

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed a mixed trend with weak bias across India today. MCX cotton spot price traded at Rs.31,760/bale on Thursday. ICE cotton futures closed red on Wednesday.

**News:** The cotton arrivals shrank by 12.38% in the period between 1st October and 7th December. The market arrivals expectations remained at 49 lakh bales as compared to 95 lakh bales the last season.

This year, an increase of 10 lakh hectares in area is expected in cotton, however experts predict a decline in the production. As per the Cotton Association of India, the country's production is projected at 345 lakh bales during 2022-23. While the market experts are expecting it to be around 300 lakh bales.

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.

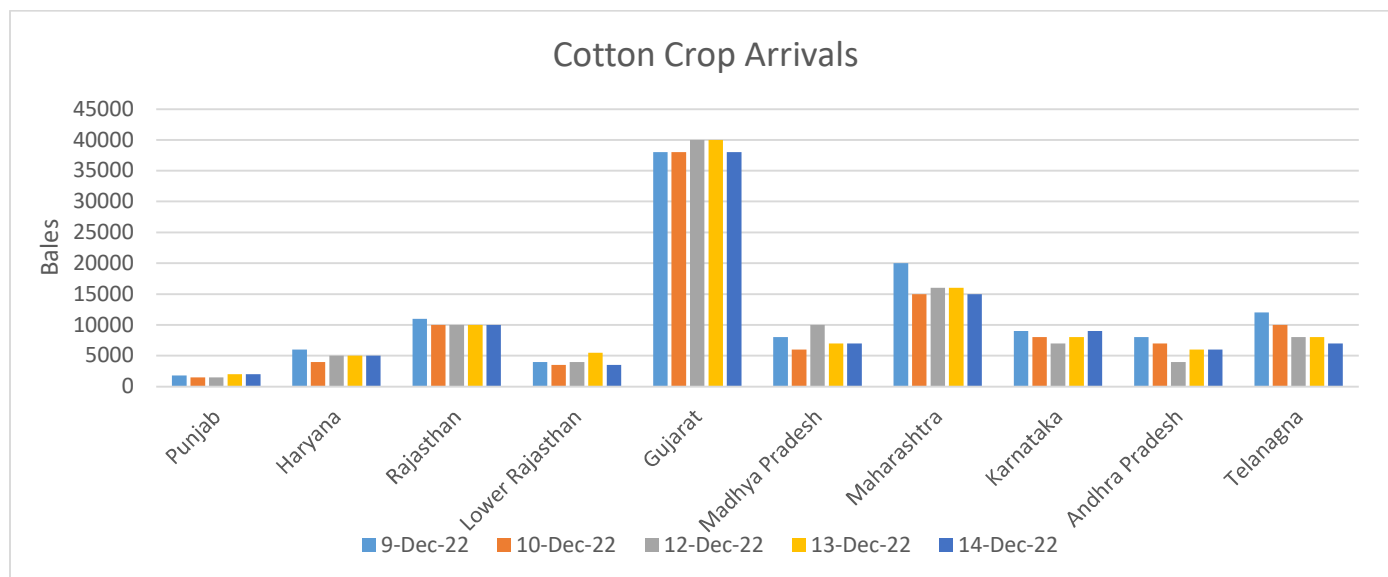
Ginning factories are running slower around less than 50% capacity due to lack of arrivals and disparity. Spinning mills are buying raw cotton but in limited quantities. Cotton yarn prices are stable. International demand for yarn may increase from China and Vietnam in coming month. Trade is very slow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

### Weather Forecast

Heavy rainfall at isolated places over Nicobar Islands. Dense fog at isolated places over Himachal Pradesh.

### All India New Cotton Crop: Bales



### MCX Cotton

	High	Low	Close	Change
<b>MCX Cotton</b>	31450	31150	31250	<b>-80</b>

### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Dec-20</b>	2845	2874	2840	2821	<b>+51.00</b>
<b>Jan-23</b>	2676	2724	2675	2684	<b>+30.00</b>

### International Cotton Fundamentals:

The Cotlook A index was at 104.5 cents/lb. The AWP for cotton was 65.46 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Dec- 22</b>	86.50	<b>+118</b>
<b>Mar-23</b>	84.73	<b>+101</b>
<b>May-23</b>	83.79	<b>+105</b>

The local cotton market in Pakistan remained bearish and trading volume remained lower. The cotton traded at Rs. 14,000 to Rs.17,000 per maund yesterday.

