

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a firm trend across India today. MCX cotton spot price traded at Rs.32,170/bale on Wednesday. ICE cotton futures closed green on Tuesday.

News: MCX Cotton has fallen by around 3% on a week-on-week basis and has raised around 10% month-on-month basis. MCX Nov- 22 contract traded lower at 31700 and Dec-22 contract traded at 30800. Prices have mainly fallen due to increased arrivals in the market. Cotton arrivals were around 132,300 bales on 21st November 2022 which has further increased to 137,200 bales on 23rd November 2022.

Daily arrivals in Gujarat arrivals were around 45000 bales, Maharashtra 25000 bales, Telangana 18000 bales, Madhya Pradesh 15000 bales and in Karnataka 12000 bales. Cotton Shanker-6 prices were trading at Rs. 66,000-66,500 per candy.

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.



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 22nd Nov 22	23rd Nov 22
Punjab	60000	1500
Haryana	365000	5000
Lower Rajasthan	435000	8000
Ganga line	490000	7000
Net Total	1350000	21500

Cotton Price (Rs/Quintal) as of 23 rd Nov'22	
	Ready Delivery
Punjab	6600-6700
Haryana	6500-6600
Ganga line	6750-6800

MCX Cotton

	High	Low	Close	Change
MCX Cotton	32080	31240	31900	+80

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2713	2794	2704	2702	+63
Jan-23	2634	2675	2632	2630	+25

Weather Forecast:

Thunderstorms accompanied with lightning at isolated places over Coastal 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 160 cents/lb. The AWP for cotton was 77.78 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	83.22	+206
Mar-23	82.42	+264



May-23	81.77	+262
--------	-------	------

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	23-Nov-22	22-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9125	9125	Unch
	Gondal	Shankar-6	8930	8880	50
	Rajkot	B.T. Cotton	8700	8700	Unch
	Patan	B.T. Cotton	9000	8830	170
	Kadi	B.T. Cotton	9000	8900	100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	9210	8860	350
Haryana	Bhiwani	B.T. Cotton	NR	8600	-
	Bhiwani	Desi	NR	NA	-
	Adampur	B.T. Cotton	8700	8650	50
	Fatehabad	B.T. Cotton	8680	8580	100
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	8580	-
	Dabwali	B.T. Cotton	8600	8600	Unch
Rajasthan	Hanumangarh	B.T. Cotton	8800	8800	Unch
	Rawatsar	B.T. Cotton	8900	8800	100
Madhya Pradesh	Khandwa	Mech-1	Closed	8800	-
	Khargaon	Mech-1	Closed	NA	-
Maharashtra	Amravati	Mech-1	Closed	9550	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9700	9500	200
	Hathras	Desi	7500	7300	200
Telangana	Adilabad	Un-Ginned	NA	8370	-
Andhra Pradesh	Adoni	Un-Ginned	NA	8999	-
Karnataka	Bijapur	Bunny	NR	NR	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	9000	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	23-Nov-22	22-Nov-22	
Punjab	Bhatinda	J-34	6700	6600	100
	Abohar	J-34	6700	6600	100
	Mansa	J-34	6650	6525	125
Haryana	Sirsa	J-34	6500	6400	100
Rajasthan	Sri-Ganganagar	J-34	6345	6298	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	23-Nov-22	22-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	8600	8600	Unch
	Rajkot	B.T. Cotton	6000	6600	-600

	Patan	B.T. Cotton	13565	16935	-3370
	Kadi	B.T. Cotton	15000	15000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	697	739	-42
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NR	NA	-
	Adampur	B.T. Cotton	1530	1360	170
	Fatehabad	B.T. Cotton	200	100	100
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	500	500	Unch
	Dabwali	B.T. Cotton	500	500	Unch
Rajasthan	Hanumangarh	B.T. Cotton	4000	4000	Unch
	Rawatsar	B.T. Cotton	4000	4000	Unch
Madhya Pradesh	Khandwa	Mech-1	Closed	1000	-
	Khargaon	Mech-1	Closed	NA	-
Maharashtra	Amravati	Mech-1	Closed	1700	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	50	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	47244.2	-
Andhra Pradesh	Adoni	Un-Ginned	NA	5748	-
Karnataka	Bijapur	Bunny	NR	NR	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	16	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	23-Nov-22	22-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	170	340	-170
	Mansa	J-34	255	170	85
Haryana	Sirsa	J-34	850	510	340
Rajasthan	Sri-Ganganagar	J-34	2500	3000	-500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	23-Nov-22	22-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1310	1310	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1283	1283	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1310	1310	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	23-Nov-22	22-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2931	2927	4
Maharashtra	Akola	Rs./Qtl	3119	3120	-1

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	23-Nov-22	22-Nov-22	Change
CCIndex(328)	RMB/Ton	15090	15107	-17
CCIndex(527)	RMB/Ton	13585	13578	7
CCIndex(229)	RMB/Ton	15461	15465	-4
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	23-Nov-22	22-Nov-22	Change
FC Index (S)	Cents/lb	100.81	98.22	2.59
FC Index (M)	Cents/lb	100.1	97.47	2.63
FC Index (L)	Cents/lb	99.1	96.47	2.63

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
				22-Nov-22	21-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62100	63000	-900
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	62800	63700	-900
J-34(202)	26mm	3.5 - 4.9	23	61000	61700	-700
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-

Shankar-6(105)	29mm	3.5 – 4.9	28	66300	67100	-800
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	68800	69500	-700
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	75000	76000	-1000

Cotton Yarn Prices	23-Nov-22	22-Nov-22	Change	23-Nov-22	22-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 Tuesday, Nov 22nd 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221122	81	83.94	80.04	83.22	2.06	8735	5739	-4574
23-Mar	221122	79.78	83.66	79.3	82.42	2.64	18,925	102,249	2004
23-May	221122	79.7	82.79	78.74	81.77	2.62	3,828	29,655	565
23-Jul	221122	79.2	81.78	78.15	80.78	2.22	2150	27,650	-134
23-Oct	221122	79.42	79.42	79.42	79.42	3.21	2	3	0
23-Dec	221122	76	78.74	76	77.62	1.15	601	21861	171
Total Volume and Open Interest							34,307	192,408	-1,968

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.