

## Domestic Fundamentals:

### **Market Outlook:**

The cotton physical market showed a firm trend across India today. MCX cotton spot price was lower at Rs.33,160/bale on Wednesday. ICE cotton futures closed green on Tuesday.

### **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:** Cotton prices rises in Telangana. Cotton has been sold at Rs. 8,960 per quintal with a moisture content of 9.5% in the Jangaon district. Around, 7,513 quintals of cotton have arrived in the Enumamula market yesterday. The cotton acreage has slightly increased in the 2022-23 Kharif season although, the yield is likely to go down due to significant crop damage caused by intense rains during the last week.

Cotton Association of India has estimated released its October estimate for the 2022-23 season. CAI has retained its cotton crop estimate at 344 lakh bales. The Association has attributed the increase in production majorly from Gujarat, Punjab, and Haryana. Agriwatch has estimated cotton production during 2022-23 season at 348.16 lakh bales.

Majorly, CAI has reduced its export estimate for the 2022-23 season. The exports for the 2022-23 season are estimated at 30 lakh bales and are less by 13 lakh bales than the exports estimate of 43.00 lakh bales for the 2021-22 season. Exports has been revised down due to weak demand as Indian cotton prices have again increased in the domestic market. Also, domestic consumption has revised to 300 lakh bales as against 320 lakh bales estimated earlier. The previous year's consumption estimate was 318 lakh bales.

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.

Cotton Balance Sheet	2021-22	2022-23
Opening Stock	71.84	31.89
Production	307.05	344.00
Imports	14	12
Domestic Consumption	318	300
Exports	43	30
Closing Stock	31.89	57.89
<b>Source: CAI; unit- Lakh Bales</b>		

### Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 15 <sup>th</sup> Nov 22	16 <sup>th</sup> Nov 22
Punjab	49200	1000
Haryana	320500	5000
Lower Rajasthan	377000	7000
Ganga line	429000	7000
<b>Net Total</b>	<b>1175700</b>	<b>20000</b>

Cotton Price (Rs/Quintal) as of 16 <sup>th</sup> Nov'22	
	Ready Delivery
Punjab	6750-6850
Haryana	6650-6800
Ganga line	6900-6950

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	33670	32800	33420	<b>+600</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2720	2815	2713	2711	<b>+93</b>
<b>Jan-23</b>	2638	2725	2633	2629	<b>+79</b>

### Weather Forecast:

Heavy rainfall at isolated places over the Andaman & Nicobar Islands.

### International Cotton Fundamentals:

The Cotlook A index was lower at 105.30 cents/lb. The AWP for cotton was 76.74 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Dec- 22</b>	88.74	<b>+346</b>
<b>Mar-23</b>	86.97	<b>+335</b>
<b>May-23</b>	85.84	<b>+334</b>

According to the U.S. Crop progress report, as of 14<sup>th</sup> Nov, 2022. Overall 71 percent of the U.S Cotton Crop is harvested as compared to previous week 62 percent. During the previous season cotton harvested was around 64 percent.

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.

### 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	16-Nov-22	15-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9500	9500	Unch
	Gondal	Shankar-6	9380	9330	50
	Rajkot	B.T. Cotton	9200	9200	Unch
	Patan	B.T. Cotton	9425	9290	135
	Kadi	B.T. Cotton	9300	9250	50
	Deesa	B.T. Cotton	1718	1718	Unch
	Dhrol	B.T. Cotton	9425	9410	15
Haryana	Bhiwani	B.T. Cotton	NR	8800	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8850	8800	50
	Fatehabad	B.T. Cotton	8890	8850	40
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	8600	-
	Dabwali	B.T. Cotton	8945	8795	150
Rajasthan	Hanumangarh	B.T. Cotton	9250	9200	50
	Rawatsar	B.T. Cotton	9150	9000	150
Madhya Pradesh	Khandwa	Mech-1	9500	Closed	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9500	9500	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7800	7800	Unch
	Hathras	Desi	7300	7300	Unch
Telangana	Adilabad	Un-Ginned	9000	8870	130
Andhra Pradesh	Adoni	Un-Ginned	9559	9629	-70
Karnataka	Bijapur	Bunny	9815	9932	-117
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9500	9400	100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	16-Nov-22	15-Nov-22	
Punjab	Bhatinda	J-34	6850	6750	100
	Abohar	J-34	6850	6750	100
	Mansa	J-34	6700	6700	Unch
Haryana	Sirsa	J-34	6650	6550	100
Rajasthan	Sri-Ganganagar	J-34	6486	6533	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	16-Nov-22	15-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch

