

Domestic Fundamentals:

Market Outlook:

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

Key Highlights:

- Raw cotton Arrival is lower in the market as the farmers are holding cotton in anticipation of high price.
- Cotton Ginners face huge disparity, only 30% of ginning factories are running and cotton bales availability is very less. Cotton Ginning factories will operate in full swing after 25th November.
- Cotton Spinner faces huge disparity as there is very less Yarn and garment demand ahead. If this scenario continues ahead then it will be difficult for the whole chain from cotton ginning to garments industries.
- Overseas demand very less from cotton fibers to finish garments. Due to war and worldwide economic recession situation seems totally difficult ahead.
- ICE Cotton Future has been strong within 3-4 trading session by 13-14 cent (from 71 level to 86 cent level) so it's difficult for the short seller.
- All major buyers in wait and watch situation as the market is very volatile so they have not started buying for their consumption yet.
- Maharashtra / Telangana / AP State - Current Cotton quality is poor due to the last rain.

News: During the past week, Monsoon has completely withdrawn from major cotton belts across India. Few Spinning mills had started operating. 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.

State-Wise Cotton Arrivals (MT) (October Month)			
Month	2022-23	2021-22	% Change
Andhra Pradesh	7,969	14,923	-0.5
Gujarat	59,468	190,121	-0.7
Haryana	8,541	9,329	-0.1
Karnataka	8,094	10,480	-0.2
Madhya Pradesh	29,229	74,094	-0.6
Maharashtra	396	24,963	-1.0
Odisha	0	10	0.0
Punjab	2,272	20,323	-0.9
Rajasthan	94,489	115,854	-0.2
Tamil Nadu	707	1,200	-0.4
Telangana	10,546	75,580	-0.9
Uttar Pradesh	70	1,669	-1.0
All India	221781.4	538545	-0.5882

Source: Agmarknet

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.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 08 th Nov 22	09th Nov 22
Punjab	40800	800
Haryana	275000	5000
Lower Rajasthan	329000	6500
Ganga line	374000	7000
Net Total	1018800	19300

Cotton Price (Rs/Quintal) as of 09 th Nov'22	
	Ready Delivery
Punjab	6350-6475
Haryana	6350-6450
Ganga line	6625-6675

MCX Cotton

	High	Low	Close	Change
MCX Cotton	32870	31940	32700	+450

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2630	2693	2607	2644	+36
Jan-23	2580	2634	2558	2581	+47

Weather Forecast:

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

International Cotton Fundamentals:

The Cotlook A index was lower at 104.10 cents/lb. The AWP for cotton was 65.46 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	87.68	+19
Mar-23	85.74	-9
May-23	84.84	+23

Bangladesh textile mills association has urged the government to discourage yarn imports amid the ongoing dollar crisis as the local spinning mill owners have huge stock piles due to a decline in demand.

According to the U.S. Crop progress report, as of 06th Nov, 2022. Overall 62 percent of the U.S Cotton Crop is harvested as compared to previous week 55 percent. During the previous season cotton harvested was around 54 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.

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.

Cotton Yarn

South Indian cotton yarn prices witnessed a mixed trend today. Prices for various varieties and counts increased in Mumbai but remained steady in Tripura. The demand has improved in the last week as costlier cotton encouraged buyers.

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.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	9-Nov-22	7-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9100	9000	100
	Gondal	Shankar-6	9105	9080	25
	Rajkot	B.T. Cotton	9285	8950	335
	Patan	B.T. Cotton	9055	8930	125
	Kadi	B.T. Cotton	9300	9125	175
	Deesa	B.T. Cotton	1688	1650	38
	Dhrol	B.T. Cotton	8940	8955	-15
Haryana	Bhiwani	B.T. Cotton	8600	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	8600	8550	50
	Fatehabad	B.T. Cotton	8625	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8585	8690	-105
Rajasthan	Hanumangarh	B.T. Cotton	8800	8550	250
	Rawatsar	B.T. Cotton	8800	8850	-50
Madhya Pradesh	Khandwa	Mech-1	9000	8800	200
	Khargaon	Mech-1	NA	8835	-
Maharashtra	Amravati	Mech-1	8600	9000	-400
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7500	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9499	9047	452
Karnataka	Bijapur	Bunny	9990	9930	60
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9500	9550	-50
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	9-Nov-22	7-Nov-22	
Punjab	Bhatinda	J-34	6475	6450	25
	Abohar	J-34	6500	6450	50
	Mansa	J-34	6500	6450	50
Haryana	Sirsa	J-34	6400	6350	50
Rajasthan	Sri-Ganganagar	J-34	6251	6204	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	9-Nov-22	7-Nov-22	
Gujarat	Ahmedabad	Shankar-6	37400	34000	3400
	Gondal	Shankar-6	8375	8750	-375

