

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.31,570/bale on Friday. ICE cotton futures closed red on Thursday.

**News:** Cotton farmers from Telangana are planning to protest on 29, 30 and 31<sup>st</sup> October 2022. Cotton farmers are demanding to increase the minimum support price (MSP) up to 12,000 per quintal for the 2022-23 season. They have claimed that the current MSP of Rs. 6,080 per quintal is not enough for them to meet the cost of production as it has raised to Rs. 8,000 per quintal. Along with increase in cost of production, the cotton yield has declined to 4-5 quintals per acre in Telangana.

AgriWatch expects cotton arrivals to increase after Diwali across India. A bumper cotton crop is expected for the 2022-23 season. Currently, as markets are closed arrivals had slowed down.

Cotton Association of India has released its cotton crop estimate for the 2022-23 season. Overall cotton production is expected to reach 344 lakh bales of cotton in the 2022-23 season higher as compared to the previous 307 lakh bales in the 2021-22 season. AgriWatch has estimated cotton production at 348.16 lakh bales for the 2022-23 season, yield is expected to improve mainly from Gujarat and Maharashtra. The state-wise break-up of cotton production is mentioned below:

State-wise Cotton Production Estimate			
State	2022-23	2021-22	Percentage Change (%)
Punjab	5	8.5	-41.2
Haryana	16.5	16.1	2.5
Rajasthan	17.33	25.67	-32.5
Gujarat	91	76.3	19.3
Maharashtra	84.5	75	12.7
Madhya Pradesh	20	20	0.0
Telangana	45	15	200.0
Andhra Pradesh	16	35.4	-54.8
Karnataka	25	20.25	23.5
Tamil Nadu	6	9.75	-38.5
Orissa	3	2.08	44.2
Other	3.5	3	16.7
All India	344	307.05	12.0

Source: CAI

### Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 27 <sup>th</sup> Oct 22	28 <sup>th</sup> Oct 22
Punjab	40900	500
Haryana	236500	4000
Lower Rajasthan	150000	3500
Ganga line	201500	5000
<b>Net Total</b>	<b>628900</b>	<b>13000</b>

Cotton Price (Rs/Quintal) as of 28 <sup>th</sup> Oct'22	
	Ready Delivery
Punjab	6450-6500
Haryana	6450-6500
Ganga line	6530-6550

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	29600	29010	29530	<b>-1.22%</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2417	2487	2402	2407	<b>60</b>
<b>Jan-23</b>	2412	2474	2404	2410	<b>50</b>

### Weather Forecast:

Heavy rainfall at isolated places over the Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe. Thunderstorm accompanied with lightening at isolated places over Kerala & Mahe, Tamil Nadu, Pondicherry & Karaikal.

### International Cotton Fundamentals:

The Cotlook A index was higher at 95.95 cents/lb. The AWP for cotton was 68.95 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Dec- 22</b>	75.11	<b>-271</b>
<b>Mar-23</b>	74.81	<b>-257</b>
<b>May-23</b>	74.53	<b>-222</b>

According to the U.S. Crop progress report, as of 24th Oct, 2022, U.S cotton Cotton Bolls opening stands at 98 percent which is higher than that of the previous season (96 percent). In the previous week cotton bolls opening was 97 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 25 percent in good to a fair condition which was 26 percent in the previous week.

### Cotton Yarn

With demand for yarn yet to pick up some millers have urged the government to extend the window for duty-free import of cotton until 31<sup>st</sup> March 2023. As per Indian Textpreneurs Federation, mills have declared an extended holiday for Diwali and are planning to run at a lower level of utilization in the range of 50 percent for some more period to rebalance the demand supply trend. Also, there is a slowdown in the arrival of cotton as farmers are unwilling to sell cotton at low price. The arrivals could pick by 10-15<sup>th</sup> November 2022 and it may exceed to one lakh bales further.

### DOMESTIC PRICES AND ARRIVALS

**Markets were closed due to Diwali**

#### Cotton Prices at Key Spot Markets:

Commodity		Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	28-Oct-22	27-Oct-22		
Gujarat	Ahmedabad	Shankar-6	Closed	Closed	-	
	Gondal	Shankar-6	Closed	Closed	-	
	Rajkot	B.T. Cotton	Closed	Closed	-	
	Patan	B.T. Cotton	Closed	Closed	-	
	Kadi	B.T. Cotton	8600	8600	Unch	
	Deesa	B.T. Cotton	Closed	Closed	-	
	Dhrol	B.T. Cotton	Closed	Closed	-	
Haryana	Bhiwani	B.T. Cotton	8400	8300	100	
	Bhiwani	Desi	NA	NA	-	
	Adampur	B.T. Cotton	8350	8500	-150	
	Fatehabad	B.T. Cotton	8425	8435	-10	
	Jind	B.T. Cotton	NA	NA	-	
	Uchana	B.T. Cotton	NA	NA	-	
	Dabwali	B.T. Cotton	Closed	Closed	-	
Rajasthan	Hanumangarh	B.T. Cotton	8450	8500	-50	
	Rawatsar	B.T. Cotton	8650	8600	50	
Madhya Pradesh	Khandwa	Mech-1	8500	Closed	-	
	Khargaon	Mech-1	Closed	Closed	-	
Maharashtra	Amravati	Mech-1	Closed	Closed	-	
	Jamner	Medium Staple	0	0	Unch	
Uttar Pradesh	Hathras	B.T. Cotton	7700	Closed	-	
	Hathras	Desi	NA	Closed	-	
Telangana	Adilabad	Un-Ginned	NA	NA	-	
Andhra Pradesh	Adoni	Un-Ginned	8599	NA	-	
Karnataka	Bijapur	Bunny	NA	8556	-	
	Hubli	D.C.H.	NA	NA	-	

