

## Domestic Fundamentals:

### **Market Outlook:**

The cotton physical market showed a bullish trend across India today. MCX cotton spot price was higher at Rs.33,420/bale on Monday. ICE cotton futures closed green on Friday.

### **Key Highlights:**

- Raw cotton prices during the last week traded firm, demand has also improved in the market. However, the processing of cotton is not enough due to limited arrivals. Raw cotton arrival is lower in the market as the farmers are holding cotton in anticipation of high prices. AgriWatch expects cotton prices to remain firm for the coming week.
- Demand and prices of Yarn have increased, and prices traded stable to firm. World cotton supply is lower and the expectation of consumption is also lower. If the demand will improve globally, consumption is also expected to increase further.

**News:** During the past week, rainfall was reported from the southern cotton belts of Karnataka, Telangana, and Andhra Pradesh. However, in central and southern India weather is good and overall cotton quality has also improved. Cotton daily arrivals is around 80-90,000 bales per day. Cottonseed prices are stable to firm. However, demand for cottonseed oilcake is not improving in the domestic market.

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.

### Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 10 <sup>th</sup> Nov 22	14 <sup>th</sup> Nov 22
Punjab	41600	1200
Haryana	280000	5500
Lower Rajasthan	335500	7000
Ganga line	381000	7000
<b>Net Total</b>	<b>1038100</b>	<b>20700</b>

Cotton Price (Rs/Quintal) as of 14 <sup>th</sup> Nov'22	
	Ready Delivery
Punjab	6725-6825
Haryana	6650-6750
Ganga line	6875-6925

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	33490	32560	32740	<b>-480</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2768	2790	2692	2762	<b>-37</b>
<b>Jan-23</b>	2657	2690	2610	2671	<b>-46</b>

### Weather Forecast:

Heavy rainfall at isolated places over the Andaman & Nicobar Islands. Thunderstorm accompanied with lightening at isolated places over 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
<b>Dec- 22</b>	88.20	<b>+182</b>
<b>Mar-23</b>	86.33	<b>+177</b>
<b>May-23</b>	85.56	<b>+159</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.

### 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	14-Nov-22	12-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9500	9500	Unch
	Gondal	Shankar-6	9530	9505	25
	Rajkot	B.T. Cotton	9200	9000	200
	Patan	B.T. Cotton	NA	9410	-
	Kadi	B.T. Cotton	9450	9500	-50
	Deesa	B.T. Cotton	1701	1738	-37
	Dhrol	B.T. Cotton	9575	9430	145
Haryana	Bhiwani	B.T. Cotton	8800	8700	100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8800	9000	-200
	Fatehabad	B.T. Cotton	8900	9090	-190
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	9200	-
	Dabwali	B.T. Cotton	8840	9000	-160
Rajasthan	Hanumangarh	B.T. Cotton	9200	9350	-150
	Rawatsar	B.T. Cotton	9100	9300	-200
Madhya Pradesh	Khandwa	Mech-1	9800	Closed	-
	Khargaon	Mech-1	NA	9455	-
Maharashtra	Amravati	Mech-1	9450	9400	50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7200	7800	-600
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	NA	8800	-
Andhra Pradesh	Adoni	Un-Ginned	9369	9121	248
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9750	9550	200
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	14-Nov-22	12-Nov-22	
Punjab	Bhatinda	J-34	6825	6825	Unch
	Abohar	J-34	6825	6850	-25
	Mansa	J-34	6725	6600	125
Haryana	Sirsa	J-34	6625	6650	-25
Rajasthan	Sri-Ganganagar	J-34	6533	6580	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	14-Nov-22	12-Nov-22	
Gujarat	Ahmedabad	Shankar-6	39100	42500	-3400
	Gondal	Shankar-6	9100	8850	250

	Rajkot	B.T. Cotton	5200	3400	1800
	Patan	B.T. Cotton	NA	14490	-
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	756	417	339
Haryana	Bhiwani	B.T. Cotton	2500	1500	1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	2550	-850
	Fatehabad	B.T. Cotton	250	185	65
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	800	300	500
	Dabwali	B.T. Cotton	800	300	500
Rajasthan	Hanumangarh	B.T. Cotton	2500	7000	-4500
	Rawatsar	B.T. Cotton	2500	7000	-4500
Madhya Pradesh	Khandwa	Mech-1	1400	Closed	-
	Khargaon	Mech-1	NA	1000	-
Maharashtra	Amravati	Mech-1	1300	1200	100
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	50	10
	Hathras	Desi	100	NA	-
Telangana	Adilabad	Un-Ginned	NA	24920	-
Andhra Pradesh	Adoni	Un-Ginned	4640	4006	634
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	22	20	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	14-Nov-22	12-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	425	510	-85
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	85	255
Rajasthan	Sri-Ganganagar	J-34	3000	4000	-1000

