

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a bullish trend across India today. MCX cotton spot price was higher at Rs.32,630/bale on Friday. ICE cotton futures closed red on Friday.

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News: During the past week, Monsoon has completely withdrawn from major cotton belts across India.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 09 th Nov 22	10 th Nov 22
Punjab	41600	1000
Haryana	280000	5000
Lower Rajasthan	335500	6000
Ganga line	381000	7000
Net Total	1038100	19000

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

MCX Cotton

	High	Low	Close	Change
MCX Cotton	33200	32630	33060	+330

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2670	2770	2662	2664	+106
Jan-23	2613	2689	2612	2615	+53

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 85 cents/lb. The AWP for cotton was 65.46 cents/lb.

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

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 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.

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	11-Nov-22	10-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9125	9125	Unch
	Gondal	Shankar-6	9380	9230	150
	Rajkot	B.T. Cotton	9000	9000	Unch
	Patan	B.T. Cotton	9180	9255	-75
	Kadi	B.T. Cotton	9250	9250	Unch
	Deesa	B.T. Cotton	1702	1650	52
	Dhrol	B.T. Cotton	9160	9130	30
Haryana	Bhiwani	B.T. Cotton	8600	8600	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8850	8800	50
	Fatehabad	B.T. Cotton	8850	8690	160
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	9000	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	9000	8950	50
	Rawatsar	B.T. Cotton	9100	8750	350
Madhya Pradesh	Khandwa	Mech-1	9000	9000	Unch
	Khargaon	Mech-1	NA	9060	-
Maharashtra	Amravati	Mech-1	9400	9000	400
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NR	7500	-
	Hathras	Desi	NR	7200	-
Telangana	Adilabad	Un-Ginned	8570	8550	20
Andhra Pradesh	Adoni	Un-Ginned	NA	9342	-



Karnataka	Bijapur	Bunny	NA	9888	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	9550	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	11-Nov-22	10-Nov-22	
Punjab	Bhatinda	J-34	6700	6600	100
	Abohar	J-34	6700	6650	50
	Mansa	J-34	6600	6500	100
Haryana	Sirsa	J-34	6550	6500	50
Rajasthan	Sri-Ganganagar	J-34	6580	6251	329

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	11-Nov-22	10-Nov-22	
Gujarat	Ahmedabad	Shankar-6	39100	37400	1700
	Gondal	Shankar-6	8850	8850	Unch
	Rajkot	B.T. Cotton	3400	3400	Unch
	Patan	B.T. Cotton	13390	14977	-1587
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	416	470	-54
Haryana	Bhiwani	B.T. Cotton	1700	1700	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1530	1700	-170
	Fatehabad	B.T. Cotton	200	200	Unch
	Jind	B.T. Cotton	NA	0	-
	Uchana	B.T. Cotton	350	NR	-
	Dabwali	B.T. Cotton	350	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	1500	3000	-1500
	Rawatsar	B.T. Cotton	1500	3000	-1500
Madhya Pradesh	Khandwa	Mech-1	1200	1200	Unch
	Khargaon	Mech-1	NA	1180	-
Maharashtra	Amravati	Mech-1	1200	1000	200
	Jamner	Medium Staple	NA	0	-
Uttar Pradesh	Hathras	B.T. Cotton	NR	60	-
	Hathras	Desi	NR	NA	-
Telangana	Adilabad	Un-Ginned	23190	17930	5260
Andhra Pradesh	Adoni	Un-Ginned	NA	4190	-
Karnataka	Bijapur	Bunny	NA	7740	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-

	Raichur	H-44 Cotton	NA	18	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	11-Nov-22	10-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	510	Unch
	Mansa	J-34	85	170	-85
Haryana	Sirsa	J-34	340	170	170
Rajasthan	Sri-Ganganagar	J-34	4000	3000	1000

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	11-Nov-22	10-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1360	1370	-10
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1355	1360	-5
Maharashtra	Mumbai	Rs. /10 Kg.	1360	1405	-45

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	11-Nov-22	10-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3110	3114	-4
Maharashtra	Akola	Rs./Qtl	3057	3098	-41

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	10-Nov-22	9-Nov-22	Change
CCIndex(328)	RMB/Ton	15256	15364	-108
CCIndex(527)	RMB/Ton	13725	13838	-113
CCIndex(229)	RMB/Ton	15617	15700	-83
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	10-Nov-22	9-Nov-22	Change
FC Index (S)	Cents/lb	105.88	107.09	-1.21
FC Index (M)	Cents/lb	104.1	105.27	-1.17
FC Index (L)	Cents/lb	102.75	103.92	-1.17

Cotlook Index:

Cotlook Indices	Unit	10-Nov-22	8-Nov-22	Change
A-Index	Cents/Pound	103.55	104.5	-0.95

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		10-Nov-22	10-Nov-22	Bales
Southeast	cents/lb.	88.38	90.63	0
North Delta	cents/lb.	87.63	89.88	0
South Delta	cents/lb.	87.63	89.88	0
East TX-OK	cents/lb.	84.13	86.38	1230
West Texas	cents/lb.	84.13	85.63	150
Desert SW	cents/lb.	83.88	86.13	0
SJ Valley	cents/lb.	84.38	93.28	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
				10-Nov-22	9-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	59000	58000	1000
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	59700	58700	1000
J-34(202)	26mm	3.5 - 4.9	23	61500	60800	700
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	67300	66300	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	77500	77500	Unch

Daily Futures Price Listing Wednesday, Nov 09th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221109	87.68	88.75	84.19	86.5	-1.18	33512	73539	-15028
23-Mar	221109	85.48	86.53	82.57	84.73	-1.01	21,296	88,264	2584
23-May	221109	84.45	85.37	81.72	83.79	-1.05	6,155	25,543	173
23-Jul	221109	83.6	84.17	81	82.95	-0.90	2755	26,043	585
23-Oct	221109	78.19	78.19	78.19	78.19	-0.72	0	2	0
23-Dec	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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