

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 Saturday. ICE cotton futures closed green 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News: During the past week, Monsoon has completely withdrawn from major cotton belts across India.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	33250	32630	33210	+480

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 Kerala & Mahe. Thunderstorm accompanied with lightening at isolated places over Jammu & Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, Himachal Pradesh, Coastal Karnataka, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe.

International Cotton Fundamentals:

The Cotlook A index was lower at 103.55 cents/lb. The AWP for cotton was 76.74 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	88.20	182
Mar-23	86.33	177
May-23	85.56	159

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 ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	12-Nov-22	11-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9500	9125	375
	Gondal	Shankar-6	9505	9380	125
	Rajkot	B.T. Cotton	9000	9000	Unch
	Patan	B.T. Cotton	9410	9180	230
	Kadi	B.T. Cotton	9500	9250	250
	Deesa	B.T. Cotton	1738	1702	36
	Dhrol	B.T. Cotton	9430	9160	270
Haryana	Bhiwani	B.T. Cotton	8700	8600	100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	9000	8850	150
	Fatehabad	B.T. Cotton	9090	8850	240
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	9000	9000	Unch
Rajasthan	Hanumangarh	B.T. Cotton	9350	9000	350
	Rawatsar	B.T. Cotton	9300	9100	200
Madhya Pradesh	Khandwa	Mech-1	Closed	9000	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9400	9400	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7800	NR	-
	Hathras	Desi	7200	NR	-
Telangana	Adilabad	Un-Ginned	8800	8570	230
Andhra Pradesh	Adoni	Un-Ginned	9121	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-

	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	12-Nov-22	11-Nov-22	
Punjab	Bhatinda	J-34	6825	6700	125
	Abohar	J-34	6850	6700	150
	Mansa	J-34	6600	6600	Unch
Haryana	Sirsa	J-34	6650	6550	100
Rajasthan	Sri-Ganganagar	J-34	6580	6580	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	12-Nov-22	11-Nov-22	
Gujarat	Ahmedabad	Shankar-6	42500	39100	3400
	Gondal	Shankar-6	8850	8850	Unch
	Rajkot	B.T. Cotton	3400	3400	Unch
	Patan	B.T. Cotton	14490	13390	1100
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	0	-
	Dhrol	B.T. Cotton	417	416	1
Haryana	Bhiwani	B.T. Cotton	1500	1700	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	2550	1530	1020
	Fatehabad	B.T. Cotton	185	200	-15
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	300	350	-50
	Dabwali	B.T. Cotton	300	350	-50
Rajasthan	Hanumangarh	B.T. Cotton	7000	1500	5500
	Rawatsar	B.T. Cotton	7000	1500	5500
Madhya Pradesh	Khandwa	Mech-1	Closed	1200	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	1200	1200	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	50	NR	-
	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	24920	23190	1730
Andhra Pradesh	Adoni	Un-Ginned	4006	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	12-Nov-22	11-Nov-22	
Punjab	Bhatinda	J-34	NA	0	-
	Abohar	J-34	510	510	Unch
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	85	340	-255

Rajasthan	Sri-Ganganagar	J-34	4000	4000	Unch
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Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	12-Nov-22	11-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1360	1360	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1370	1355	15
Maharashtra	Mumbai	Rs. /10 Kg.	1410	1360	50

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	12-Nov-22	11-Nov-22	
Gujarat	Maheana (Kadi)	Rs./Qtl	3119	3110	9
Maharashtra	Akola	Rs./Qtl	3080	3057	23

Cotton Yarn Prices:

Cotton Yarn Prices	9-Nov-22	3-Nov-22	Change	9-Nov-22	3-Nov-22	Change
Varieti y	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	11-Nov-22	10-Nov-22	Change
CCIndex(328)	RMB/Ton	15261	15256	5
CCIndex(527)	RMB/Ton	13723	13725	-2
CCIndex(229)	RMB/Ton	15633	15617	16
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	11-Nov-22	9-Nov-22	Change
FC Index (S)	Cents/lb	105.77	107.09	-1.32
FC Index (M)	Cents/lb	104.3	105.27	-0.97
FC Index (L)	Cents/lb	102.68	103.92	-1.24

Cotlook Index:

Cotlook Indices	Unit	12-Nov-22	10-Nov-22	Change
A-Index	Cents/Pound	Closed	103.55	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		12-Nov-22	12-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
				11-Nov-22	10-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	60000	59000	1000

Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	60700	59700	1000
J-34(202)	26mm	3.5 - 4.9	23	62000	61500	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	67800	67300	500
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 Friday, Nov 11th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221111	86.52	88.75	86.38	88.2	1.82	24710	57140	-9528
23-Mar	221111	84.56	86.85	84.49	86.33	1.77	23,536	92,833	3053
23-May	221111	84.01	85.92	83.95	85.56	1.59	8,204	26,988	1061
23-Jul	221111	83.4	85.1	83.34	84.87	1.53	4879	27,510	1356
23-Oct	221111	81.61	81.61	79.5	79.5	1.17	1	3	1
23-Dec	221111	78.86	79.74	78.3	79.56	1.16	683	21168	29
Total Volume and Open Interest							62,046	230,832	-4,012

Source: MRCI

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