

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price traded at Rs.31,940/bale on Saturday. ICE cotton futures closed green on Friday.

News: Cotton daily arrivals have reached around 1,10,000-1,15,000 bales per day. Overall cotton crop condition is good. Cotton First picking has been completed in the major cotton growing belts across India. In some areas of central and northern India second picking has been started. About 35% of the cotton crop has been harvested so far. Cottonseed prices are remained weak to stable. However, the raw cotton prices remained stable. The cotton future market is highly volatile.

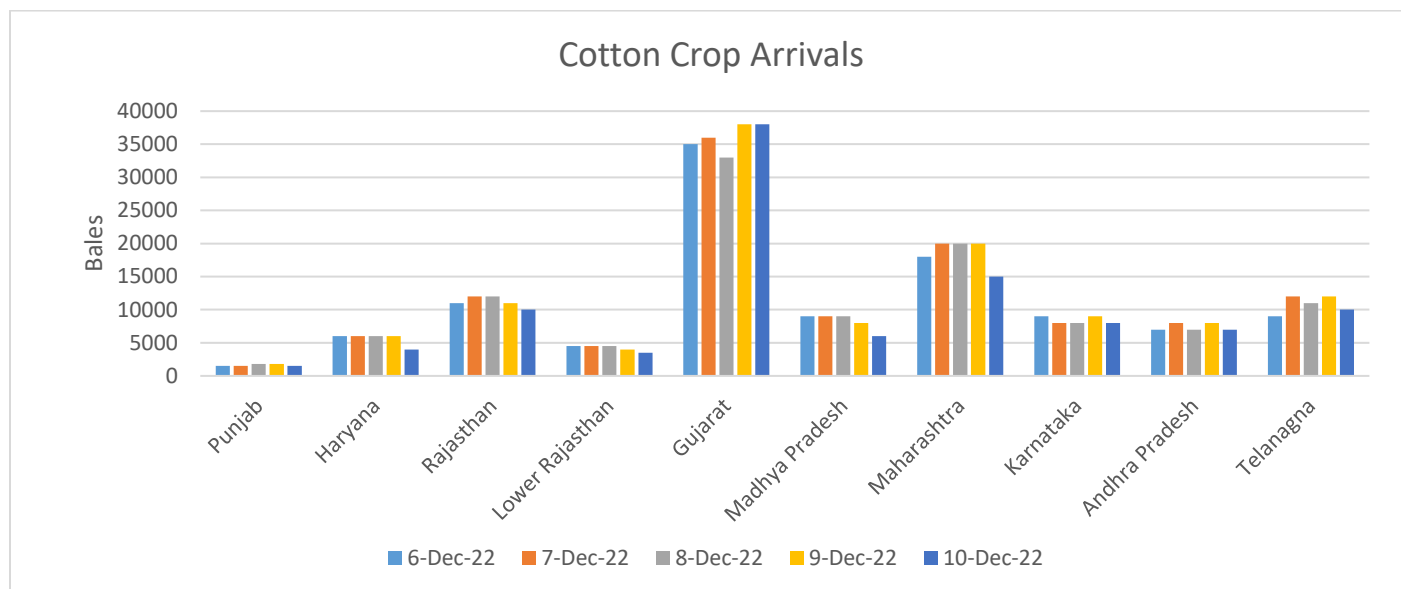
Ginning factories are running slower around less than 50% capacity due to lack of arrivals and disparity. Spinning mills are buying raw cotton but in limited quantities. Cotton yarn prices are stable. International demand for yarn may increase from China and Vietnam in coming month. Trade is very slow due to the huge disparity to spinners and ginners. Export demand is very limited.

As cotton arrivals have been increasing in the market. The raw cotton prices have started declining in Karimnagar, cotton prices have fallen by Rs.2,700 during the last fortnight. Through, the price of quintal cotton rose up to Rs.9,000 in the second week of November. All India cotton arrivals during November month were around 2,934,325 bales as compared to previous month arrivals of around 1,335,840 bales in the 2022-23 season.

