

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed a steady trend across India today. MCX cotton spot price was lower at Rs.31,930/bale on Monday. ICE cotton futures closed green on Friday.

**News:** During the past week, Monsoon has completely withdrawn from major cotton belts across India. Spinning mills had started operating. Demand for yarn is also increasing from the domestic and export market. Further, Cotton prices are expected to remain firm for the coming week. Due to disparity, ginning factories are not running regularly. Cottonseed prices are firm. There is shortage of cottonseed in market due to lesser ginning process. Raw cotton prices went up sharply due to shooting up of ICE futures.

According to AgriWatch sources, cotton arrivals have increased in the market. Daily arrivals are around 70-75,000 per bales per day. Farmers in Northern India has put their cotton produce in stock in anticipation of increase in prices during the coming week.

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.

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.

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 06 <sup>th</sup> Nov 22	07th Nov 22
Punjab	50000	1000
Haryana	275000	5000
Lower Rajasthan	185000	6000
Ganga line	250000	6000
<b>Net Total</b>	<b>760000</b>	<b>18000</b>

Cotton Price (Rs/Quintal) as of 07 <sup>th</sup> Nov'22	
	Ready Delivery
Punjab	6400-6450
Haryana	6350-6450
Ganga line	6600-6650

**MCX Cotton**

	High	Low	Close	Change
<b>MCX Cotton</b>	32400	31600	31860	<b>-190</b>

**NCDEX Cottonseed Oilcake**

	Open	High	Low	Close	Change
<b>Dec-20</b>	2625	2665	2563	2641	<b>3.00</b>
<b>Jan-23</b>	2600	2605	2538	2601	<b>-16.0</b>

**Weather Forecast:**

Thunderstorm accompanied with lightening at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, Muzaffarabad, Himachal Pradesh, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe. & 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
<b>Dec- 22</b>	86.93	<b>+393</b>
<b>Mar-23</b>	85.67	<b>+350</b>
<b>May-23</b>	84.63	<b>+263</b>

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 remained steady today in the South Indian, with demand improving in Tiruppur and Mumbai market. As per the market sources, the recent rise in ICE cotton has encouraged buyers. However, consumer buying has not picked up yet.

In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,620-1,650 and Rs.1,550-1,570 per 5 kg respectively. 60 combed warp was priced at Rs.350-355 per kg. 80 carded (weft) cotton yarn was sold at Rs.1,450-1,480 per 4.5 kg.

In the Tiruppur market, cotton yarn prices remained stable, but demand improved due to an increase in cotton prices. Today, 30 count combed cotton yarn was traded at Rs.305-310 per kg, 34 count combed at Rs.315-320 per kg and 40 count combed at Rs.320-325 per kg in the Tiruppur market.

Cotton prices were at Rs.64,500 to Rs. 65,000 per candy in Gujarat. Seed cotton was traded at Rs.1,800-1,900 per maund of 20 kg while seed at Rs.4,000 per quintal. Total arrival was estimated at 16,000-17,000 bales of 170 kg in Gujarat mandis.

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 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 10-15<sup>th</sup> November 2022 and it may exceed to one lakh bales further.

## DOMESTIC PRICES AND ARRIVALS

### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	7-Nov-22	5-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9000	9125	-125
	Gondal	Shankar-6	NA	NA	-
	Rajkot	B.T. Cotton	8950	9100	-150
	Patan	B.T. Cotton	8930	9025	-95
	Kadi	B.T. Cotton	9125	9250	-125
	Deesa	B.T. Cotton	1650	1626	24
	Dhrol	B.T. Cotton	8955	9030	-75
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	8550	8500	50
	Fatehabad	B.T. Cotton	NA	8300	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	8390	-
	Dabwali	B.T. Cotton	8690	8575	115
Rajasthan	Hanumangarh	B.T. Cotton	8550	8800	-250

