

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a steady trend across India today. MCX cotton spot price was lower at Rs.31,340/bale on Friday. ICE cotton futures closed green on Thursday.

News: Cotton yesterday settled higher by 0.23 % at 30990 as cotton production is expected to fall dramatically in Telangana due to heavy rains and pest attack during the past month. Cotton Quality has also been affected and farmers are demanding a higher MSP from the government.

Cotton prices in Guntur market traded higher yesterday. Prices have gained due to improved demand of quality cotton. Cotton is being sold at Rs. 8,800 to Rs.9,000 per quintal against the minimum support price of Rs. 6,080 per quintal for the 2022-23 season. Cotton Corporation of India has also started procurement operations on around 85 centers across the state.

According to AgriWatch sources, cotton prices have decreased amid poor demand from the spinning industry. Cotton arrival are still limited as farmers are not interested in selling at current prices. The higher prices during the previous season raised the expectations of farmers regarding cotton prices. Farmers in Northern India has put their cotton produce in stock and are not willing to sell it at lower price.

The heavy rainfalls during the last week have affected the cotton crop in Khammam, as a result the cotton production is likely to get affected. Around 2.21 lakh acres of area is under the cotton cultivation this year and the cotton farmers are mainly concerned about the prices for their produce in coming weeks. Crop yield has also declined this time due to excessive rains. Currently, in local market prices are trading at Rs. 8,500 per quintal against the minimum support price of Rs. 6,080 per quintal.

During the past week, cotton arrivals had slowed down due to Diwali festival. AgriWatch expects cotton arrivals to increase in the coming week across India. Monsoon has withdrawn from major cotton belts across India. Although there were issues reported from some areas as the crop was affected due to rains previously. With lack of demand and downtrend in future market, cotton prices in physical market had fallen during the last week.

Due to disparity, ginning factories are not running regularly. Cottonseed prices are stable to firm. Demand, and supply both are limited. Raw cotton prices have fallen during the last week as a result ginners, spinners, and traders all are waiting for market to become stable. As per the Agriwatch sources, farmers may stock cotton if prices further fell in coming week.

Export demand has also fallen, as buyers from Bangladesh are facing issues of the gas shortage and limitation of forex fund. Due to war between Russia and Ukraine supply of gas, crude and so many commodities are disturbed globally. Inflation has increased in most of the countries.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 02 nd Nov 22	03 rd Nov 22
Punjab	45000	1000
Haryana	259000	4000
Lower Rajasthan	168500	3500
Ganga line	230000	5500
Net Total	702500	14000

Cotton Price (Rs/Quintal) as of 03 rd Nov'22	
	Ready Delivery
Punjab	6250-6300
Haryana	6200-6300
Ganga line	6400-6425

MCX Cotton

	High	Low	Close	Change
MCX Cotton	32000	30760	31560	+570

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2532	2612	2523	2532	+67
Jan-23	2551	2621	2551	2524	+96

Weather Forecast:

Heavy rainfall at isolated places over the Tamil Nadu, Pondicherry and Karikal, and Kerala & Mahe. Thunderstorm accompanied with lightening at isolated places over Coastal Andhra Pradesh & Yanam, Rayalaseema, Kerala & Mahe.

International Cotton Fundamentals:

The Cotlook A index was lower at 92.20 cents/lb. The AWP for cotton was 65.46 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	83.00	+400



Mar-23	82.17	+353
May-23	82.00	+315

According to the U.S. Crop progress report, as of 31st Oct, 2022, U.S cotton Cotton Bolls opening stands at 99 percent which is higher than that of the previous season (94 percent). In the previous week cotton bolls opening was 98 percent. Overall 55 percent of the U.S Cotton Crop is harvested as compared to previous week 45 percent. During the previous season cotton harvested was around 44 percent.

The Australian cotton industry is expecting a large cotton crop despite the rains which had already damaged the crop in the country. In some areas, cotton picking has been affected due to rains, particularly in Narrabri and Moree.

