

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

The cotton physical market showed a firm trend across India today. MCX cotton spot price traded at Rs.33,030/bale on Friday. ICE cotton futures closed red on Thursday.

**News:** The Haryana government has approved the Haryana Aatmanirbhar Textile Policy 2022-25 with an estimated budget of Rs 1,500 crore with capping for capital incentive cases. The policy and related schemes will come into operation from the date of its notification and will remain in force for three years from the date of its notification.

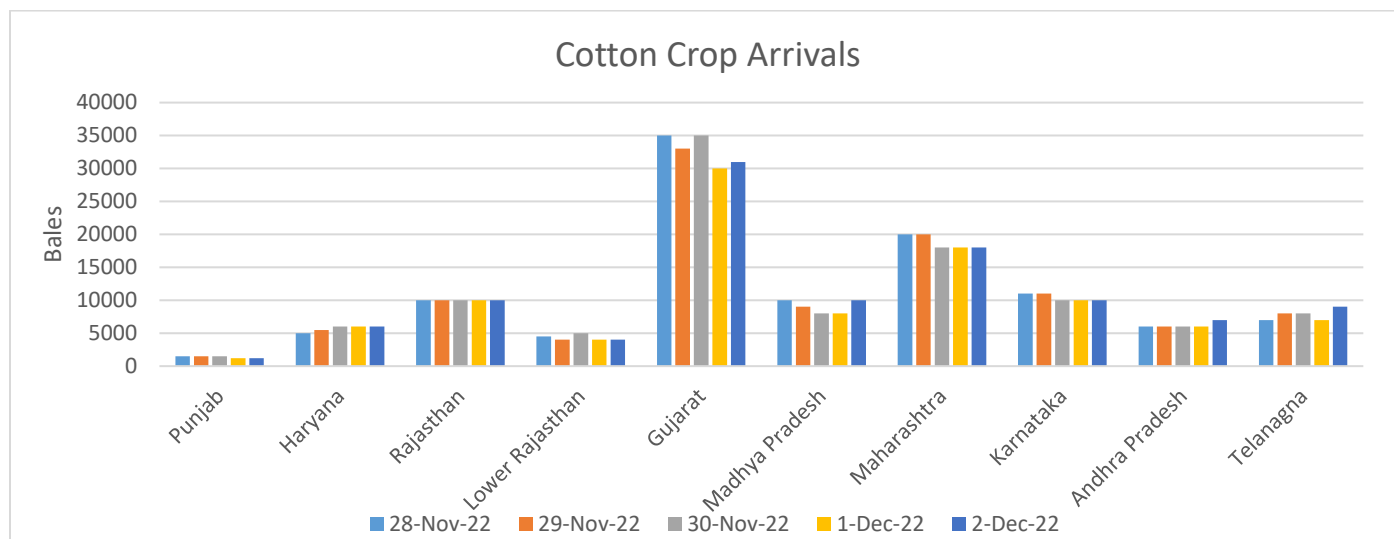
According to the Punjab Mandi Board data, cotton crop has seen the slowest arrival in the last five years even as the average rate is the highest since 2018. Punjab is expected to have produced 20 lakh quintals against 29 lakh quintals produced in the 2021-22 season.

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.



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

All India New Cotton Crop: BalesWeather Forecast

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

MCX Cotton

	High	Low	Close	Change
MCX Cotton	32570	31900	32130	-250

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2760	2800	2738	2756	-11.00
Jan-23	2652	2675	2625	2657	-26.00

International Cotton Fundamentals:

The Cotlook A index was at 99.10 cents/lb. The AWP for cotton was 73.03 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	85.93	-12
Mar-23	84.85	+24
May-23	84.15	+12

The Pakistan local cotton market on Thursday remained steady and the trading volume remained low. The rate of cotton in Sindh is in between Rs 14,500 to Rs 17,000 per maund.

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 ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	2-Dec-22	1-Dec-22	
Gujarat	Ahmedabad	Shankar-6	9125	Closed	-
	Gondal	Shankar-6	9105	Closed	-
	Rajkot	B.T. Cotton	8950	Closed	-
	Patan	B.T. Cotton	9000	8925	75
	Kadi	B.T. Cotton	9000	9000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	9175	Closed	-
Haryana	Bhiwani	B.T. Cotton	8800	NR	-
	Bhiwani	Desi	NA	NR	-
	Adampur	B.T. Cotton	8550	8650	-100
	Fatehabad	B.T. Cotton	8485	8670	-185
	Jind	B.T. Cotton	9200	NA	-
	Uchana	B.T. Cotton	8755	8600	155
	Dabwali	B.T. Cotton	8615	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	8800	8800	Unch
	Rawatsar	B.T. Cotton	8700	8950	-250
Madhya Pradesh	Khandwa	Mech-1	9000	9000	Unch
	Khargaon	Mech-1	8940	8940	Unch
Maharashtra	Amravati	Mech-1	9200	9250	-50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7500	7800	-300
Telangana	Adilabad	Un-Ginned	8550	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9089	9099	-10
Karnataka	Bijapur	Bunny	9361	9389	-28
	Hubli	D.C.H.	NA	9350	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9200	9100	100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	2-Dec-22	1-Dec-22	
Punjab	Bhatinda	J-34	6825	6900	-75
	Abohar	J-34	6825	6900	-75
	Mansa	J-34	6700	6700	Unch
Haryana	Sirsa	J-34	6650	6700	-50
Rajasthan	Sri-Ganganagar	J-34	NR	NR	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	2-Dec-22	1-Dec-22	
Gujarat	Ahmedabad	Shankar-6	42500	Closed	-
	Gondal	Shankar-6	8850	Closed	-



