

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

The cotton physical market showed a firm trend across India today. MCX cotton spot price traded at Rs.32,800/bale on Thursday. ICE cotton futures closed green on Wednesday.

**News:** According to the Punjab Mandi Board data, cotton crop has seen the slowest arrival in the last five years even as the average rate is the highest since 2018. Punjab is expected to have produced 20 lakh quintals against 29 lakh quintals produced in the 2021-22 season.

As per the Mandi Board data, Till 30<sup>th</sup> November 22, 2.22 lakh quintals of raw cotton has arrived from all seven districts of the Malwa belt. Where else, the average rate of cotton is around Rs.8,500 per quintal. All seven cotton-growing districts are reporting the arrival of mere 4,000-8000 quintals every day.

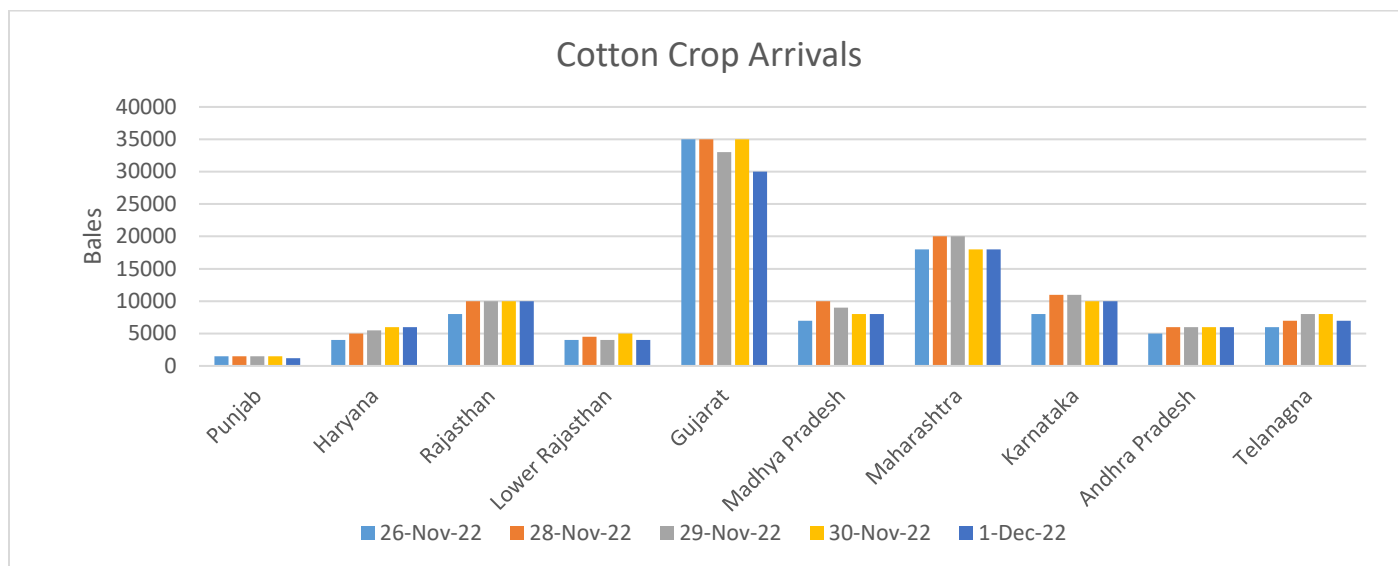
As per AgriWatch sources, Arrivals are lower as farmers are holding cotton in anticipation of higher prices in the near term. Also, there are reports of shorter staple length than the prescribed of 27 mm.

The Department of Agriculture Rajasthan has released its first advance estimate of Kharif 2022-23 season. As of 21<sup>st</sup> 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.



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

### All India New Cotton Crop: Bales



### Weather Forecast

Dense Fog at isolated places over Punjab and Himachal Pradesh. Thunderstorm accompanied with lightening at isolated places over at Tamil Nadu, Pondicherry, Karikal and Kerala & Mahe

### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	32290	31670	32240	<b>+1.99</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2780	2803	2725	2760	-
<b>Jan-23</b>	2670	2681	2640	2655	<b>+3.00</b>

### International Cotton Fundamentals:

The Cotlook A index was at 97.50 cents/lb. The AWP for cotton was 74.61 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Dec- 22</b>	86.05	<b>+445</b>
<b>Mar-23</b>	84.61	<b>+400</b>



May-23	84.03	+400
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Cotton production in China is expected to increase by 5% in the 2022 season mainly due to an increase in acreages under the cotton crop. Cotton production in northwest China's Gansu province and Xinjiang is expected to increase by 22% and 7% respectively.

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

South India's cotton yarn prices remained steady amid weak demand in the market. Also, Yarn prices remained stable in Mumbai. Mills are struggling to maintain prices of cotton yarn amid weaker demand. Mills are facing disparity due to higher cotton prices and poor demand from the weaving industry.

In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,700-1,750 and Rs.1,610-1,630 per 5 kg (GST extra) respectively. 60 combed warp was priced at Rs.360-365 per kg. 80 carded (weft) cotton yarn was sold at Rs.1,540-1,580 per 4.5 kg.