	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8570	8500	70
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	28-Oct-22	27-Oct-22	
Punjab	Bhatinda	J-34	6500	6550	-50
	Abohar	J-34	6500	6550	-50
	Mansa	J-34	Closed	Closed	-
Haryana	Sirsa	J-34	6450	6500	-50
Rajasthan	Sri-Ganganagar	J-34	6110	6110	Unch

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	28-Oct-22	27-Oct-22	
Gujarat	Ahmedabad	Shankar-6	Closed	Closed	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	Closed	-
	Patan	B.T. Cotton	Closed	Closed	-
	Kadi	B.T. Cotton	5000	4000	1000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	Closed	-
Haryana	Bhiwani	B.T. Cotton	1000	1000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	850	850	Unch
	Fatehabad	B.T. Cotton	NA	100	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	Closed	Closed	-
	Dabwali	B.T. Cotton	Closed	Closed	-
Rajasthan	Hanumangarh	B.T. Cotton	3000	1000	2000
	Rawatsar	B.T. Cotton	3000	1000	2000
Madhya Pradesh	Khandwa	Mech-1	300	Closed	-
	Khargaon	Mech-1	Closed	Closed	-
Maharashtra	Amravati	Mech-1	Closed	Closed	-
	Jamner	Medium Staple	0	0	Unch
Uttar Pradesh	Hathras	B.T. Cotton	35	Closed	-
	Hathras	Desi	NA	Closed	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	5232	NA	-
Karnataka	Bijapur	Bunny	NA	4332	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	16	15	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	28-Oct-22	27-Oct-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	255	170	85
	Mansa	J-34	Closed	Closed	-
Haryana	Sirsa	J-34	340	170	170

Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch
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Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	28-Oct-22	27-Oct-22	
Gujarat	Rajkot	Rs. /10 Kg.	Closed	Closed	-
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1415	1425	-10
Maharashtra	Mumbai	Rs. /10 Kg.	1385	1390	-5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	28-Oct-22	27-Oct-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	Closed	Closed	-
Maharashtra	Akola	Rs./Qtl	2690	2665	25

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	27-Oct-22	26-Oct-22	Change
CCIndex(328)	RMB/Ton	15813	15807	6
CCIndex(527)	RMB/Ton	14113	14120	-7
CCIndex(229)	RMB/Ton	16092	16094	-2
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	27-Oct-22	26-Oct-22	Change
FC Index (S)	Cents/lb	97.64	98.6	-0.96
FC Index (M)	Cents/lb	96.14	97.05	-0.91
FC Index (L)	Cents/lb	94.8	95.71	-0.91

Cotlook Index:

Cotlook Indices	Unit	27-Oct-22	26-Oct-22	Change
A-Index	Cents/Pound	95.95	95.95	Unch

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		27-Oct-22	27-Oct-22	Bales
Southeast	cents/lb.	78.61	80.86	50
North Delta	cents/lb.	78.11	80.36	0
South Delta	cents/lb.	78.11	80.36	0
East TX-OK	cents/lb.	75.61	78.11	131

West Texas	cents/lb.	74.11	75.61	1553
Desert SW	cents/lb.	73.11	75.36	0
SJ Valley	cents/lb.	73.61	82.51	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
				27-Oct-22	26-Oct-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	54700	Closed	-
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	55400	Closed	-
J-34(202)	26mm	3.5 - 4.9	23	61500	Closed	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	Closed	-
Shankar-6(105)	29mm	3.5 - 4.9	28	65500	Closed	-
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	NA	Closed	-
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	Closed	-
DCH-32(107)	34mm	3.0 - 3.8	33	78000	Closed	-

#### Daily Futures Price Listing Thursday, Oct 27th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221027	77.81	78.1	74.82	75.11	-2.71	17090	102345	-2608
<a href="#">23-Mar</a>	221027	77.38	77.67	74.5	74.81	-2.57	11,071	72,320	1781
<a href="#">23-May</a>	221027	76.75	77.18	74.21	74.53	-2.22	4,072	22,121	-316
<a href="#">23-Jul</a>	221027	75.65	76.11	73.5	73.78	-1.91	1389	22,834	203
<a href="#">23-Oct</a>	221027	72.43	72.43	72.43	72.43	-1.68	0	2	0
<a href="#">23-Dec</a>	221027	73.12	73.12	71.51	71.63	-1.42	780	21382	66
Total Volume and Open Interest							34,635	245,987	-827

Source: MRCI

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