

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed a steady trend across India today. MCX cotton spot price was higher at Rs.32,310/bale on Thursday. ICE cotton futures closed green on Wednesday.

#### **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**News:** During the past week, Monsoon has completely withdrawn from major cotton belts across India.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
<b>All India</b>	<b>221781.4</b>	<b>538545</b>	<b>-0.5882</b>

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 09 <sup>th</sup> Nov 22	10 <sup>th</sup> Nov 22
Punjab	41600	1000
Haryana	280000	5000
Lower Rajasthan	335500	6000
Ganga line	381000	7000
<b>Net Total</b>	<b>1038100</b>	<b>19000</b>

Cotton Price (Rs/Quintal) as of 10 <sup>th</sup> Nov'22	
	Ready Delivery
Punjab	6500-6600
Haryana	6500-6600
Ganga line	6700-6750

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	32980	32400	32490	<b>-360</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2686	2726	2653	2682	<b>-17</b>
<b>Jan-23</b>	2637	2660	2610	2630	<b>-17</b>

**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 104.50 cents/lb. The AWP for cotton was 65.46 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Dec- 22</b>	86.5	<b>-118</b>
<b>Mar-23</b>	84.73	<b>-101</b>
<b>May-23</b>	83.79	<b>-105</b>

According to the USDA, World Agriculture Supply Demand Estimate Report, U.S. cotton production is expected to be higher by 1.5%, at 14.0 million bales, as a decrease in the Southwest is more than offset by increases elsewhere. Domestic mill use and exports are unchanged, and ending stocks are 200,000 bales higher at 3.0 million bales. The 2022-23 season average price for upland cotton is reduced 5 cents this month to 85 cents per pound.

The 2022-23 World cotton production is expected to be lower by 1.6 million bales, led by a 700,000-bale cut in Pakistan's crop as gin arrivals there signal the extent of damage from earlier precipitation and flooding. Unusually high precipitation is also driving a 500,000-bale reduction in Australia's 2022-23 crop, and in part accounts for a 630,000-bale decline in West Africa's expected output. Global cotton consumption is projected around 650,000 bales lower, with a 300,000-bale cut to mill use in both Pakistan and Bangladesh.

World trade is 400,000 bales lower, with import reductions for Bangladesh and China only partly offset by Pakistan's increase; West African exporters account for most of the decline in projected exports. At 87.3 million bales, world-ending stocks in 2022-23 are projected 600,000 bales lower than in October, but 1.6 million higher than the year before.

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 06<sup>th</sup> 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.

### 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 ARRIVALS

#### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	10-Nov-22	9-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9125	9100	25
	Gondal	Shankar-6	9230	9105	125
	Rajkot	B.T. Cotton	9000	9285	-285
	Patan	B.T. Cotton	9255	9055	200
	Kadi	B.T. Cotton	9250	9300	-50
	Deesa	B.T. Cotton	1650	1688	-38
	Dhrol	B.T. Cotton	9130	8940	190
Haryana	Bhiwani	B.T. Cotton	8600	8600	Unch
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	8800	8600	200
	Fatehabad	B.T. Cotton	8690	8625	65
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NR	8585	-
Rajasthan	Hanumangarh	B.T. Cotton	8950	8800	150
	Rawatsar	B.T. Cotton	8750	8800	-50
Madhya Pradesh	Khandwa	Mech-1	9000	9000	Unch
	Khargaon	Mech-1	9060	8800	260
Maharashtra	Amravati	Mech-1	9000	8600	400
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7500	7500	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	8550	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9342	9499	-157

Karnataka	Bijapur	Bunny	9888	9990	-102
	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	10-Nov-22	9-Nov-22	
Punjab	Bhatinda	J-34	6600	6475	125
	Abohar	J-34	6650	6500	150
	Mansa	J-34	6500	6500	Unch
Haryana	Sirsa	J-34	6500	6400	100
Rajasthan	Sri-Ganganagar	J-34	6251	6251	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	10-Nov-22	9-Nov-22	
Gujarat	Ahmedabad	Shankar-6	37400	37400	Unch
	Gondal	Shankar-6	8850	8375	475
	Rajkot	B.T. Cotton	3400	4000	-600
	Patan	B.T. Cotton	14977	15356	-379
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	470	735	-265
Haryana	Bhiwani	B.T. Cotton	1700	2000	-300
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	200	200	Unch
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	200	-
	Dabwali	B.T. Cotton	NR	200	-
Rajasthan	Hanumangarh	B.T. Cotton	3000	2500	500
	Rawatsar	B.T. Cotton	3000	2500	500
Madhya Pradesh	Khandwa	Mech-1	1200	1200	Unch
	Khargaon	Mech-1	1180	1220	-40
Maharashtra	Amravati	Mech-1	1000	500	500
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	60	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	17930	NA	-
Andhra Pradesh	Adoni	Un-Ginned	4190	4190	Unch
Karnataka	Bijapur	Bunny	7740	8773	-1033
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-

	Raichur	H-44 Cotton	18	16	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	10-Nov-22	9-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	510	Unch
	Mansa	J-34	170	255	-85
Haryana	Sirsa	J-34	170	170	Unch
Rajasthan	Sri-Ganganagar	J-34	3000	2500	500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	10-Nov-22	9-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1370	1390	-20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1360	1385	-25
Maharashtra	Mumbai	Rs. /10 Kg.	1405	1405	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	10-Nov-22	9-Nov-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	3114	3078	36
Maharashtra	Akola	Rs./Qtl	3098	2967	131

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 INDICESChina Cotton Index:

Index	Unit	9-Nov-22	8-Nov-22	Change
CCIndex(328)	RMB/Ton	15364	15461	-97
CCIndex(527)	RMB/Ton	13838	13899	-61
CCIndex(229)	RMB/Ton	15700	15784	-84
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	9-Nov-22	7-Nov-22	Change
FC Index (S)	Cents/lb	107.09	106.29	0.80
FC Index (M)	Cents/lb	105.27	104.34	0.93
FC Index (L)	Cents/lb	103.92	103	0.92

Cotlook Index:

Cotlook Indices	Unit	9-Nov-22	7-Nov-22	Change
A-Index	Cents/Pound	104.5	NA	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		9-Nov-22	9-Nov-22	Bales
Southeast	cents/lb.	88.5	90.75	469
North Delta	cents/lb.	87.75	90	13
South Delta	cents/lb.	87.75	90	15
East TX-OK	cents/lb.	84.25	86.75	1011
West Texas	cents/lb.	84.25	85.75	531
Desert SW	cents/lb.	84	86.25	0
SJ Valley	cents/lb.	84.5	93.4	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

## Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				9-Nov-22	7-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	58000	57500	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	58700	58200	500
J-34(202)	26mm	3.5 - 4.9	23	60800	60300	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	66300	66000	300
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	77500	76500	1000

## Daily Futures Price Listing Wednesday, Nov 09th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221109	87.68	88.75	84.19	86.5	-1.18	33512	73539	-15028
<a href="#">23-Mar</a>	221109	85.48	86.53	82.57	84.73	-1.01	21,296	88,264	2584
<a href="#">23-May</a>	221109	84.45	85.37	81.72	83.79	-1.05	6,155	25,543	173
<a href="#">23-Jul</a>	221109	83.6	84.17	81	82.95	-0.90	2755	26,043	585
<a href="#">23-Oct</a>	221109	78.19	78.19	78.19	78.19	-0.72	0	2	0
<a href="#">23-Dec</a>	221109	78.51	78.8	76.12	78.15	-0.36	1088	21485	-333
Total Volume and Open Interest							64,835	240,052	-12,019

Source: MRCI

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