	Gondal	Shankar-6	9100	9100	Unch
	Rajkot	B.T. Cotton	3000	3400	-400
	Patan	B.T. Cotton	13500	16960	-3460
	Kadi	B.T. Cotton	35000	40000	-5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	496	563	-67
Haryana	Bhiwani	B.T. Cotton	NR	2500	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	200	200	Unch
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	700	800	-100
	Dabwali	B.T. Cotton	700	800	-100
Rajasthan	Hanumangarh	B.T. Cotton	3000	2000	1000
	Rawatsar	B.T. Cotton	3000	2000	1000
Madhya Pradesh	Khandwa	Mech-1	1500	Closed	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	1500	1300	200
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	60	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	33319.6	45041.6	-11722
Andhra Pradesh	Adoni	Un-Ginned	7774	6668	1106
Karnataka	Bijapur	Bunny	9995	9237	758
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	20	21	-1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	16-Nov-22	15-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	255	255
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	255	85
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	16-Nov-22	15-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1360	1385	-25
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1350	1375	-25
Maharashtra	Mumbai	Rs. /10 Kg.	1370	1385	-15

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	16-Nov-22	15-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3000	3071	-71

Maharashtra	Akola	Rs./Qtl	3155	3116	39
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Cotton Yarn Prices	16-Nov-22	12-Nov-22	Change	16-Nov-22	#####	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	3.13	3.13	Unch	254	254	Unch
Ne 20/1 Combed Hosiery Yarn	3.25	3.25	Unch	264	264	Unch
Ne 21/1 Carded Weaving Yarn	3.13	3.13	Unch	254	254	Unch
Ne 26/1 Combed Hosiery Yarn	3.34	3.34	Unch	271	271	Unch
Ne 30/1 Carded Hosiery Yarn	3.29	3.29	Unch	267	267	Unch
Ne 30/1 Combed Hosiery Yarn	3.41	3.41	Unch	277	277	Unch
Ne 32/1 Carded Weaving Yarn	3.37	3.37	Unch	274	274	Unch
Ne 34/1 Combed Hosiery Yarn	3.62	3.62	Unch	294	294	Unch
Ne 40/1 Combed Hosiery Yarn	3.8	3.8	Unch	309	309	Unch
Ne 40/1 Carded Weaving Yarn	3.56	3.56	Unch	289	289	Unch
Ne 30/2 Carded Hosiery Yarn	3.56	3.56	Unch	289	289	Unch
Ne 32/2 Combed Knitting Yarn	3.99	3.99	Unch	324	324	Unch
Ne 32/2 Carded Hosiery Yarn	3.62	3.62	Unch	294	294	Unch
Ne 40/2 Combed Hosiery Yarn	4.42	4.42	Unch	359	359	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.62	3.62	Unch	294	294	Unch
Ne 40/1 Combed Compact Weaving Yarn	4.05	4.05	Unch	329	329	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.42	4.42	Unch	359	359	Unch
Ne 16/1 Open End Yarn	2.33	2.33	Unch	189	189	Unch
Ne 21/1 Open End Yarn	2.51	2.51	Unch	204	204	Unch
Ne 24/1 Open End Yarn	2.82	2.82	Unch	229	229	Unch

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	15-Nov-22	14-Nov-22	Change
CCIndex(328)	RMB/Ton	15213	15247	-34
CCIndex(527)	RMB/Ton	13701	13707	-6
CCIndex(229)	RMB/Ton	15593	15618	-25

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

Index	Unit	15-Nov-22	14-Nov-22	Change
FC Index (S)	Cents/lb	104.48	107.37	-2.89
FC Index (M)	Cents/lb	102.85	105.66	-2.81
FC Index (L)	Cents/lb	101.51	104.31	-2.80

**Cotlook Index:**

Cotlook Indices	Unit	14-Nov-22	12-Nov-22	Change
A-Index	Cents/Pound	105.3	Closed	-

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		14-Nov-22	14-Nov-22	Bales
Southeast	cents/lb.	87.28	89.53	43
North Delta	cents/lb.	86.53	88.78	629
South Delta	cents/lb.	86.53	88.78	0
East TX-OK	cents/lb.	83.03	85.28	3753
West Texas	cents/lb.	83.03	84.53	0
Desert SW	cents/lb.	82.78	85.03	0
SJ Valley	cents/lb.	83.28	92.18	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

**Daily Futures Price Listing Tuesday, Nov 15th 2022**

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221115	85.35	89.28	85.23	88.74	3.46	19789	31373	-16774
<a href="#">23-Mar</a>	221115	83.6	87.62	83.44	86.97	3.35	19,848	97,294	1513
<a href="#">23-May</a>	221115	82.41	86.37	82.34	85.84	3.34	4,316	27,802	830
<a href="#">23-Jul</a>	221115	81.44	84.93	81.44	84.42	2.85	2137	28,783	729
<a href="#">23-Oct</a>	221115	79.22	79.22	79.22	79.22	2.14	2	3	0
<a href="#">23-Dec</a>	221115	77.25	79.75	77.25	78.9	1.84	877	21365	169
Total Volume and Open Interest							46,984	211,811	-13,532

Source: MRCI

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