

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a firm trend across India today. MCX cotton spot price was lower at Rs.32,010/bale on Tuesday. ICE cotton futures closed red on Monday.

News: India's cotton crop is in good condition and overall cotton quality has also improved. Cotton daily arrivals is around 90-1,00,000 bales per day. Cottonseed prices are remained week and are further likely to go down due to limited demand in the market. Demand for yarn has improved on weekly basis. Cotton yarn prices are stable to lightly firm.

Indian cotton is highly volatile during the last week, cotton shanker-6 prices touched Rs. 70,000 per candy mark and then again corrected to Rs. 68,000 per candy. Trade is very slow due to the huge disparity to spinners and ginners. Indian basis is still very high. Very small demand in raw cotton and yarn from abroad.



Source: AgriWatch (Crop Survey Report)

(Overall crop quality is good and yield is expected to improve)



Source: AgriWatch (Crop Survey Report)

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.

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 21st Nov 22	22 nd Nov 22
Punjab	56000	2000
Haryana	355000	6000
Lower Rajasthan	420000	9000
Ganga line	475000	9000
Net Total	1306000	26000

Cotton Price (Rs/Quintal) as of 22 nd Nov'22	
	Ready Delivery
Punjab	6500-6600
Haryana	6425-6525
Ganga line	6675-6725

MCX Cotton

	High	Low	Close	Change
MCX Cotton	31700	31400	31570	+260

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2672	2715	2665	2669	+30
Jan-23	2609	2641	2604	2608	+16

Weather Forecast:

Thunderstorms accompanied with lightning at isolated places over Costal Andhra Pradesh, Rayalaseema, north Tamil Nadu, Pondicherry & Karaikal. Heavy rainfall at isolated places over north Tamil Nadu, south coastal Andhra Pradesh and adjoining Rayalaseema.

International Cotton Fundamentals:

The Cotlook A index was lower at 104.05 cents/lb. The AWP for cotton was 77.78 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	81.16	-400
Mar-23	79.78	-400

May-23	79.15	-392
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According to the U.S. Crop progress report, as of 21st Nov, 2022. Overall 79 percent of the U.S Cotton Crop is harvested as compared to previous week 71 percent. During the previous season cotton harvested was around 74 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

Cotton yarn prices has increased by Rs.10 per kg in Delhi market as spinning mills were not willing to sell at lower prices. Mills are facing a disparity of Rs.10-15 per kg as higher kapas prices had led to a rise in cotton prices. However, cotton prices eased this week as cotton's future slipped due to macro dynamic change.

Cotton yarn prices in the Ludhiana market remained steady as mills were not inclined to reduce prices to lure buyers. In Ludhiana, 30 count cotton combed yarn was sold at Rs.285-295 per kg. 20 and 25 count combed yarn were traded at Rs.275-285 per kg and Rs.280-290 per kg respectively. Carded yarn of 30 count steady at Rs.260-270 per kg.

South Indian cotton yarn prices witnessed a stable trend. Prices for various varieties and counts remained steady in Mumbai.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	22-Nov-22	21-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9125	8750	375
	Gondal	Shankar-6	8880	8955	-75
	Rajkot	B.T. Cotton	8700	8900	-200
	Patan	B.T. Cotton	8830	8855	-25
	Kadi	B.T. Cotton	8900	9000	-100
	Deesa	B.T. Cotton	1451	1478	-27
	Dhrol	B.T. Cotton	8860	9025	-165
Haryana	Bhiwani	B.T. Cotton	8600	8600	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8650	8800	-150
	Fatehabad	B.T. Cotton	8580	8580	Unch
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8600	8800	-200
Rajasthan	Hanumangarh	B.T. Cotton	8800	8800	Unch
	Rawatsar	B.T. Cotton	8800	8850	-50
Madhya Pradesh	Khandwa	Mech-1	8800	8800	Unch
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9550	9500	50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9500	9400	100
	Hathras	Desi	7300	7300	Unch
Telangana	Adilabad	Un-Ginned	8370	NA	-
Andhra Pradesh	Adoni	Un-Ginned	8999	9225	-226
Karnataka	Bijapur	Bunny	NR	8790	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9000	9000	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	22-Nov-22	21-Nov-22	
Punjab	Bhatinda	J-34	6600	6700	-100
	Abohar	J-34	6600	6700	-100
	Mansa	J-34	6525	6600	-75
Haryana	Sirsa	J-34	6400	6500	-100
Rajasthan	Sri-Ganganagar	J-34	6298	6298	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	22-Nov-22	21-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	42500	8500
	Gondal	Shankar-6	8600	8700	-100