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.

### Cotton Yarn

As per market sources, Cotton yarn prices had further declined by Rs.5-8 per kg yesterday in Mumbai market as buyers in the textile value chain were cautious amid speculations of global recession. However, cotton yarn prices remained stable in Tiruppur. Buying of cotton yarn in south India was limited as buyers further tightened their purchases amid uncertainty regarding revival of demand. In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,640-1,680 and Rs.1,550-1,600 per 5 kg respectively. 60 combed warp was priced at Rs.360-365 per kg. 80 carded (weft) cotton yarn was sold at Rs.1,520-1,540 per 4.5 kg. 44/46 count carded cotton yarn (warp) was priced at Rs.305-310 per kg.

India's polyester and polyester-cotton yarn prices remained steady yesterday, even though trading activities improved as domestic brands were actively buying for the summer season.

Yarn prices in the northern Indian market eased in Ludhiana due to lower demand While prices remained stable in Delhi. In Delhi, lower demand for cotton yarn was witnessed from domestic and export market.

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	15-Dec-22	14-Dec-22	
Gujarat	Ahmedabad	Shankar-6	8625	8875	-250
	Gondal	Shankar-6	8780	8830	-50
	Rajkot	B.T. Cotton	8900	8600	300
	Patan	B.T. Cotton	8800	8805	-5
	Kadi	B.T. Cotton	8600	8750	-150
	Deesa	B.T. Cotton	1551	1540	11
	Dhrol	B.T. Cotton	8850	8950	-100
Haryana	Bhiwani	B.T. Cotton	8500	8700	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8500	8550	-50
	Fatehabad	B.T. Cotton	8410	8515	-105
	Jind	B.T. Cotton	8300	NA	-
	Uchana	B.T. Cotton	8610	8540	70

	Dabwali	B.T. Cotton	8480	8550	-70
Rajasthan	Hanumangarh	B.T. Cotton	8700	8850	-150
	Rawatsar	B.T. Cotton	8770	8750	20
Madhya Pradesh	Khandwa	Mech-1	8600	NR	-
	Khargaon	Mech-1	8480	8490	-10
Maharashtra	Amravati	Mech-1	8300	8500	-200
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7800	7800	Unch
Telangana	Adilabad	Un-Ginned	NA	8180	-
Andhra Pradesh	Adoni	Un-Ginned	8379	8379	Unch
Karnataka	Bijapur	Bunny	8969	8995	-26
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8700	-
<b>Commodity</b>	<b>Lint</b>		<b>Prices (Rs./Maund)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>15-Dec-22</b>	<b>14-Dec-22</b>	
Punjab	Bhatinda	J-34	6675	6725	-50
	Abohar	J-34	6650	6725	-75
	Mansa	J-34	6500	6550	-50
Haryana	Sirsa	J-34	6550	6575	-25
Rajasthan	Sri-Ganganagar	J-34	6411	6430	-19

**Cotton Arrivals in Key Centers:**

<b>Commodity</b>	<b>Kapas</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>15-Dec-22</b>	<b>14-Dec-22</b>	
Gujarat	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	8350	8500	-150
	Rajkot	B.T. Cotton	4000	4200	-200
	Patan	B.T. Cotton	10470	12220	-1750
	Kadi	B.T. Cotton	25000	20000	5000
	Deesa	B.T. Cotton	2700	400	2300
	Dhrol	B.T. Cotton	318	520	-202
Haryana	Bhiwani	B.T. Cotton	1500	1200	300
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	500	500	Unch
	Jind	B.T. Cotton	1360	NA	-
	Uchana	B.T. Cotton	700	600	100
	Dabwali	B.T. Cotton	700	600	100
Rajasthan	Hanumangarh	B.T. Cotton	4000	3000	1000
	Rawatsar	B.T. Cotton	4000	3000	1000

