

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a firm trend across India today. MCX cotton spot price was lower at Rs.33,470/bale on Thursday. ICE cotton futures closed red on Wednesday.

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
Source: CAI; unit- Lakh Bales		

Northern New Cotton Crop:

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

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

MCX Cotton

	High	Low	Close	Change
MCX Cotton	33300	32400	32800	-510

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2795	2855	2730	2799	-46
Jan-23	2691	2733	2661	2710	-46

Weather Forecast:

Thunderstorms accompanied with lightning at isolated places over Tamil Nadu, Pondicherry & Karaikal.

International Cotton Fundamentals:

The Cotlook A index was lower at 102.55 cents/lb. The AWP for cotton was 76.74 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	88.44	-30
Mar-23	86.76	+3
May-23	85.87	+3

According to the U.S. Crop progress report, as of 14th 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	17-Nov-22	16-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9500	9500	Unch
	Gondal	Shankar-6	9455	9380	75
	Rajkot	B.T. Cotton	9150	9200	-50
	Patan	B.T. Cotton	NA	9425	-
	Kadi	B.T. Cotton	9500	9300	200
	Deesa	B.T. Cotton	1670	1718	-48
	Dhrol	B.T. Cotton	9530	9425	105
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8900	8850	50
	Fatehabad	B.T. Cotton	8940	8890	50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8965	8945	20
Rajasthan	Hanumangarh	B.T. Cotton	9200	9250	-50
	Rawatsar	B.T. Cotton	9150	9150	Unch
Madhya Pradesh	Khandwa	Mech-1	9200	9500	-300
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9500	9500	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9300	7800	1500
	Hathras	Desi	7200	7300	-100
Telangana	Adilabad	Un-Ginned	8910	9000	-90
Andhra Pradesh	Adoni	Un-Ginned	9599	9559	40
Karnataka	Bijapur	Bunny	NA	9815	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9500	9500	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	17-Nov-22	16-Nov-22	
Punjab	Bhatinda	J-34	6900	6850	50
	Abohar	J-34	6900	6850	50
	Mansa	J-34	6750	6700	50
Haryana	Sirsa	J-34	6650	6650	Unch
Rajasthan	Sri-Ganganagar	J-34	6533	6486	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	17-Nov-22	16-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	9050	9100	-50
	Rajkot	B.T. Cotton	6600	3000	3600
	Patan	B.T. Cotton	NA	13500	-

	Kadi	B.T. Cotton	30000	35000	-5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	540	496	44
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	250	200	50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	600	700	-100
	Dabwali	B.T. Cotton	600	700	-100
	Hanumangarh	B.T. Cotton	3000	3000	Unch
Rajasthan	Rawatsar	B.T. Cotton	3000	3000	Unch
	Khandwa	Mech-1	1200	1500	-300
Madhya Pradesh	Khargaon	Mech-1	NA	NA	-
	Amravati	Mech-1	1700	1500	200
Maharashtra	Jamner	Medium Staple	NA	NA	-
	Hathras	B.T. Cotton	100	60	40
Uttar Pradesh	Hathras	Desi	NA	NA	-
	Adilabad	Un-Ginned	43662.7	33319.6	10343.1
Telangana	Adoni	Un-Ginned	6057	7774	-1717
Andhra Pradesh	Bijapur	Bunny	NA	9995	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	21	20	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	17-Nov-22	16-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	680	510	170
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	510	340	170
Rajasthan	Sri-Ganganagar	J-34	2500	3000	-500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	17-Nov-22	16-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1340	1360	-20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1330	1350	-20
Maharashtra	Mumbai	Rs. /10 Kg.	1370	1370	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	17-Nov-22	16-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3042	3000	42
Maharashtra	Akola	Rs./Qtl	3202	3155	47

Cotton Yarn Prices		17-Nov-22	16-Nov-22	Change	17-Nov-22	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 INDICES**China Cotton Index:**

Index	Unit	17-Nov-22	16-Nov-22	Change
CCIndex(328)	RMB/Ton	15176	15181	-5
CCIndex(527)	RMB/Ton	13655	13669	-14
CCIndex(229)	RMB/Ton	15540	15561	-21

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

China Foreign Cotton (FCE) Index :

Index	Unit	17-Nov-22	16-Nov-22	Change
FC Index (S)	Cents/lb	106.32	106.55	-0.23
FC Index (M)	Cents/lb	104.62	104.82	-0.20
FC Index (L)	Cents/lb	103.25	103.48	-0.23

Cotlook Index:

Cotlook Indices	Unit	15-Nov-22	14-Nov-22	Change
A-Index	Cents/Pound	102.55	105.3	-2.75

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		15-Nov-22	15-Nov-22	Bales
Southeast	cents/lb.	90.74	92.99	146

North Delta	cents/lb.	89.99	92.24	0
South Delta	cents/lb.	89.99	92.24	0
East TX-OK	cents/lb.	86.49	88.74	0
West Texas	cents/lb.	86.49	87.99	102
Desert SW	cents/lb.	86.24	88.49	0
SJ Valley	cents/lb.	86.74	95.64	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
				16-Nov-22	15-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64300	64300	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65000	65000	Unch
J-34(202)	26mm	3.5 - 4.9	23	64200	63200	1000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	69500	68600	900
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 16th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221116	88.8	91.85	87.81	88.44	-0.30	15438	25386	-5987
23-Mar	221116	87	89.92	86	86.76	-0.21	22,222	99,649	2355
23-May	221116	85.79	88.57	85.19	85.87	0.03	4,698	28,121	319
23-Jul	221116	84.52	87	83.98	84.51	0.09	2248	28,385	-398
23-Oct	221116	79.71	79.71	79.71	79.71	0.49	0	3	0
23-Dec	221116	79.58	81	78.75	79.42	0.52	654	21519	154
Total Volume and Open Interest							45,271	208,255	-3,556

Source: MRCI

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