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.

Weather Forecast

Heavy rainfall at isolated places over Kerala & Mahe. Thunderstorms accompanied with lightning at isolated places over Maharashtra, Marathwada, Konkan & Goa, and Kerala & Mahe.

All India New Cotton Crop: BalesMCX Cotton

	High	Low	Close	Change
MCX Cotton	31820	31200	31320	-180

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2764	2886	2764	2737	+107
Jan-23	2680	2713	2674	2660	+32

International Cotton Fundamentals:

The Cotlook A index was at 102.10 cents/lb. The AWP for cotton was 75.17 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Dec- 22	80.95	+10
Mar-23	80.90	+25
May-23	80.66	+27

According to USDA, World Cotton and Market Report, Global cotton production is estimated down by 700,000 bales from the previous month to 115.7 million, largely owing to lower production in Pakistan. Pakistan

production has fallen due to floods and poor weather. Global stocks are forecasted higher with consumption projected lower more than 3.0 million bales. This is the seventh consecutive monthly decline for global consumption. Global trade is down roughly 1.0 million bales, led by a decline in China, and is now forecast lower compared with the previous year.

The U.S. balance sheet shows higher production and ending stocks relative to the previous month. Exports and consumption are estimated down this month, and shipments are projected at the lowest level in 7 years.

Cotton Yarn

Cotton Yarn Exports are likely to go down during the first half of 2023. The higher domestic prices along with weak export demand may impact the yarn export globally. Earlier, the exports in cotton yarn witnessed a downward trend from January 2022 onwards, further aggravating a slowdown in global demand. Furthermore, the second half of 2023 is expected to remain muted for cotton yarn exporters due to the weak demand from the international market.

Yarn prices in the northern Indian market witnessed a bearish trend as cotton prices were not feasible for the textile industry. Yarn prices declined in Delhi as the weaving industry was cautious about buying. Panipat's recycled yarn traded stable, but cotton comber and recycled fiber eased.

In Delhi, lower demand for cotton yarn was witnessed from domestic and export market. Cotton yarn eased by Rs.5 per kg for most of the counts and varieties.

In the Delhi market, 30 count combed yarn was traded at Rs.290-295 per kg (GST extra), 40 count combed at Rs.320-325 per kg, 30 count carded at Rs.270-275 per kg and 40 count carded at Rs.305-310 per kg.

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	12-Dec-22	10-Dec-22	
Gujarat	Ahmedabad	Shankar-6	8750	8625	125
	Gondal	Shankar-6	8980	8780	200
	Rajkot	B.T. Cotton	8650	8650	Unch
	Patan	B.T. Cotton	8925	8850	75
	Kadi	B.T. Cotton	8750	8750	Unch
	Dhrol	B.T. Cotton	8885	8775	110
Haryana	Bhiwani	B.T. Cotton	8700	8500	200
	Adampur	B.T. Cotton	8550	8600	-50
	Fatehabad	B.T. Cotton	8465	8475	-10
	Uchana	B.T. Cotton	8600	8500	100
	Dabwali	B.T. Cotton	NR	8490	-

Rajasthan	Hanumangarh	B.T. Cotton	8850	8550	300
	Rawatsar	B.T. Cotton	8750	8750	Unch
Madhya Pradesh	Khandwa	Mech-1	NR	Closed	-
	Khargaon	Mech-1	8450	Closed	-
Maharashtra	Amravati	Mech-1	8600	8600	Unch
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7500	7500	Unch
Telangana	Adilabad	Un-Ginned	NA	8160	-
Andhra Pradesh	Adoni	Un-Ginned	8449	8585	-136
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	8700	8725	-25
	Raichur	H-44 Cotton	8600	8600	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	12-Dec-22	10-Dec-22	
Punjab	Bhatinda	J-34	6700	6675	25
	Abohar	J-34	6675	6675	Unch
	Mansa	J-34	6600	6500	100
Haryana	Sirsa	J-34	6525	6525	Unch
Rajasthan	Sri-Ganganagar	J-34	6392	6298	94