<b>Madhya Pradesh</b>	Khandwa	Mech-1	600	NR	-
	Khargaon	Mech-1	1650	2790	-1140
<b>Maharashtra</b>	Amravati	Mech-1	8000	5000	3000
	Jamner	Medium Staple	NA	NA	-
<b>Uttar Pradesh</b>	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
<b>Telangana</b>	Adilabad	Un-Ginned	NA	17671.1	-
<b>Andhra Pradesh</b>	Adoni	Un-Ginned	1023	1217	-194
<b>Karnataka</b>	Bijapur	Bunny	3527	3756	-229
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	18	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>15-Dec-22</b>	<b>14-Dec-22</b>	
<b>Punjab</b>	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	680	680	Unch
	Mansa	J-34	255	255	Unch
<b>Haryana</b>	Sirsa	J-34	510	680	-170
<b>Rajasthan</b>	Sri-Ganganagar	J-34	2000	3000	-1000

#### Cotton Seed Oil Prices:

<b>Commodity</b>	<b>Cotton Seed Oil</b>		<b>Price</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Unit</b>	<b>15-Dec-22</b>	<b>14-Dec-22</b>	
<b>Gujarat</b>	Rajkot	Rs. /10 Kg.	1240	1240	Unch
<b>Delhi</b>	New Delhi	Rs. /10 Kg.	NR	NR	-
<b>Telangana</b>	Hyderabad	Rs. /10 Kg.	1235	1235	Unch
<b>Maharashtra</b>	Mumbai	Rs. /10 Kg.	1230	1230	Unch

#### Cotton Seed Oil Seed Cake Prices:

<b>Commodity</b>	<b>Cotton Seed Oil Seed Cake</b>		<b>Price</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Unit</b>	<b>15-Dec-22</b>	<b>14-Dec-22</b>	
<b>Gujarat</b>	Mahesana (Kadi)	Rs./Qtl	2898	2904	-6
<b>Maharashtra</b>	Akola	Rs./Qtl	2942	2954	-12

### INTERNATIONAL PRICES AND INDICES

#### China Cotton Index:

<b>Index</b>	<b>Unit</b>	<b>14-Dec-22</b>	<b>13-Dec-22</b>	<b>Change</b>
CCIndex(328)	RMB/Ton	15006	15018	-12
CCIndex(527)	RMB/Ton	13489	13508	-19
CCIndex(229)	RMB/Ton	15316	15298	18
RMB -Renminbi, 1RMB =0.16 \$U.S.				



### China Foreign Cotton (FCE) Index :

Index	Unit	14-Dec-22	13-Dec-22	Change
FC Index (S)	Cents/lb	99.56	97.38	2.18
FC Index (M)	Cents/lb	98.73	96.69	2.04
FC Index (L)	Cents/lb	97.73	95.69	2.04

### Cotlook Index:

Cotlook Indices	Unit	14-Dec-22	13-Dec-22	Change
A-Index	Cents/Pound	99.45	97.25	2.20

### USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		14-Dec-22	14-Dec-22	Bales
Southeast	cents/lb.	83.62	85.87	3324
North Delta	cents/lb.	82.37	84.62	1
South Delta	cents/lb.	82.37	84.62	0
East TX-OK	cents/lb.	79.12	81.37	515
West Texas	cents/lb.	79.62	81.62	4081
Desert SW	cents/lb.	78.37	80.62	0
SJ Valley	cents/lb.	78.62	87.52	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
				14-Dec-22	13-Dec-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64000	64000	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64400	64400	Unch
J-34(202)	26mm	3.5 - 4.9	23	62800	62300	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	NA	NA	-
Shankar-6(105)	29mm	3.5 - 4.9	28	66800	66500	300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	67800	67300	500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	72500	73500	-1000

Daily Futures Price Listing Wednesday, Dec 14th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-Mar</a>	221214	81.47	82.55	80.63	81.37	-0.26	14,218	104,559	859
<a href="#">23-May</a>	221214	81.56	82.47	80.74	81.43	-0.24	5,073	34,732	124
<a href="#">23-Jul</a>	221214	81.76	82.22	80.72	81.37	-0.2	3,090	30,237	528
<a href="#">23-Oct</a>	221214	79.77	79.77	79.77	79.77	-0.14	10	21	4
<a href="#">23-Dec</a>	221214	78.85	79.94	78.45	79.43	0.22	1,903	22,096	-102
<a href="#">24-Mar</a>	221214	79.53	80.18	78.78	79.66	0.25	115	2,776	62
Total Volume and Open Interest							24,444	197,143	1,474

Source: MRCI

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