

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

The cotton physical market showed overall mixed trend across India today. MCX cotton spot price traded at Rs.30,370/bale on Monday. ICE cotton futures closed green on Friday.

**News:** Cotton daily arrivals have reduced around 1,00,000-1,20,000 bales per day. Cotton arrivals in the domestic market are not increasing as farmers are holding stock in anticipation of higher prices. Overall weather is favorable for the cotton crop. Cotton third picking is going on in most of the cotton belt.

Cotton Corporation of India has started purchasing cotton in Maharashtra, Telangana, and Odisha. February cotton contract has been delayed by MCX.

According to Gujcot trade Association, Gujarat has registered arrivals of around 25 lakh bales about 27% of the total estimated crop. This is Gujarat arrivals are lower by around 8 percent because the cotton prices are lower in the domestic market as a result farmers are holding stock. All India arrivals are also lower as compared to the previous season by around 15%.

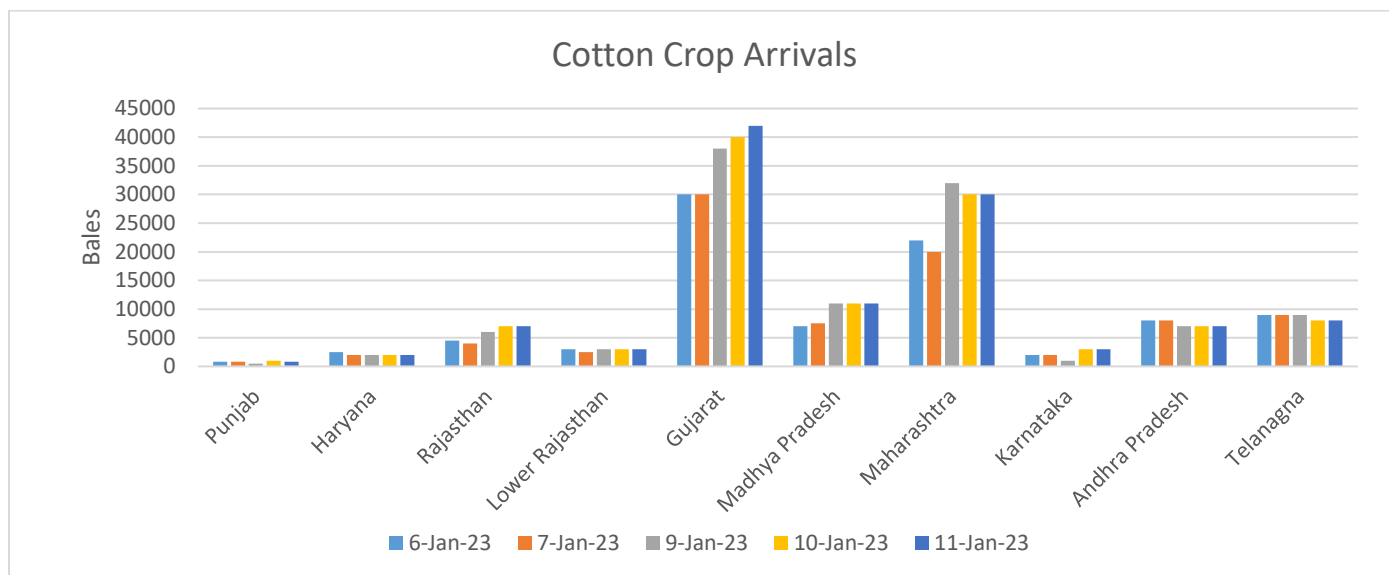
All India Kisan Khet Mazdoor Saghatan has urged the Karnataka government to establish cotton procurement centers in Yadgir district as the cotton prices in the domestic market had fallen drastically.

Telangana farmers have decided to protest the lower prices of cotton. The cotton prices in Telangana have come down to Rs. 6,800 per quintal last week. However, prices are still higher than the minimum support price but comparatively lower from the previous season. About 50 million acres of land is used for cotton cultivation in the state. Farmers were encouraged to grow cotton in 2022, as prices reached record highs in the previous season. Even as heavy rains and floods destroyed crops in many parts of the state, farmers went ahead and planted fiber crops.

Raw Cotton prices continue to fall in the domestic market in Adilabad district despite efforts made by Cotton Corporation of India to Stabilize the prices. CCI is procuring top quality cotton at Rs. 8,300 per quintal. With the fluctuation in prices, cotton farmers are holding stock and as result, daily arrivals are lower. As per Cotton Association of India, Cotton arrivals between 01<sup>st</sup> October to 31<sup>st</sup> December 2022 were nearly 82 lakh bales against the 130 lakh bales for the same period last year. However, during the past 2 days prices have recovered, Cotton Shanker-6 prices are currently trading at Rs. 60,000 per candy against Rs. 56,000 per candy last week.

**Weather Forecast**

Dense to very dense fog very likely in isolated pockets over Uttar Pradesh and Bihar. Heavy rainfall /snowfall at isolated places over Jammu & Kashmir, Ladakh and Himachal Pradesh.

All India New Cotton Crop: BalesNCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Jan-23</b>	3100	3116	3073	3090	<b>-8.00</b>
<b>Feb-23</b>	2938	2978	2931	2937	<b>+15.00</b>

International Cotton Fundamentals:

The Cotlook A index was at 99.50 cents/lb. The AWP for cotton was 72.98 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Mar-23</b>	84.76	<b>-146</b>
<b>May-23</b>	84.84	<b>-130</b>
<b>Jul-23</b>	84.76	<b>-120</b>

Cotton production in Pakistan has fallen to over 4.6 million bales during 2022 against the 7.3 million bales during the previous season. The heavy rainfall and floods has resulted in the short fall in production of about 37.23 percent.

