

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a firm trend across India today. MCX cotton spot price was lower at Rs.33,100/bale on Friday. ICE cotton futures closed red on Thursday.

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 17 th Nov 22	18 th Nov 22
Punjab	52000	1200
Haryana	335000	6000
Lower Rajasthan	392500	8500
Ganga line	447500	8000
Net Total	1227000	23700

Cotton Price (Rs/Quintal) as of 18 th Nov'22	
	Ready Delivery
Punjab	6700-6800
Haryana	6600-6750
Ganga line	6850-6900

MCX Cotton

	High	Low	Close	Change
MCX Cotton	32800	32410	32410	-360

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2747	2812	2666	2752	-83
Jan-23	2685	2715	2618	2674	-49

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	87.04	-140
Mar-23	85.28	-148
May-23	84.39	-140

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	18-Nov-22	17-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9750	9500	250
	Gondal	Shankar-6	9305	9455	-150
	Rajkot	B.T. Cotton	9435	9150	285
	Patan	B.T. Cotton	NA	9450	-
	Kadi	B.T. Cotton	9250	9500	-250
	Deesa	B.T. Cotton	1702	1670	32
	Dhrol	B.T. Cotton	9280	9530	-250
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8900	8900	Unch
	Fatehabad	B.T. Cotton	8880	8940	-60
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	9090	-
	Dabwali	B.T. Cotton	8870	8965	-95
Rajasthan	Hanumangarh	B.T. Cotton	9200	9200	Unch
	Rawatsar	B.T. Cotton	9000	9150	-150
Madhya Pradesh	Khandwa	Mech-1	9200	9200	Unch
	Khargaon	Mech-1	NA	9145	-
Maharashtra	Amravati	Mech-1	9300	9500	-200
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9300	9300	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	8910	8910	Unch
Andhra Pradesh	Adoni	Un-Ginned	9519	9599	-80
Karnataka	Bijapur	Bunny	NA	9679	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9300	9500	-200
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	18-Nov-22	17-Nov-22	
Punjab	Bhatinda	J-34	6800	6900	-100
	Abohar	J-34	6800	6900	-100
	Mansa	J-34	6750	6750	Unch
Haryana	Sirsa	J-34	6650	6650	Unch
Rajasthan	Sri-Ganganagar	J-34	6392	6533	-141

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	18-Nov-22	17-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	9000	9050	-50

	Rajkot	B.T. Cotton	4400	6600	-2200
	Patan	B.T. Cotton	NA	15515	-
	Kadi	B.T. Cotton	25000	30000	-5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	691	540	151
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	200	250	-50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	500	600	-100
	Dabwali	B.T. Cotton	500	600	-100
Rajasthan	Hanumangarh	B.T. Cotton	4000	3000	1000
	Rawatsar	B.T. Cotton	4000	3000	1000
Madhya Pradesh	Khandwa	Mech-1	1300	1200	100
	Khargaon	Mech-1	NA	1080	-
Maharashtra	Amravati	Mech-1	2200	1700	500
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	100	100	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	32015.4	43662.7	-11647.3
Andhra Pradesh	Adoni	Un-Ginned	6341	6057	284
Karnataka	Bijapur	Bunny	NA	8768	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	22	21	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	18-Nov-22	17-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	680	-170
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	510	510	Unch
Rajasthan	Sri-Ganganagar	J-34	3000	2500	500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	18-Nov-22	17-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1300	1340	-40
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1290	1330	-40
Maharashtra	Mumbai	Rs. /10 Kg.	1350	1370	-20

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	18-Nov-22	17-Nov-22	
Gujarat	Maheana (Kadi)	Rs./Qtl	3042	3042	Unch
Maharashtra	Akola	Rs./Qtl	3188	3202	-14

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	18-Nov-22	17-Nov-22	Change
CCIndex(328)	RMB/Ton	15183	15176	7
CCIndex(527)	RMB/Ton	13645	13655	-10
CCIndex(229)	RMB/Ton	15537	15540	-3
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	18-Nov-22	17-Nov-22	Change
FC Index (S)	Cents/lb	103.92	106.32	-2.40
FC Index (M)	Cents/lb	103.08	104.62	-1.54
FC Index (L)	Cents/lb	102.08	103.25	-1.17

Cotlook Index:

Cotlook Indices	Unit	16-Nov-22	14-Nov-22	Change
A-Index	Cents/Pound	Closed	105.3	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		16-Nov-22	16-Nov-22	Bales
Southeast	cents/lb.	88.76	91.01	299
North Delta	cents/lb.	88.01	90.26	4
South Delta	cents/lb.	88.01	90.26	1
East TX-OK	cents/lb.	84.26	86.51	2448
West Texas	cents/lb.	84.51	86.01	2253
Desert SW	cents/lb.	83.76	86.01	0
SJ Valley	cents/lb.	84.01	92.91	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
				17-Nov-22	16-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64800	64300	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65500	65000	500
J-34(202)	26mm	3.5 - 4.9	23	64200	64200	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-

Shankar-6(105)	29mm	3.5 – 4.9	28	69000	69500	-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 Thursday, Nov 17th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221117	88.07	88.82	85.64	87.04	-1.40	14469	18931	-6455
23-Mar	221117	86.76	87.22	83.84	85.28	-1.48	27,660	99,059	-590
23-May	221117	85.87	86.23	82.9	84.39	-1.48	6,368	27,698	-423
23-Jul	221117	84.49	84.7	81.61	83.29	-1.22	3701	28,027	-358
23-Oct	221117	79.38	79.38	79.38	79.38	-0.33	0	3	0
23-Dec	221117	79.7	80.1	77.1	79.17	-0.25	1437	21500	-19
Total Volume and Open Interest							53,648	200,411	-7,844

Source: MRCI

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