**Cotton Seed Oil Prices:**

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	14-Nov-22	12-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1390	1360	30
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1385	1370	15
Maharashtra	Mumbai	Rs. /10 Kg.	1380	1410	-30

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	14-Nov-22	12-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3157	3119	38
Maharashtra	Akola	Rs./Qtl	3080	3080	-

**Cotton Yarn Prices:**

Cotton Yarn Prices	12-Nov-22	9-Nov-22	Change	12-Nov-22	9-Nov-22	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	3.13	3.02	0.11	254	249	5.00
Ne 20/1 Combed Hosiery Yarn	3.25	3.14	0.11	264	259	5.00
Ne 21/1 Carded Weaving Yarn	3.13	3.02	0.11	254	249	5.00
Ne 26/1 Combed Hosiery Yarn	3.34	3.26	0.08	271	269	2.00
Ne 30/1 Carded Hosiery Yarn	3.29	3.18	0.11	267	262	5.00
Ne 30/1 Combed Hosiery Yarn	3.41	3.32	0.09	277	274	3.00
Ne 32/1 Carded Weaving Yarn	3.37	3.32	0.05	274	274	Unch
Ne 34/1 Combed Hosiery Yarn	3.62	3.5	0.12	294	289	5.00
Ne 40/1 Combed Hosiery Yarn	3.8	3.68	0.12	309	304	5.00
Ne 40/1 Carded Weaving Yarn	3.56	3.5	0.06	289	289	Unch
Ne 30/2 Carded Hosiery Yarn	3.56	3.5	0.06	289	289	Unch
Ne 32/2 Combed Knitting Yarn	3.99	3.87	0.12	324	319	5.00
Ne 32/2 Carded Hosiery Yarn	3.62	3.5	0.12	294	289	5.00
Ne 40/2 Combed Hosiery Yarn	4.42	4.29	0.13	359	354	5.00
Ne 30/1 Combed Compact Weaving Yarn	3.62	3.5	0.12	294	289	5.00
Ne 40/1 Combed Compact Weaving Yarn	4.05	3.93	0.12	329	324	5.00
Ne 50/1 Combed Compact Weaving Yarn	4.42	4.29	0.13	359	354	5.00
Ne 16/1 Open End Yarn	2.33	2.23	0.10	189	184	5.00
Ne 21/1 Open End Yarn	2.51	2.41	0.10	204	199	5.00
Ne 24/1 Open End Yarn	2.82	2.72	0.10	229	224	5.00

**INTERNATIONAL PRICES AND INDICES**
**China Cotton Index:**

Index	Unit	14-Nov-22	12-Nov-22	Change
CCIndex(328)	RMB/Ton	15247	Closed	-
CCIndex(527)	RMB/Ton	13707	Closed	-
CCIndex(229)	RMB/Ton	15618	Closed	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

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

Index	Unit	14-Nov-22	12-Nov-22	Change
FC Index (S)	Cents/lb	107.37	Closed	-
FC Index (M)	Cents/lb	105.66	Closed	-
FC Index (L)	Cents/lb	104.31	Closed	-

**Cotlook Index:**

Cotlook Indices	Unit	11-Nov-22	10-Nov-22	Change
-----------------	------	-----------	-----------	--------

A-Index	Cents/Pound	103.55	103.55	Unch
---------	-------------	--------	--------	------

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		11-Nov-22	11-Nov-22	Bales
Southeast	cents/lb.	90.2	92.45	100
North Delta	cents/lb.	89.45	91.7	0
South Delta	cents/lb.	89.45	91.7	0
East TX-OK	cents/lb.	85.95	88.2	352
West Texas	cents/lb.	85.95	87.45	0
Desert SW	cents/lb.	85.7	87.95	0
SJ Valley	cents/lb.	86.2	95.1	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
				12-Nov-22	11-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	60300	60000	300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	61000	60700	300
J-34(202)	26mm	3.5 - 4.9	23	62500	62000	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	68300	67800	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
<a href="#">22-Dec</a>	221111	86.52	88.75	86.38	88.2	1.82	24710	57140	-9528
<a href="#">23-Mar</a>	221111	84.56	86.85	84.49	86.33	1.77	23,536	92,833	3053
<a href="#">23-May</a>	221111	84.01	85.92	83.95	85.56	1.59	8,204	26,988	1061
<a href="#">23-Jul</a>	221111	83.4	85.1	83.34	84.87	1.53	4879	27,510	1356
<a href="#">23-Oct</a>	221111	81.61	81.61	79.5	79.5	1.17	1	3	1
<a href="#">23-Dec</a>	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

**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.