	Rajkot	B.T. Cotton	5000	Closed	-
	Patan	B.T. Cotton	11485	13800	-2315
	Kadi	B.T. Cotton	20000	30000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	556	Closed	-
Haryana	Bhiwani	B.T. Cotton	1500	NR	-
	Bhiwani	Desi	NA	NR	-
	Adampur	B.T. Cotton	2380	2380	Unch
	Fatehabad	B.T. Cotton	550	400	150
	Jind	B.T. Cotton	680	NA	-
	Uchana	B.T. Cotton	800	NR	-
	Dabwali	B.T. Cotton	800	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	2000	1500	500
	Rawatsar	B.T. Cotton	2000	1500	500
Madhya Pradesh	Khandwa	Mech-1	1400	1300	100
	Khargaon	Mech-1	8430	8430	Unch
Maharashtra	Amravati	Mech-1	4300	3500	800
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	50	-
	Hathras	Desi	NA	0	-
Telangana	Adilabad	Un-Ginned	44774.7	NA	-
Andhra Pradesh	Adoni	Un-Ginned	4134	3807	327
Karnataka	Bijapur	Bunny	6756	6680	76
	Hubli	D.C.H.	NA	19	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	20	19	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	2-Dec-22	1-Dec-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	510	595	-85
	Mansa	J-34	340	255	85
Haryana	Sirsa	J-34	765	680	85
Rajasthan	Sri-Ganganagar	J-34	NR	NR	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	2-Dec-22	1-Dec-22	
Gujarat	Rajkot	Rs. /10 Kg.	1260	Closed	-
Telangana	Hyderabad	Rs. /10 Kg.	1270	1275	-5
Maharashtra	Mumbai	Rs. /10 Kg.	1220	1245	-25

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	2-Dec-22	1-Dec-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2837	2847	-10
Maharashtra	Akola	Rs./Qtl	3072	3089	-17

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	2-Dec-22	1-Dec-22	Change
CCIndex(328)	RMB/Ton	14942	14932	10
CCIndex(527)	RMB/Ton	13470	13470	Unch
CCIndex(229)	RMB/Ton	15264	15250	14
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	2-Dec-22	1-Dec-22	Change
FC Index (S)	Cents/lb	NA	102.76	-
FC Index (M)	Cents/lb	NA	102.02	-
FC Index (L)	Cents/lb	NA	101.02	-

Cotlook Index:

Cotlook Indices	Unit	1-Dec-22	30-Nov-22	Change
A-Index	Cents/Pound	102.9	99.1	3.80

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		1-Dec-22	1-Dec-22	Bales
Southeast	cents/lb.	86.6	88.85	297
North Delta	cents/lb.	85.6	87.85	895
South Delta	cents/lb.	85.6	87.85	0
East TX-OK	cents/lb.	82.35	84.6	1304
West Texas	cents/lb.	82.85	84.35	3409
Desert SW	cents/lb.	81.85	84.1	0
SJ Valley	cents/lb.	82.1	91	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
				1-Dec-22	30-Nov-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64900	63900	1000
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65600	64600	1000
J-34(202)	26mm	3.5 - 4.9	23	64100	63200	900
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	68500	68000	500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	70300	70300	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	2-Dec-22	1-Dec-22	Change	2-Dec-22	1-Dec-22	Change
Varietiy	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 Thursday, Dec 01st 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">22-Dec</a>	221201	87.75	87.76	85.93	85.93	-0.12	4	142	-2
<a href="#">23-Mar</a>	221201	84.76	87.23	83.23	84.85	0.24	10,962	105,901	667
<a href="#">23-May</a>	221201	84	86.45	82.66	84.15	0.12	2,977	32,641	352
<a href="#">23-Jul</a>	221201	83.5	85.54	82.02	83.37	0.09	1280	28,240	-39
<a href="#">23-Oct</a>	221201	81.23	81.72	81.23	81.58	0.30	0	2	0
<a href="#">23-Dec</a>	221201	80.1	81.63	78.77	80.25	0.15	880	22121	-211
Total Volume and Open Interest							16,230	194,437	771

Source: MRCI

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