Cotton Yarn

Cotton Yarn prices had declined today as market remained weak. The prices dropped by Rs.10-15 per kg in Ludhiana and Delhi due weak demand in the market. Cotton prices had fallen by Rs. 300-350 per maund of 37.2 kg in north India. Panipat's recycled yarn also witnessed a bearish trend despite possible supply disruption. In Ludhiana, 30 count cotton combed yarn was sold at Rs.300-310 per kg, 20 and 25 count combed yarn were traded at Rs.290-300 per kg and Rs.295-305 per kg respectively. Carded yarn of 30 count remained steady at Rs.275-285 per kg. In Delhi, demand remained weak as buyers and sellers were waiting for buying to improve from the downstream industry. Cotton yarn eased by Rs.5 per kg for major counts and varieties.

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 31st March 2023. As per Indian Texpreneurs 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 10-15th November 2022 and it may exceed to one lakh bales further.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	4-Nov-22	3-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9000	9000	Unch
	Gondal	Shankar-6	9080	9130	-50
	Rajkot	B.T. Cotton	8850	8750	100
	Patan	B.T. Cotton	8850	8730	120
	Kadi	B.T. Cotton	8500	8500	Unch
	Deesa	B.T. Cotton	1631	1627	4
	Dhrol	B.T. Cotton	8910	8860	50
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	8450	Closed	-
	Fatehabad	B.T. Cotton	8300	8350	-50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8575	8440	135
Rajasthan	Hanumangarh	B.T. Cotton	8600	8600	Unch
	Rawatsar	B.T. Cotton	8200	8500	-300
Madhya Pradesh	Khandwa	Mech-1	8500	8500	Unch
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	Closed	Closed	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7500	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	8220	8060	160
Andhra Pradesh	Adoni	Un-Ginned	8729	NA	-
Karnataka	Bijapur	Bunny	NA	9393	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9250	9100	150
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	4-Nov-22	3-Nov-22	
Punjab	Bhatinda	J-34	6300	6300	Unch
	Abohar	J-34	6350	6300	50
	Mansa	J-34	6200	6350	-150
Haryana	Sirsa	J-34	6250	6250	Unch
Rajasthan	Sri-Ganganagar	J-34	6110	6110	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	4-Nov-22	3-Nov-22	
Gujarat	Ahmedabad	Shankar-6	25500	25500	Unch
	Gondal	Shankar-6	8700	8650	50
	Rajkot	B.T. Cotton	1829	3000	-1171

	Patan	B.T. Cotton	13115	12010	1105
	Kadi	B.T. Cotton	30000	40000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	396	369	27
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	1360	Closed	-
	Fatehabad	B.T. Cotton	NA	100	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	600	700	-100
	Dabwali	B.T. Cotton	600	700	-100
Rajasthan	Hanumangarh	B.T. Cotton	2500	3000	-500
	Rawatsar	B.T. Cotton	2500	3000	-500
Madhya Pradesh	Khandwa	Mech-1	600	600	Unch
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	Closed	Closed	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	60	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	9467.9	8668.4	799.5
Andhra Pradesh	Adoni	Un-Ginned	3701	NA	-
Karnataka	Bijapur	Bunny	NA	7579	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	20	22	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	4-Nov-22	3-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	425	85
	Mansa	J-34	170	51	119
Haryana	Sirsa	J-34	425	425	Unch
Rajasthan	Sri-Ganganagar	J-34	2500	2500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	4-Nov-22	3-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1420	1430	-10
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1415	1435	-20
Maharashtra	Mumbai	Rs. /10 Kg.	1420	1420	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	4-Nov-22	3-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3051	3007	44
Maharashtra	Akola	Rs./Qtl	2868	2818	50

Cotton Yarn Prices:

