

**Domestic Fundamentals:****Market Outlook:**

The cotton physical market showed a firm trend across India today. MCX cotton spot price traded at Rs.32,830/bale on Monday. ICE cotton futures closed red on Friday.

**News:** India's cotton crop is in good condition and overall cotton quality has also improved. Cotton daily arrivals is around 90-1,10,000 bales per day. Cotton arrivals are lower as farmers are holding stock in anticipation of higher prices in near term. Cottonseed prices are remained week and are further likely to go down due to limited demand in the market. Cottonseed oilcake demand is also lower. Raw cotton prices are fluctuating, overall trend is bearish but prices are not going down due to lower arrivals in the market.

Ginning factories are running but less than 50% capacity due to lack of arrivals and disparity. Spinning mills are buying raw cotton but in limited quantities. Cotton yarn prices are stable to firm. Trade is very slow due to the huge disparity to spinners and ginners. Export is very limited. Very small demand in raw cotton and yarn from abroad.

Cotton exports are getting affected despite of higher production in India. In anticipation of an increase in prices in the near term, cotton farmers are holding their stock. Indian traders so far in the new season have contracted about 70,000 bales for exports, significantly lower than the 500,000 bales contracted during the same period the previous season. Bangladesh, Vietnam and China are the major buyers of Indian Cotton. Further, Exports are unlikely to gain momentum unless local prices fall or global prices move higher.

Farmers in India are not willing to sell cotton at lower price so in supply crunch market gained and touched a high at Rs. 69,000 per candy. Cotton arrivals are lower in the market and Indian basis are higher.

As per AgriWatch sources, Indian cotton prices are rising as farmers are holding stock in anticipation of higher price. Currently, Cotton prices are trading at Rs. 8,900 per quintal in Rajkot market against the minimum support price of Rs. 6,380 per quintal. For the 2022-23 season, cotton crop is lower from north India as the heavy rainfall during the past month has affected the cotton yield.



Source: AgriWatch (Crop Survey Report)

### All India New Cotton Crop: Bales

	26-Nov-22	28-Nov-22
<b>North</b>		
Punjab	1500	1500
Haryana	4000	5000
Rajasthan	8000	10000
Lower Rajasthan	4000	4500
<b>Central</b>		
Gujarat	35000	35000
Madhya Pradesh	7000	10000
Maharashtra	18000	20000
<b>South</b>		
Karnataka	8000	11000
Andhra Pradesh	5000	6000
Telangana	6000	7000
Tamil Nadu	800	800
Odisha	1000	900
<b>All India</b>	<b>98300</b>	<b>111700</b>

### Weather Forecast

Thunderstorm accompanied with lightening at isolated places over Kerala & Mahe.

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	31190	30750	30890	<b>-520</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2841	2841	2731	2763	<b>-100</b>
<b>Jan-23</b>	2715	2715	2636	2728	<b>-68</b>

### International Cotton Fundamentals:

The Cotlook A index was lower at 98.45 cents/lb. The AWP for cotton was 77.78 cents/lb.



ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	81.34	+260
Mar-23	80.18	+272
May-23	79.53	+267

Australian government has signed a free trade agreement with India to boost garment exports. As per the Apparel Export Promotion Council, the duty-free access to Australia under the trade pact will bring domestic exporters at par with global competitors and make local product competitive.

According to the U.S. Crop progress report, as of 21<sup>st</sup> 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.

### 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	28-Nov-22	26-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9000	9375	-375
	Gondal	Shankar-6	9130	9105	25
	Rajkot	B.T. Cotton	8950	8950	Unch
	Patan	B.T. Cotton	8965	9055	-90
	Kadi	B.T. Cotton	9000	9100	-100
	Deesa	B.T. Cotton	0	NA	-
	Dhrol	B.T. Cotton	9000	9025	-25
Haryana	Bhiwani	B.T. Cotton	8700	NR	-
	Bhiwani	Desi	9000	NR	-
	Adampur	B.T. Cotton	8650	8850	-200
	Fatehabad	B.T. Cotton	8550	8800	-250
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	8870	-
	Dabwali	B.T. Cotton	NR	8870	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	8850	-
	Rawatsar	B.T. Cotton	NA	8900	-
Madhya Pradesh	Khandwa	Mech-1	9000	Closed	-
	Khargaon	Mech-1	9105	Closed	-
Maharashtra	Amravati	Mech-1	9100	9200	-100
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7200	7200	Unch
Telangana	Adilabad	Un-Ginned	NA	8700	-
Andhra Pradesh	Adoni	Un-Ginned	9201	9201	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	28-Nov-22	26-Nov-22	
Punjab	Bhatinda	J-34	6750	6800	-50
	Abohar	J-34	6750	6825	-75
	Mansa	J-34	6700	6750	-50
Haryana	Sirsa	J-34	6550	6625	-75
Rajasthan	Sri-Ganganagar	J-34	6392	6392	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	28-Nov-22	26-Nov-22	
Gujarat	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	8750	8800	-50
	Rajkot	B.T. Cotton	6000	6400	-400

