

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.33,370/bale on Wednesday. ICE cotton futures closed red on Wednesday.

News: Cotton crop is expected to get affected due to heavy rains in Telangana. The incessant rains in Khammam and Bhadrachalam districts are expected to adversely affect cotton production. The areas of Enkoor, Konigerla, Errpaleum, Kusumanchi and Kamepalli of Khammam districts have reported heavy rains during the last few days.

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.

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 Uttarakhand, West Uttar Pradesh, East Uttar Pradesh, East Rajasthan, Madhya Pradesh, Sub-Himalayan West Bengal & Sikkim, Arunachala Pradesh, Assam & Meghalaya, Marathwada, Coastal Andhra Pradesh & Yanam and Telangana, Rayalaseema, North Interior Karnataka, Tamil Nadu, Pondicherry & Karikal. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Haryana, Chandigarh, Delhi, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, West Bengal, Sikkim, Andaman & Nicobar Islands, Arunachala Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Marathwada, Konkan & Goa, Coastal Andhra Pradesh & Yanam, Telangana, Rayalaseema, North Interior Karnataka, Tamil Nadu, Pondicherry & Karaikal.

International Fundamentals:

The ICE cotton Futures was lower by 497 points at 83.23 cents/lb. The Cotlook A index was lower at 104 cents/lb. The AWP for cotton was 82.42 cents/lb.

According to the U.S. Crop progress report, as of 02nd Oct, 2022, U.S cotton Cotton Bolls opening stands at 77 percent which is higher than that of the previous season (67 percent). In the previous week cotton bolls opening was 69 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 27 percent in good to a fair condition which was 27 percent in the previous week.

The raw cotton prices in Pakistan have decreased in the local market along with the decrease in the international market. The rate of quality cotton has decreased by Rs.3,000 per maund. The rate of Putti was decreased by Rs. 800 to Rs, 1,000 per 40 kg. however, the cotton production has also been affected in Pakistan mainly due to heavy rainfalls.

U.S. cotton exports has fallen to \$28.362 million in July 2022 from \$1062.59 million in June 2022. Although, U.S. had exported large quantities till June 2022 due to the scarcity of cotton fibre along with higher prices in the international market. On a quarterly basis, cotton shipments from the U.S. rose to \$3.328 billion in the second quarter from \$2,820 billion in the first quarter. However, exports have fallen in the fourth quarter of last year to \$1.002 billion from \$1.254 billion in the third quarter of 2021. The U.S new cotton marketing season has begun from August 2022, however, the exports had reduced as compared to the previous 2021-22 season.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 05.10.22	06 th Oct'22
Punjab	13800	800
Haryana	115500	4000
Lower Rajasthan	39500	3000
Ganga line	44500	4000
Net Total	213300	11800

Cotton Price (Rs./Quintal) as. of 06 th Oct'22	
	Ready Delivery
Punjab	7050-7125
Haryana	7050-7125
Ganga line	7050-7125

DOMESTIC PRICES AND ARRIVALS
Markets was closed due to Dusshera and Durga Puja

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	6-Oct-22	4-Oct-22	
Gujarat	Ahmedabad	Shankar-6	9250	8750	500
	Gondal	Shankar-6	9055	9005	50
	Rajkot	B.T. Cotton	8650	NA	-
	Patan	B.T. Cotton	9030	9030	Unch
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1589	1440	149
	Dhrol	B.T. Cotton	8775	8455	320
Haryana	Bhiwani	B.T. Cotton	8750	8500	250
	Bhiwani	Desi	NA	0	-
	Adampur	B.T. Cotton	9000	8700	300
	Fatehabad	B.T. Cotton	NA	0	-
	Jind	B.T. Cotton	NA	0	-
	Uchana	B.T. Cotton	NA	0	-
	Dabwali	B.T. Cotton	NA	0	-
Rajasthan	Hanumangarh	B.T. Cotton	9000	8800	200
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7500	Unch
	Hathras	Desi	7700	7300	400
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	9200	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	6-Oct-22	4-Oct-22	

Punjab	Bhatinda	J-34	7150	7100	50
	Abohar	J-34	7150	7100	50
	Mansa	J-34	7150	7150	Unch
Haryana	Sirsa	J-34	7100	7100	Unch
Rajasthan	Sri-Ganganagar	J-34	6862	6674	188

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	6-Oct-22	4-Oct-22	
Gujarat	Ahmedabad	Shankar-6	18700	13600	5100
	Gondal	Shankar-6	8400	NA	-
	Rajkot	B.T. Cotton	3300	NA	-
	Patan	B.T. Cotton	1490	962	528
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	156	61	95
Haryana	Bhiwani	B.T. Cotton	3000	2500	500
	Bhiwani	Desi	NA	0	-
	Adampur	B.T. Cotton	600	600	Unch
	Fatehabad	B.T. Cotton	NA	0	-
	Jind	B.T. Cotton	NA	0	-
	Uchana	B.T. Cotton	NA	0	-
	Dabwali	B.T. Cotton	NA	0	-
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	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	100	150	-50
	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	14	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	6-Oct-22	4-Oct-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	340	Unch
	Mansa	J-34	204	85	119
Haryana	Sirsa	J-34	170	340	-170
Rajasthan	Sri-Ganganagar	J-34	1500	1500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil	Price	Change
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State	Centre	Unit	6-Oct-22	4-Oct-22	
Gujarat	Rajkot	Rs. /10 Kg.	1315	1280	35
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1305	1260	45
Maharashtra	Mumbai	Rs. /10 Kg.	1310	1280	30

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	6-Oct-22	4-Oct-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	2377	2370	7
Maharashtra	Akola	Rs./Qtl	2687	2395	292

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	30-Sep-22	29-Sep-22	Change
A-Index	Cents/Pound	103.8	107.1	-3.30

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		30-Sep-22	30-Sep-22	Bales
Southeast	cents/lb.	89.34	91.59	0
North Delta	cents/lb.	88.34	90.59	0
South Delta	cents/lb.	88.34	90.59	0
East TX-OK	cents/lb.	85.09	87.59	0
West Texas	cents/lb.	84.34	85.84	0
Desert SW	cents/lb.	83.34	85.59	0
SJ Valley	cents/lb.	83.84	92.74	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
				4-Oct-22	3-Oct-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	51300	50800	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	52000	51500	500
J-34(202)	26mm	3.5 - 4.9	23	65600	64500	1100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	69000	69000	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	82000	82000	Unch

Daily Futures Price Listing Wednesday, Oct 05th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	221005	91.23	91.23	91.23	91.23	-4.91			
22-Dec	221005	88.26	90.52	83.2	83.23	-4.97	20,234	107,804	-464
22-Mar	221005	86.5	88.78	81.19	81.74	-4.45	7,900	54,745	730
23-May	221005	84.83	87.31	80.15	80.62	-4.16	3148	21,611	433
23-Jul	221005	82.93	85.25	78.39	79.02	-4.00	2458	14,390	651
23-Oct	221005	75.65	75.65	75.65	75.65	-3.41	0	1	0
Total Volume and Open Interest							34,784	224,681	1,477

Source: MRCI

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