

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price traded at Rs.31,600/bale on Friday. 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.

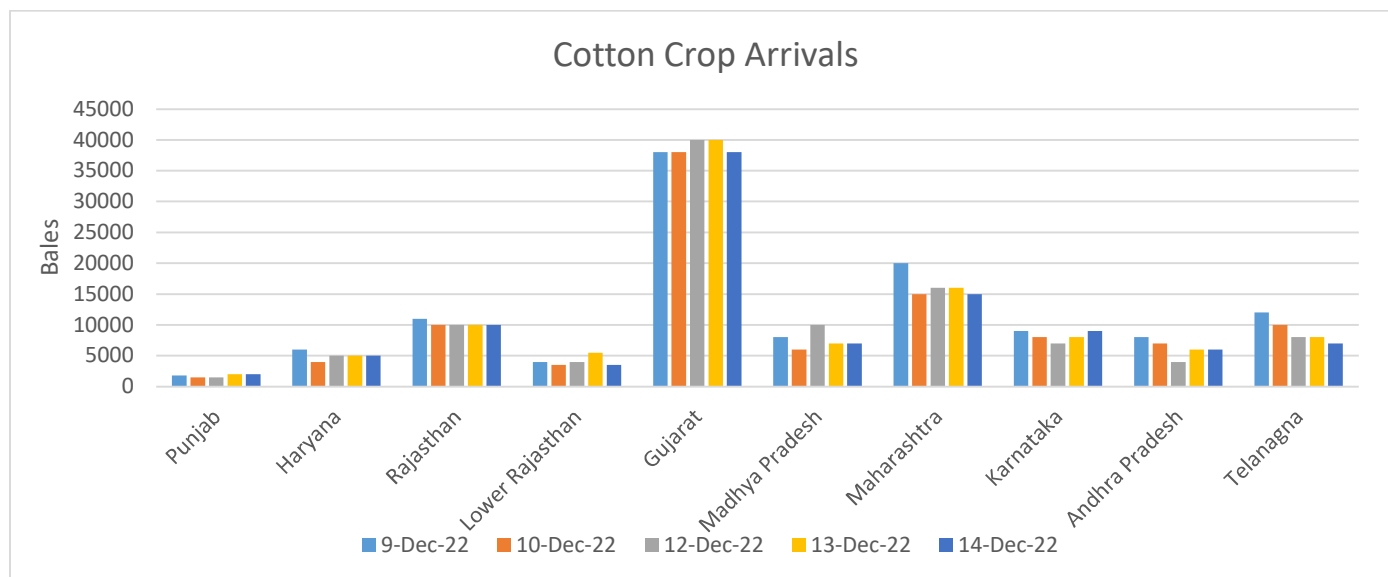
Ginning factories are running slower around less than 50% capacity due to lack of arrivals and disparity. Spinning mills are buying raw cotton but in limited quantities. Cotton yarn prices are stable. International demand for yarn may increase from China and Vietnam in coming month. Trade is very slow 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
MCX Cotton	31400	30720	30750	-400

NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Dec-20	2875	2880	2830	2872	-33.00
Jan-23	2722	2737	2686	2716	-11.00

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
Dec- 22	86.50	+118
Mar-23	84.73	+101
May-23	83.79	+105

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	16-Dec-22	15-Dec-22	
Gujarat	Ahmedabad	Shankar-6	8750	8625	125
	Gondal	Shankar-6	8780	8780	Unch
	Rajkot	B.T. Cotton	8550	8600	-50
	Patan	B.T. Cotton	8800	8800	Unch
	Kadi	B.T. Cotton	8750	8600	150
	Deesa	B.T. Cotton	1515	1551	-36
	Dhrol	B.T. Cotton	8850	8850	Unch
Haryana	Bhiwani	B.T. Cotton	8600	8500	100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8400	8500	-100
	Fatehabad	B.T. Cotton	8265	8410	-145
	Jind	B.T. Cotton	NR	8300	-
	Uchana	B.T. Cotton	8535	8610	-75

	Dabwali	B.T. Cotton	8465	8480	-15
Rajasthan	Hanumangarh	B.T. Cotton	8700	8700	Unch
	Rawatsar	B.T. Cotton	8700	8770	-70
Madhya Pradesh	Khandwa	Mech-1	8600	8600	Unch
	Khargaon	Mech-1	8470	8480	-10
Maharashtra	Amravati	Mech-1	8600	8300	300
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9800	9800	Unch
	Hathras	Desi	7800	7800	Unch
Telangana	Adilabad	Un-Ginned	8210	8180	30
Andhra Pradesh	Adoni	Un-Ginned	8400	8379	21
Karnataka	Bijapur	Bunny	8993	8969	24
	Hubli	D.C.H.	8400	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8700	8700	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	16-Dec-22	15-Dec-22	
Punjab	Bhatinda	J-34	6625	6675	-50
	Abohar	J-34	6500	6650	-150
	Mansa	J-34	6550	6500	50
Haryana	Sirsa	J-34	6500	6550	-50
Rajasthan	Sri-Ganganagar	J-34	6251	6411	-160

