	3.5 - 4.9	28	69000	68000	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	82000	80000	2000

Daily Futures Price Listing Monday, Oct 03rd 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	221003	92.14	92.14	92.14	92.14	-1.08	3	10	-4
22-Dec	221003	85.39	86.18	82.7	84.2	-1.14	20,614	108,108	590
22-Mar	221003	83.1	83.99	80.81	82.19	-1.26	6,068	53,580	-366
23-May	221003	82.08	82.61	79.56	80.78	-1.31	3311	21,281	71
23-Jul	221003	80.28	80.76	77.81	79.02	-1.26	2912	13,693	420
23-Oct	221003	76.37	76.37	76.37	76.37	-0.65	0	1	0
Total Volume and Open Interest							35,248	222,057	1,264

Source: MRCI

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