	Patan	B.T. Cotton	12806	16545	-3739
	Kadi	B.T. Cotton	15000	15000	Unch
	Deesa	B.T. Cotton	0	NA	-
	Dhrol	B.T. Cotton	718	654	64
Haryana	Bhiwani	B.T. Cotton	700	NR	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	1700	2054	-353.6
	Fatehabad	B.T. Cotton	300	250	50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	600	-
	Dabwali	B.T. Cotton	NR	600	-
Rajasthan	Hanumangarh	B.T. Cotton	AN	7000	-
	Rawatsar	B.T. Cotton	AN	7000	-
Madhya Pradesh	Khandwa	Mech-1	1500	Closed	-
	Khargaon	Mech-1	549	Closed	-
Maharashtra	Amravati	Mech-1	3000	3000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	15238.8	-
Andhra Pradesh	Adoni	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	28-Nov-22	26-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	510	Unch
	Mansa	J-34	170	255	-85
Haryana	Sirsa	J-34	850	850	Unch
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

**Cotton Seed Oil Prices:**

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	28-Nov-22	26-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1280	1300	-20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1285	1300	-15
Maharashtra	Mumbai	Rs. /10 Kg.	1290	1320	-30

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	28-Nov-22	26-Nov-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	2951	2994	-43
Maharashtra	Akola	Rs./Qtl	3127	3147	-20



INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	28-Nov-22	26-Nov-22	Change
CCIndex(328)	RMB/Ton	15061	Closed	-
CCIndex(527)	RMB/Ton	13573	Closed	-
CCIndex(229)	RMB/Ton	15401	Closed	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	28-Nov-22	26-Nov-22	Change
FC Index (S)	Cents/lb	98.51	Closed	-
FC Index (M)	Cents/lb	97.8	Closed	-
FC Index (L)	Cents/lb	96.8	Closed	-

Cotlook Index:

Cotlook Indices	Unit	26-Nov-22	25-Nov-22	Change
A-Index	Cents/Pound	Closed	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		26-Nov-22	26-Nov-22	Bales
Southeast	cents/lb.	Closed	Closed	Closed
North Delta	cents/lb.	Closed	Closed	Closed
South Delta	cents/lb.	Closed	Closed	Closed
East TX-OK	cents/lb.	Closed	Closed	Closed
West Texas	cents/lb.	Closed	Closed	Closed
Desert SW	cents/lb.	Closed	Closed	Closed
SJ Valley	cents/lb.	Closed	Closed	Closed

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
				26-Nov-22	25-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	NA	64200	-
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	NA	64900	-

J-34(202)	26mm	3.5 - 4.9	23	63200	63200	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	68200	68200	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	69800	69800	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	75000	75000	Unch

Cotton Yarn Prices	28-Nov-22	24-Nov-22	Change	28-Nov-22	24-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 Friday, Nov 25th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221125	83.6	83.6	81.34	81.34	-2.60	2713	703	-1299
<a href="#">23-Mar</a>	221125	83.1	83.44	80.05	80.18	-2.72	18,367	104,521	-75
<a href="#">23-May</a>	221125	82.21	82.61	79.38	79.53	-2.67	6,255	31,232	1049
<a href="#">23-Jul</a>	221125	81.24	81.5	78.52	78.64	-2.60	2574	28,065	60
<a href="#">23-Oct</a>	221125	77.61	77.61	77.61	77.61	-2.24	4	2	-1
<a href="#">23-Dec</a>	221125	77.46	77.81	75.94	76	-1.93	487	22164	82
Total Volume and Open Interest							30,410	191,947	-183

Source: MRCI

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