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	16-Dec-22	15-Dec-22	
Gujarat	Ahmedabad	Shankar-6	56100	42500	13600
	Gondal	Shankar-6	8400	8500	-100
	Rajkot	B.T. Cotton	4400	4000	400
	Patan	B.T. Cotton	11570	10470	1100
	Kadi	B.T. Cotton	20000	25000	-5000
	Deesa	B.T. Cotton	3400	2700	700
	Dhrol	B.T. Cotton	700	318	382
Haryana	Bhiwani	B.T. Cotton	1000	1500	-500
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1530	1700	-170
	Fatehabad	B.T. Cotton	450	500	-50
	Jind	B.T. Cotton	NR	1360	-
	Uchana	B.T. Cotton	450	700	-250
	Dabwali	B.T. Cotton	450	700	-250
Rajasthan	Hanumangarh	B.T. Cotton	4000	4000	Unch
	Rawatsar	B.T. Cotton	4000	4000	Unch

Madhya Pradesh	Khandwa	Mech-1	400	600	-200
	Khargaon	Mech-1	2100	1650	450
Maharashtra	Amravati	Mech-1	7000	8000	-1000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	39920	26150	13770
Andhra Pradesh	Adoni	Un-Ginned	1288	1023	265
Karnataka	Bijapur	Bunny	3519	3527	-8
	Hubli	D.C.H.	5	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	20	14	6
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	16-Dec-22	15-Dec-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	680	-340
	Mansa	J-34	510	255	255
Haryana	Sirsa	J-34	850	510	340
Rajasthan	Sri-Ganganagar	J-34	3000	2000	1000

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	16-Dec-22	15-Dec-22	
Gujarat	Rajkot	Rs. /10 Kg.	1235	1240	-5
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1230	1235	-5
Maharashtra	Mumbai	Rs. /10 Kg.	1225	1230	-5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	16-Dec-22	15-Dec-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2896	2898	-2
Maharashtra	Akola	Rs./Qtl	2934	2942	-8

Cotton Yarn Prices:

Cotton Yarn Prices	15-Dec-22	8-Dec-22	Change	15-Dec-22	8-Dec-22	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.97	3.06	-0.09	244	249	-5.00
Ne 20/1 Combed Hosiery Yarn	3.09	3.19	-0.10	254	259	-5.00
Ne 21/1 Carded Weaving Yarn	2.97	3.06	-0.09	244	249	-5.00
Ne 26/1 Combed Hosiery Yarn	3.17	3.27	-0.10	261	266	-5.00

Ne 30/1 Carded Hosiery Yarn	3.12	3.22	-0.10	257	262	-5.00
Ne 30/1 Combed Hosiery Yarn	3.25	3.35	-0.10	267	272	-5.00
Ne 32/1 Carded Weaving Yarn	3.21	3.31	-0.10	264	269	-5.00
Ne 34/1 Combed Hosiery Yarn	3.45	3.56	-0.11	284	289	-5.00
Ne 40/1 Combed Hosiery Yarn	3.64	3.74	-0.10	299	304	-5.00
Ne 40/1 Carded Weaving Yarn	3.39	3.5	-0.11	279	284	-5.00
Ne 30/2 Carded Hosiery Yarn	3.39	3.5	-0.11	279	284	-5.00
Ne 32/2 Combed Knitting Yarn	3.82	3.93	-0.11	314	319	-5.00
Ne 32/2 Carded Hosiery Yarn	3.45	3.56	-0.11	284	289	-5.00
Ne 40/2 Combed Hosiery Yarn	4.24	4.36	-0.12	349	354	-5.00
Ne 30/1 Combed Compact Weaving Yarn	3.45	3.56	-0.11	284	289	-5.00
Ne 40/1 Combed Compact Weaving Yarn	3.88	3.99	-0.11	319	324	-5.00
Ne 50/1 Combed Compact Weaving Yarn	4.24	4.36	-0.12	349	354	-5.00
Ne 16/1 Open End Yarn	2.24	2.26	-0.02	184	184	Unch
Ne 21/1 Open End Yarn	2.42	2.45	-0.03	199	199	Unch
Ne 24/1 Open End Yarn	2.72	2.76	-0.04	224	224	Unch

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	15-Dec-22	14-Dec-22	Change
CCIndex(328)	RMB/Ton	14982	15006	-24
CCIndex(527)	RMB/Ton	13473	13489	-16
CCIndex(229)	RMB/Ton	15298	15316	-18

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

Index	Unit	15-Dec-22	14-Dec-22	Change
FC Index (S)	Cents/lb	99.26	99.56	-0.30
FC Index (M)	Cents/lb	98.43	98.73	-0.30
FC Index (L)	Cents/lb	97.43	97.73	-0.30

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 Tuesday, Dec 15th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	221215	81.37	81.97	80.41	81.03	-0.34	18,266	104,450	-109
23-May	221215	81.4	82	80.65	81.24	-0.19	7,277	35,826	1094
23-Jul	221215	81.45	81.88	80.71	81.25	-0.12	3,324	30,389	152
23-Oct	221215	79.85	79.85	79.85	79.85	0.08	15	18	-3
23-Dec	221215	79.09	80.15	78.65	79.64	0.21	2,181	22,259	163
24-Mar	221215	79.84	79.84	79.44	79.72	0.06	173	2,827	51
Total Volume and Open Interest							31,247	198,489	1,346

Source: MRCI

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