According to the commerce ministry data, cotton yarn exports from India were down by 71% in September 2022. Cotton yarn exports have shrunk to US \$ 129.28 million in September'22 from US \$ 442.80 million a year ago. Cotton yarn shipments to Bangladesh are set to fall by 71.21% to USD 51.38 million in September 2022, while shipments to Egypt and Portugal were down by 57.55% and 79.24 % respectively. (year-on-year basis)

**DOMESTIC PRICES AND ARRIVALS****\*Gujarat markets were closed due to election.****Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	1-Dec-22	30-Nov-22	
Gujarat	Ahmedabad	Shankar-6	Closed	9100	-
	Gondal	Shankar-6	Closed	8980	-
	Rajkot	B.T. Cotton	Closed	8850	-
	Patan	B.T. Cotton	8925	8930	-5
	Kadi	B.T. Cotton	9000	9000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	9055	-
Haryana	Bhiwani	B.T. Cotton	NR	8750	-
	Bhiwani	Desi	NR	9000	-
	Adampur	B.T. Cotton	8650	8700	-50
	Fatehabad	B.T. Cotton	8670	8475	195
	Jind	B.T. Cotton	NA	10000	-
	Uchana	B.T. Cotton	8600	8650	-50
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	8800	8800	Unch
	Rawatsar	B.T. Cotton	8950	8900	50
Madhya Pradesh	Khandwa	Mech-1	9000	9000	Unch
	Khargaon	Mech-1	8940	9110	-170
Maharashtra	Amravati	Mech-1	9250	9300	-50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7800	7800	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9099	9117	-18
Karnataka	Bijapur	Bunny	NA	9289	-
	Hubli	D.C.H.	9350	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9100	9000	100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	1-Dec-22	30-Nov-22	
Punjab	Bhatinda	J-34	6900	6800	100
	Abohar	J-34	6900	6800	100
	Mansa	J-34	6700	6600	100
Haryana	Sirsa	J-34	6700	6600	100
Rajasthan	Sri-Ganganagar	J-34	NR	NR	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	1-Dec-22	30-Nov-22	
Gujarat	Ahmedabad	Shankar-6	Closed	42500	-



	Gondal	Shankar-6	Closed	8700	-
	Rajkot	B.T. Cotton	Closed	6400	-
	Patan	B.T. Cotton	13800	19485	-5685
	Kadi	B.T. Cotton	30000	15000	15000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	783	-
Haryana	Bhiwani	B.T. Cotton	NR	700	-
	Bhiwani	Desi	NR	NR	-
	Adampur	B.T. Cotton	2380	2210	170
	Fatehabad	B.T. Cotton	400	615	-215
	Jind	B.T. Cotton	NA	425	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	2000	4000	-2000
	Rawatsar	B.T. Cotton	2000	4000	-2000
Madhya Pradesh	Khandwa	Mech-1	1300	1400	-100
	Khargaon	Mech-1	8430	8430	Unch
Maharashtra	Amravati	Mech-1	3500	3500	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	50	50	Unch
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	3807	4130	-323
Karnataka	Bijapur	Bunny	NA	7768	-
	Hubli	D.C.H.	19	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	19	18	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	1-Dec-22	30-Nov-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	595	510	85
	Mansa	J-34	255	170	85
Haryana	Sirsa	J-34	680	850	-170
Rajasthan	Sri-Ganganagar	J-34	NR	NR	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	1-Dec-22	30-Nov-22	
Gujarat	Rajkot	Rs. /10 Kg.	Closed	1270	-
Telangana	Hyderabad	Rs. /10 Kg.	1275	1275	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1245	1260	-15

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	1-Dec-22	30-Nov-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2847	2868	-21
Maharashtra	Akola	Rs./Qtl	3089	3116	-27

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	1-Dec-22	30-Nov-22	Change
CCIndex(328)	RMB/Ton	14932	14973	-41
CCIndex(527)	RMB/Ton	13470	13503	-33
CCIndex(229)	RMB/Ton	15250	15296	-46
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	1-Dec-22	30-Nov-22	Change
FC Index (S)	Cents/lb	102.76	98.78	3.98
FC Index (M)	Cents/lb	102.02	98.17	3.85
FC Index (L)	Cents/lb	101.02	97.17	3.85

Cotlook Index:

Cotlook Indices	Unit	30-Nov-22	29-Nov-22	Change
A-Index	Cents/Pound	99.1	97.5	1.60

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		30-Nov-22	30-Nov-22	Bales
Southeast	cents/lb.	86.36	88.61	0
North Delta	cents/lb.	85.36	87.61	0
South Delta	cents/lb.	85.36	87.61	0
East TX-OK	cents/lb.	82.11	84.36	1277
West Texas	cents/lb.	82.36	83.86	782
Desert SW	cents/lb.	81.61	83.86	0
SJ Valley	cents/lb.	81.86	90.76	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
				30-Nov-22	29-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63900	63700	200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64600	64400	200

J-34(202)	26mm	3.5 - 4.9	23	63200	62500	700
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 – 4.9	28	68000	67700	300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	70300	69300	1000
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	1-Dec-22	30-Nov-22	Change	1-Dec-22	30-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 Wednesday, Nov 30th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221130	83.2	86.05	83.2	86.05	4.45	126	144	-99
<a href="#">23-Mar</a>	221130	80.61	84.61	79.88	84.61	4.00	16,264	105,234	-148
<a href="#">23-May</a>	221130	80.16	84.03	79.41	84.03	4.00	4,837	32,289	170
<a href="#">23-Jul</a>	221130	79.11	83.35	78.77	83.28	3.93	2014	28,279	-68
<a href="#">23-Oct</a>	221130	81.28	81.28	81.22	81.28	3.75	0	2	0
<a href="#">23-Dec</a>	221130	76.47	80.32	76.12	80.1	3.55	1715	22332	35
Total Volume and Open Interest							25,154	193,666	-35

Source: MRCI

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