	Rajkot	B.T. Cotton	6600	7200	-600
	Patan	B.T. Cotton	16935	18095	-1160
	Kadi	B.T. Cotton	15000	15000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	739	799	-60
Haryana	Bhiwani	B.T. Cotton	NR	1500	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1360	1700	-340
	Fatehabad	B.T. Cotton	100	200	-100
	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	4000	Unch
	Rawatsar	B.T. Cotton	4000	4000	Unch
Madhya Pradesh	Khandwa	Mech-1	1000	1200	-200
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	1700	1500	200
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	50	30	20
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	47244.2	NA	-
Andhra Pradesh	Adoni	Un-Ginned	5748	3824	1924
Karnataka	Bijapur	Bunny	NR	9479	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	16	20	-4
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	22-Nov-22	21-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	510	-170
	Mansa	J-34	170	119	51
Haryana	Sirsa	J-34	510	867	-357
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	22-Nov-22	21-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1310	1310	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1283	1300	-17
Maharashtra	Mumbai	Rs. /10 Kg.	1310	1315	-5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	22-Nov-22	21-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2927	2952	-25
Maharashtra	Akola	Rs./Qtl	3120	3159	-39

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	22-Nov-22	21-Nov-22	Change
CCIndex(328)	RMB/Ton	15107	15197	-90
CCIndex(527)	RMB/Ton	13578	13648	-70
CCIndex(229)	RMB/Ton	15465	15547	-82
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	22-Nov-22	21-Nov-22	Change
FC Index (S)	Cents/lb	98.22	102.31	-4.09
FC Index (M)	Cents/lb	97.47	101.55	-4.08
FC Index (L)	Cents/lb	96.47	100.55	-4.08

Cotlook Index:

Cotlook Indices	Unit	21-Nov-22	19-Nov-22	Change
A-Index	Cents/Pound	104.05	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		21-Nov-22	21-Nov-22	Bales
Southeast	cents/lb.	81.53	83.78	808
North Delta	cents/lb.	80.53	82.78	0
South Delta	cents/lb.	80.53	82.78	0
East TX-OK	cents/lb.	77.28	79.53	117
West Texas	cents/lb.	77.53	79.03	570
Desert SW	cents/lb.	76.78	79.03	0
SJ Valley	cents/lb.	77.03	85.93	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
				21-Nov-22	19-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63000	64100	-1100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	63700	64800	-1100

J-34(202)	26mm	3.5 - 4.9	23	61700	62700	-1000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	67100	68600	-1500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	69500	70800	-1300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	76000	77000	-1000

Cotton Yarn Prices	22-Nov-22	21-Nov-22	Change	22-Nov-22	21-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

Daily Futures Price Listing Monday, Nov 21st 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221121	84.99	84.99	81.16	81.16	-4.00	6717	10313	-3464
23-Mar	221121	83.47	83.47	79.78	79.78	-4.00	16,752	100,245	824
23-May	221121	82.38	82.38	79.07	79.15	-3.92	3,512	29,090	739
23-Jul	221121	81.11	81.11	78.27	78.56	-3.46	1875	27,784	-43
23-Oct	221121	76.21	76.21	76.21	76.21	-3.00	0	3	0
23-Dec	221121	77.65	77.81	75.81	76.47	-2.49	765	21690	202
Total Volume and Open Interest							29,635	194,376	-1,736

Source: MRCI

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