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	12-Dec-22	10-Dec-22	
Gujarat	Ahmedabad	Shankar-6	45900	42500	3400
	Gondal	Shankar-6	8550	8550	Unch
	Rajkot	B.T. Cotton	6000	3600	2400
	Patan	B.T. Cotton	10795	10760	35
	Kadi	B.T. Cotton	25000	10000	15000
	Dhrol	B.T. Cotton	773	692	81
Haryana	Bhiwani	B.T. Cotton	1200	2500	-1300
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1360	340
	Fatehabad	B.T. Cotton	550	550	Unch
	Uchana	B.T. Cotton	NR	600	-
	Dabwali	B.T. Cotton	NR	600	-
Rajasthan	Hanumangarh	B.T. Cotton	3000	3000	Unch
	Rawatsar	B.T. Cotton	3000	3000	Unch
	Khargaon	Mech-1	3780	Closed	-
Maharashtra	Amravati	Mech-1	5000	5000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

Telangana	Adilabad	Un-Ginned	NA	39951.2	-
Andhra Pradesh	Adoni	Un-Ginned	1241	1827	-586
	Hubli	D.C.H.	10	38	-28
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	13	14	-1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	12-Dec-22	10-Dec-22	
	Abohar	J-34	340	340	Unch
	Mansa	J-34	510	255	255
Haryana	Sirsa	J-34	510	510	Unch
Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	12-Dec-22	10-Dec-22	
Gujarat	Rajkot	Rs./10 Kg.	1235	1190	45
Telangana	Hyderabad	Rs./10 Kg.	1225	1210	15
Maharashtra	Mumbai	Rs./10 Kg.	1190	1190	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	12-Dec-22	10-Dec-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2805	2805	Unch
Maharashtra	Akola	Rs./Qtl	2937	2937	Unch

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	9-Dec-22	8-Dec-22	Change
CCIndex(328)	RMB/Ton	14915	14914	1
CCIndex(527)	RMB/Ton	13435	13446	-11
CCIndex(229)	RMB/Ton	15243	15252	-9
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	8-Dec-22	7-Dec-22	Change
FC Index (S)	Cents/lb	99.82	102.63	-2.81
FC Index (M)	Cents/lb	99.12	101.92	-2.80
FC Index (L)	Cents/lb	98.12	100.92	-2.80

Cotlook Index:

Cotlook Indices	Unit	9-Dec-22	8-Dec-22	Change
A-Index	Cents/Pound	98.9	99.95	-1.05

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		9-Dec-22	9-Dec-22	Bales
Southeast	cents/lb.	82.7	84.95	0
North Delta	cents/lb.	81.7	83.95	0
South Delta	cents/lb.	81.7	83.95	0
East TX-OK	cents/lb.	78.45	80.7	1560
West Texas	cents/lb.	78.95	80.95	1450
Desert SW	cents/lb.	77.95	80.2	0
SJ Valley	cents/lb.	78.2	87.1	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
				10-Dec-22	9-Dec-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62900	62900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	63600	63600	Unch
J-34(202)	26mm	3.5 - 4.9	23	62100	62100	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	66500	66500	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	67800	67800	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	74000	74000	Unch

Daily Futures Price Listing Friday, Dec 09th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Dec	221209	80.9	83.75	80.1	80.95	0.10	17226	104850	-304
23-Mar	221209	81	83.57	79.99	80.9	0.25	7,278	33,306	235
23-May	221209	81.46	83.26	79.83	80.66	0.27	4,549	29,991	528
23-Jul	221209	79.19	79.19	79.19	79.19	0.11	8	13	0
23-Oct	221209	78.5	80.53	77.54	78.32	0.29	1724	21,986	78
23-Dec	221209	78.3	80.49	77.5	78.17	0.39	202	2558	-72
Total Volume and Open Interest							31,301	195,464	518

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.