	Rawatsar	B.T. Cotton	8850	8800	50
Madhya Pradesh	Khandwa	Mech-1	8800	8700	100
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9000	Closed	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7500	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	NA	8400	-
Andhra Pradesh	Adoni	Un-Ginned	9047	8888	159
Karnataka	Bijapur	Bunny	NA	9269	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9550	9500	50
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	7-Nov-22	5-Nov-22	
Punjab	Bhatinda	J-34	6450	6450	Unch
	Abohar	J-34	6450	6450	Unch
	Mansa	J-34	6450	6300	150
Haryana	Sirsa	J-34	6350	6350	Unch
Rajasthan	Sri-Ganganagar	J-34	6204	6157	47

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	7-Nov-22	5-Nov-22	
Gujarat	Ahmedabad	Shankar-6	34000	37400	-3400
	Gondal	Shankar-6	8750	8950	-200
	Rajkot	B.T. Cotton	3600	3400	200
	Patan	B.T. Cotton	14710	12187	2523
	Kadi	B.T. Cotton	30000	40000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	482	366	116
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	1360	1020	340
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	800	600	200
	Dabwali	B.T. Cotton	800	600	200
Rajasthan	Hanumangarh	B.T. Cotton	3000	1500	1500
	Rawatsar	B.T. Cotton	3000	1500	1500
Madhya Pradesh	Khandwa	Mech-1	1300	600	700
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	500	Closed	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	40	40	Unch
	Hathras	Desi	40	40	Unch
Telangana	Adilabad	Un-Ginned	NA	1681.7	-

Andhra Pradesh	Adoni	Un-Ginned	3174	4852	-1678
Karnataka	Bijapur	Bunny	NA	6143	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	22	15	7
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	7-Nov-22	5-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	680	510	170
	Mansa	J-34	255	170	85
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	3000	2500	500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	7-Nov-22	5-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1440	1425	15
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1442	1430	12
Maharashtra	Mumbai	Rs. /10 Kg.	1440	1440	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	7-Nov-22	5-Nov-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	3114	3063	51
Maharashtra	Akola	Rs./Qtl	3026	2931	95

Cotton Yarn Prices:

Cotton Yarn Prices	3-Nov-22	2-Nov-22	Change	3-Nov-22	2-Nov-22	Change
Variety	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	7-Nov-22	5-Nov-22	Change
CCIndex(328)	RMB/Ton	15426	Closed	-
CCIndex(527)	RMB/Ton	13883	Closed	-
CCIndex(229)	RMB/Ton	15775	Closed	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

**China Foreign Cotton (FCE) Index :**

Index	Unit	7-Nov-22	5-Nov-22	Change
FC Index (S)	Cents/lb	106.29	Closed	-
FC Index (M)	Cents/lb	104.34	Closed	-
FC Index (L)	Cents/lb	103	Closed	-

**Cotlook Index:**

Cotlook Indices	Unit	5-Nov-22	4-Nov-22	Change
A-Index	Cents/Pound	Closed	100.1	-

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		5-Nov-22	5-Nov-22	Bales
Southeast	cents/lb.	Closed	Closed	Closed
North Delta	cents/lb.	Closed	Closed	Closed
South Delta	cents/lb.	Closed	Closed	Closed
East TX-OK	cents/lb.	Closed	Closed	Closed
West Texas	cents/lb.	Closed	Closed	Closed
Desert SW	cents/lb.	Closed	Closed	Closed
SJ Valley	cents/lb.	Closed	Closed	Closed

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
				5-Nov-22	4-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	57800	57300	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	58500	58000	500
J-34(202)	26mm	3.5 - 4.9	23	59600	59100	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	66000	65000	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	78000	78000	Unch

**Daily Futures Price Listing Friday, Nov 04th 2022**

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221104	83.45	87.87	81.25	86.93	3.93	31098	92961	-5291
<a href="#">23-Mar</a>	221104	82.2	86.25	79.4	85.67	3.50	20,088	81,368	481
<a href="#">23-May</a>	221104	82.14	85.76	79.37	84.63	2.63	6,901	24,375	411
<a href="#">23-Jul</a>	221104	80.63	84.55	79.26	83.26	2.10	5810	25,680	777
<a href="#">23-Oct</a>	221104	80.96	80.96	80.96	80.96	1.80	0	2	0
<a href="#">23-Dec</a>	221104	77.38	79.15	75	78.37	1.11	2167	22193	0
Total Volume and Open Interest							66,450	251,742	-3,716

Source: MRCI

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