	Rajkot	B.T. Cotton	4000	3600	400
	Patan	B.T. Cotton	15356	14710	646
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	735	482	253
Haryana	Bhiwani	B.T. Cotton	2000	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	1700	1360	340
	Fatehabad	B.T. Cotton	200	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	200	800	-600
	Dabwali	B.T. Cotton	200	800	-600
Rajasthan	Hanumangarh	B.T. Cotton	2500	3000	-500
	Rawatsar	B.T. Cotton	2500	3000	-500
Madhya Pradesh	Khandwa	Mech-1	1200	1300	-100
	Khargaon	Mech-1	NA	1320	-
Maharashtra	Amravati	Mech-1	500	500	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	40	20
	Hathras	Desi	NA	40	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	4190	3174	1016
Karnataka	Bijapur	Bunny	8773	6143	2630
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	16	22	-6
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	9-Nov-22	7-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	680	-170
	Mansa	J-34	255	255	Unch
Haryana	Sirsa	J-34	170	340	-170
Rajasthan	Sri-Ganganagar	J-34	2500	3000	-500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	9-Nov-22	7-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1390	1440	-50
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1385	1442	-57
Maharashtra	Mumbai	Rs. /10 Kg.	1405	1440	-35

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	9-Nov-22	7-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3078	3114	-36
Maharashtra	Akola	Rs./Qtl	2967	3026	-59

Cotton Yarn Prices:

Cotton Yarn Prices	9-Nov-22	3-Nov-22	Change	9-Nov-22	3-Nov-22	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	3.02	2.96	0.06	249	244	5.00
Ne 20/1 Combed Hosiery Yarn	3.14	3.08	0.06	259	254	5.00
Ne 21/1 Carded Weaving Yarn	3.02	2.96	0.06	249	244	5.00
Ne 26/1 Combed Hosiery Yarn	3.26	3.2	0.06	269	264	5.00
Ne 30/1 Carded Hosiery Yarn	3.18	3.12	0.06	262	257	5.00
Ne 30/1 Combed Hosiery Yarn	3.32	3.26	0.06	274	269	5.00
Ne 32/1 Carded Weaving Yarn	3.32	3.26	0.06	274	269	5.00
Ne 34/1 Combed Hosiery Yarn	3.5	3.44	0.06	289	284	5.00
Ne 40/1 Combed Hosiery Yarn	3.68	3.62	0.06	304	299	5.00
Ne 40/1 Carded Weaving Yarn	3.5	3.44	0.06	289	284	5.00
Ne 30/2 Carded Hosiery Yarn	3.5	3.44	0.06	289	284	5.00
Ne 32/2 Combed Knitting Yarn	3.87	3.75	0.12	319	309	10.00
Ne 32/2 Carded Hosiery Yarn	3.5	3.44	0.06	289	284	5.00
Ne 40/2 Combed Hosiery Yarn	4.29	4.17	0.12	354	344	10.00
Ne 30/1 Combed Compact Weaving Yarn	3.5	3.44	0.06	289	284	5.00
Ne 40/1 Combed Compact Weaving Yarn	3.93	3.81	0.12	324	314	10.00
Ne 50/1 Combed Compact Weaving Yarn	4.29	4.17	0.12	354	344	10.00
Ne 16/1 Open End Yarn	2.23	2.17	0.06	184	179	5.00
Ne 21/1 Open End Yarn	2.41	2.35	0.06	199	194	5.00
Ne 24/1 Open End Yarn	2.72	2.65	0.07	224	219	5.00

INTERNATIONAL PRICES AND INDICES
China Cotton Index:

Index	Unit	7-Nov-22	4-Nov-22	Change
CCIndex(328)	RMB/Ton	15426	15448	-22
CCIndex(527)	RMB/Ton	13883	13881	2
CCIndex(229)	RMB/Ton	15775	15787	-12
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	7-Nov-22	4-Nov-22	Change
FC Index (S)	Cents/lb	106.29	102.39	3.90
FC Index (M)	Cents/lb	104.34	100.72	3.62
FC Index (L)	Cents/lb	103	99.37	3.63

Cotlook Index:

Cotlook Indices	Unit	7-Nov-22	4-Nov-22	Change
A-Index	Cents/Pound	NA	100.1	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		7-Nov-22	7-Nov-22	Bales
Southeast	cents/lb.	89.74	89.74	199
North Delta	cents/lb.	88.74	88.74	0
South Delta	cents/lb.	88.74	88.74	0
East TX-OK	cents/lb.	86.24	86.24	888
West Texas	cents/lb.	86.24	86.24	2
Desert SW	cents/lb.	85.49	85.49	0
SJ Valley	cents/lb.	85.99	85.99	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
				7-Nov-22	5-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	57500	57800	-300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	58200	58500	-300
J-34(202)	26mm	3.5 - 4.9	23	60300	59600	700
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	66000	66000	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	76500	78000	-1500

Daily Futures Price Listing Tuesday, Nov 08th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221108	87.46	89.31	86.25	87.68	0.19	36848	88567	-4163
23-Mar	221108	85.35	87.15	84.57	85.74	-0.09	28,418	85,680	1435
23-May	221108	84.64	86.11	83.9	84.84	-0.23	11,682	25,370	394
23-Jul	221108	83.7	84.93	83.24	83.85	-0.28	4333	25,458	-311
23-Oct	221108	78.91	78.91	78.91	78.91	-0.92	0	2	0
23-Dec	221108	78.5	79.29	77.8	78.51	-0.21	1896	21818	-566
Total Volume and Open Interest							83,219	252,071	-3,222

Source: MRCI

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2022 Indian Agribusiness Systems Ltd.