

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a firm trend across India today. MCX cotton spot price traded at Rs.32,570/bale on Tuesday. ICE cotton futures closed red on Monday.

News: The Department of Agriculture Rajasthan has released its first advance estimate of Kharif 2022-23 season. As of 21st Nov, 22 release, Cotton crop was sown under 683166 hectares during the 2022-23 season. Overall, Cotton Production is expected to be around 2897428 bales and yield around 721 kg/hectares. Rajasthan cotton prices are currently trading lower as farmers are holding stock in anticipation of lower crop size during the 2022-23 season. Cotton J-34 is currently trading at Rs.6392 per maund.

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.



Source: AgriWatch (Crop Survey Report); Cotton arrivals at Bhatinda Market (29.11.22)

All India New Cotton Crop: Bales

	28-Nov-22	29-Nov-22
North		
Punjab	1500	1500
Haryana	5000	5500
Rajasthan	10000	10000
Lower Rajasthan	4500	4000
Central		
Gujarat	35000	33000
Madhya Pradesh	10000	9000
Maharashtra	20000	20000
South		
Karnataka	11000	11000
Andhra Pradesh	6000	6000
Telangana	7000	8000
Tamil Nadu	800	800
Odisha	900	1100
All India	111700	109900

Weather Forecast

Thunderstorms accompanied with lightning at isolated places over Tamil Nadu and Kerala & Mahe.

MCX Cotton

	High	Low	Close	Change
MCX Cotton	31400	30960	31210	+400

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2760	2818	2760	2756	+25
Jan-23	2651	2686	2648	2647	+21

International Cotton Fundamentals:

The Cotlook A index was at 101.35 cents/lb. The AWP for cotton was 74.61 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	80.20	+114
Mar-23	78.95	+123
May-23	78.39	+114

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 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.

Cotton Yarn

North India's cotton yarn trade is getting affected due to poor demand from both the domestic weaving industry. The export market forced spinners and stockiest to reduce cotton yarn prices in the Delhi market by Rs. 10 per kg per kg. However, Ludhiana market noted stable trend. Panipat market recorded stable prices of recycled yarn.

In Delhi market, 30 count combed yarn was traded at Rs.305-310 per kg, 40 count combed at Rs.335-340 per kg, 30 count carded at Rs.285-290 per kg and 40 count carded at Rs.320-325 per kg.

Cotton yarn prices in the Ludhiana market remained stable amid muted buying from weaving industry. In Ludhiana, 30 count cotton combed yarn was sold at Rs.290-300 per kg. 20 and 25 count combed yarn were traded at Rs.280-290 per kg and Rs.285-295 per kg respectively. Carded yarn of 30 count steady at Rs.265-275 per kg.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	29-Nov-22	28-Nov-22	
Gujarat	Ahmedabad	Shankar-6	9125	9000	125
	Gondal	Shankar-6	8930	9130	-200
	Rajkot	B.T. Cotton	8950	8950	Unch
	Patan	B.T. Cotton	8960	8965	-5
	Kadi	B.T. Cotton	9000	9000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8985	9000	-15
Haryana	Bhiwani	B.T. Cotton	8700	8700	Unch
	Bhiwani	Desi	9000	9000	Unch
	Adampur	B.T. Cotton	8650	8650	Unch
	Fatehabad	B.T. Cotton	8455	8550	-95
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	8800	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	9000	9000	Unch
	Khargaon	Mech-1	9105	9105	Unch
Maharashtra	Amravati	Mech-1	9200	9100	100
	Jamner	Medium Staple	700	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	10000	9800	200
	Hathras	Desi	7700	7200	500
Telangana	Adilabad	Un-Ginned	8500	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9129	9209	-80
Karnataka	Bijapur	Bunny	9795	9459	336
	Hubli	D.C.H.	9400	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9000	9100	-100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	29-Nov-22	28-Nov-22	
Punjab	Bhatinda	J-34	6700	6750	-50
	Abohar	J-34	6700	6750	-50
	Mansa	J-34	6600	6700	-100
Haryana	Sirsa	J-34	6500	6550	-50
Rajasthan	Sri-Ganganagar	J-34	6392	6392	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	29-Nov-22	28-Nov-22	
Gujarat	Ahmedabad	Shankar-6	51000	42500	8500

	Gondal	Shankar-6	8750	8750	Unch
	Rajkot	B.T. Cotton	6700	6000	700
	Patan	B.T. Cotton	15255	12806	2449
	Kadi	B.T. Cotton	15000	15000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	603	718	-115
Haryana	Bhiwani	B.T. Cotton	700	700	Unch
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	2040	1700	340
	Fatehabad	B.T. Cotton	500	300	200
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	1200	1500	-300
	Khargaon	Mech-1	9420	6490	2930
Maharashtra	Amravati	Mech-1	3500	3000	500
	Jamner	Medium Staple	42	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	72905.6	NA	-
Andhra Pradesh	Adoni	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	6854	6235	619
	Hubli	D.C.H.	75	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	20	18	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	29-Nov-22	28-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	510	-170
	Mansa	J-34	255	170	85
Haryana	Sirsa	J-34	680	850	-170
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	29-Nov-22	28-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	1280	1280	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1285	1285	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1280	1290	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	29-Nov-22	28-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2917	2951	-34

Maharashtra	Akola	Rs./Qtl	3105	3127	-22
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INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	29-Nov-22	28-Nov-22	Change
CCIndex(328)	RMB/Ton	14998	15061	-63
CCIndex(527)	RMB/Ton	13516	13573	-57
CCIndex(229)	RMB/Ton	15327	15401	-74
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	29-Nov-22	28-Nov-22	Change
FC Index (S)	Cents/lb	97.22	98.51	-1.29
FC Index (M)	Cents/lb	96.53	97.8	-1.27
FC Index (L)	Cents/lb	95.53	96.8	-1.27

Cotlook Index:

Cotlook Indices	Unit	28-Nov-22	26-Nov-22	Change
A-Index	Cents/Pound	98.7	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		28-Nov-22	28-Nov-22	Bales
Southeast	cents/lb.	80.7	82.95	0
North Delta	cents/lb.	79.7	81.95	0
South Delta	cents/lb.	79.7	81.95	0
East TX-OK	cents/lb.	76.45	78.7	466
West Texas	cents/lb.	76.7	78.2	470
Desert SW	cents/lb.	75.95	78.2	0
SJ Valley	cents/lb.	76.2	85.1	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
				28-Nov-22	26-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64200	NA	-
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64900	NA	-
J-34(202)	26mm	3.5 - 4.9	23	62500	63200	-700
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	67700	68200	-500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	69300	69800	-500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	75000	75000	Unch

Daily Futures Price Listing Monday, Nov 28th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221128	81.86	81.86	79.99	80.2	-1.14	484	248	-455
23-Mar	221128	80.17	80.64	77.5	78.95	-1.23	7,222	104,610	89
23-May	221128	79.52	80	77.02	78.39	-1.14	2,575	31,702	470
23-Jul	221128	79.1	79.1	76.4	77.71	-0.93	1770	28,301	236
23-Oct	221128	76.36	76.36	76.36	76.36	-1.25	4	2	0
23-Dec	221128	76	76	74.25	74.78	-1.22	1358	22233	69
Total Volume and Open Interest							13,434	192,371	424

Source: MRCI

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