Cotton Yarn Prices	3-Nov-22	2-Nov-22	Change	3-Nov-22	2-Nov-22	Change
Varietiy	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.96	2.96	Unch	244	244	Unch
Ne 20/1 Combed Hosiery Yarn	3.08	3.08	Unch	254	254	Unch
Ne 21/1 Carded Weaving Yarn	2.96	2.96	Unch	244	244	Unch
Ne 26/1 Combed Hosiery Yarn	3.2	3.2	Unch	264	264	Unch
Ne 30/1 Carded Hosiery Yarn	3.12	3.12	Unch	257	257	Unch
Ne 30/1 Combed Hosiery Yarn	3.26	3.26	Unch	269	269	Unch
Ne 32/1 Carded Weaving Yarn	3.26	3.26	Unch	269	269	Unch
Ne 34/1 Combed Hosiery Yarn	3.44	3.44	Unch	284	284	Unch
Ne 40/1 Combed Hosiery Yarn	3.62	3.62	Unch	299	299	Unch
Ne 40/1 Carded Weaving Yarn	3.44	3.44	Unch	284	284	Unch
Ne 30/2 Carded Hosiery Yarn	3.44	3.44	Unch	284	284	Unch
Ne 32/2 Combed Knitting Yarn	3.75	3.75	Unch	309	309	Unch
Ne 32/2 Carded Hosiery Yarn	3.44	3.44	Unch	284	284	Unch
Ne 40/2 Combed Hosiery Yarn	4.17	4.17	Unch	344	344	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.44	3.44	Unch	284	284	Unch
Ne 40/1 Combed Compact Weaving Yarn	3.81	3.81	Unch	314	314	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.17	4.17	Unch	344	344	Unch
Ne 16/1 Open End Yarn	2.17	2.17	Unch	179	179	Unch
Ne 21/1 Open End Yarn	2.35	2.35	Unch	194	194	Unch
Ne 24/1 Open End Yarn	2.65	2.65	Unch	219	219	Unch

INTERNATIONAL PRICES AND INDICES
China Cotton Index:

Index	Unit	4-Nov-22	3-Nov-22	Change
CCIndex(328)	RMB/Ton	15448	15410	38
CCIndex(527)	RMB/Ton	13881	13872	9
CCIndex(229)	RMB/Ton	15787	15756	31

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

China Foreign Cotton (FCE) Index :

Index	Unit	4-Nov-22	3-Nov-22	Change
FC Index (S)	Cents/lb	102.39	98.83	3.56
FC Index (M)	Cents/lb	100.72	97.37	3.35
FC Index (L)	Cents/lb	99.37	96.02	3.35

Cotlook Index:

Cotlook Indices	Unit	3-Nov-22	1-Nov-22	Change
A-Index	Cents/Pound	96.2	89.2	7.00

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		3-Nov-22	3-Nov-22	Bales
Southeast	cents/lb.	85.25	87.5	0
North Delta	cents/lb.	84.25	86.5	0
South Delta	cents/lb.	84.25	86.5	40
East TX-OK	cents/lb.	83.5	86	367
West Texas	cents/lb.	82	83.5	0
Desert SW	cents/lb.	81	83.25	0
SJ Valley	cents/lb.	81.5	90.4	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

Daily Futures Price Listing Thursday, Nov 03rd 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221103	79.9	83	77.69	83	4.00	13666	98252	-1459
23-Mar	221103	78.81	82.46	76.64	82.17	3.53	13,245	80,887	670
23-May	221103	78.55	82.21	76.6	82	3.15	4,933	23,964	850
23-Jul	221103	78.42	81.5	76.25	81.16	2.44	2997	24,903	-175
23-Oct	221103	79.16	79.16	79.16	79.16	2.19	0	2	0
23-Dec	221103	74.42	77.49	73.85	77.26	1.38	1719	22193	188
Total Volume and Open Interest							36,696	255,458	58

Source: MRCI

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