Australia government can allocate tariff rate quotas (TRQs) to its exporters/producers by giving them TRQ certificates up to the quota fixed for each commodity. Out of the 51,419 MT quota allowed by the Indian

government, 419 MT ELS cotton (HS code 52010020) at zero import duty is for the calendar 2022 year. The remaining 51,000 MT will be quota for next year i.e., calendar year 2023.

### Cotton Yarn

According to the market sources, cotton yarn market in north India witnessed better demand after the recent rise in cotton prices during the week under review. Buyers were anticipating that yarn prices will rise due to costlier cotton. Cotton yarn prices gained Rs. 5-10 per kg in Ludhiana due to better buying, but the prices were stable in Delhi and Panipat market.

Ludhiana market witnessed higher prices of cotton yarn. Demand was better from both exports and domestic consumption. 30 count cotton combed yarn was sold at Rs. 280-290 per kg. 20 and 25 count combed yarn were traded at Rs.270-280 per kg and Rs.275-285 per kg respectively.

### DOMESTIC PRICES AND ARRIVALS

#### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	11-Jan-23	10-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8750	8750	Unch
	Gondal	Shankar-6	8855	8905	-50
	Rajkot	B.T. Cotton	8400	8500	-100
	Patan	B.T. Cotton	8605	8560	45
	Kadi	B.T. Cotton	8650	8750	-100
	Deesa	B.T. Cotton	NA	8085	-
	Dhrol	B.T. Cotton	8500	8785	-285
Haryana	Bhiwani	B.T. Cotton	8400	8400	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8500	8500	Unch
	Fatehabad	B.T. Cotton	8300	8425	-125
	Jind	B.T. Cotton	NR	7900	-
	Uchana	B.T. Cotton	NA	8685	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	8800	8550	250
	Rawatsar	B.T. Cotton	8650	8650	Unch
Madhya Pradesh	Khandwa	Mech-1	8500	8300	200
	Khargaon	Mech-1	8200	8200	Unch
Maharashtra	Amravati	Mech-1	8600	8550	50
	Jamner	Medium Staple	NA	NA	-

Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	8210	-
Andhra Pradesh	Adoni	Un-Ginned	8689	NA	-
Karnataka	Bijapur	Bunny	NA	9301	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8700	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	11-Jan-23	10-Jan-23	
Punjab	Bhatinda	J-34	6325	6400	-75
	Abohar	J-34	6325	6400	-75
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6150	6225	-75
Rajasthan	Sri-Ganganagar	J-34	6016	6063	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	11-Jan-23	10-Jan-23	
Gujarat	Ahmedabad	Shankar-6	68000	59500	8500
	Gondal	Shankar-6	8300	8350	-50
	Rajkot	B.T. Cotton	3400	4000	-600
	Patan	B.T. Cotton	4360	5425	-1065
	Kadi	B.T. Cotton	20000	30000	-10000
	Deesa	B.T. Cotton	NA	700	-
	Dhrol	B.T. Cotton	720	197	523
Haryana	Bhiwani	B.T. Cotton	600	500	100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	510	1700	-1190
	Fatehabad	B.T. Cotton	200	150	50
	Jind	B.T. Cotton	NR	300	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	4000	4000	Unch
	Rawatsar	B.T. Cotton	4000	4000	Unch
Madhya Pradesh	Khandwa	Mech-1	4500	5000	-500
	Khargaon	Mech-1	7400	7400	Unch
Maharashtra	Amravati	Mech-1	9000	8000	1000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	93022.2	-

Andhra Pradesh	Adoni	Un-Ginned	1140	NA	-
Karnataka	Bijapur	Bunny	NA	5142	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	22	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	11-Jan-23	10-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	425	340	85
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	170	340	-170
Rajasthan	Sri-Ganganagar	J-34	1500	1500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	11-Jan-23	10-Jan-23	
Gujarat	Rajkot	Rs./10 Kg.	1225	1245	-20
Delhi	New Delhi	Rs./10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs./10 Kg.	1200	1215	-15
Maharashtra	Mumbai	Rs./10 Kg.	1235	1235	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	11-Jan-23	10-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3131	3165	-34
Maharashtra	Akola	Rs./Qtl	3140	3182	-42

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	11-Jan-23	10-Jan-23	Change
CCIndex(328)	RMB/Ton	15236	15167	69
CCIndex(527)	RMB/Ton	13724	13652	72
CCIndex(229)	RMB/Ton	15554	15497	57
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	10-Jan-23	9-Jan-23	Change
FC Index (S)	Cents/lb	103.24	102.74	0.50
FC Index (M)	Cents/lb	102.31	101.81	0.50
FC Index (L)	Cents/lb	101.27	100.77	0.50

**Cotlook Index:**

Cotlook Indices	Unit	10-Jan-23	9-Jan-23	Change
A-Index	Cents/Pound	102.1	101.9	0.20

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		10-Jan-23	10-Jan-23	Bales
Southeast	cents/lb.	86.26	88.51	0
North Delta	cents/lb.	85.26	87.51	440
South Delta	cents/lb.	85.26	87.51	0
East TX-OK	cents/lb.	81.76	84.01	1630
West Texas	cents/lb.	82.26	84.26	12126
Desert SW	cents/lb.	81.26	83.51	417
SJ Valley	cents/lb.	81.51	90.41	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-Jan-23	9-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63900	64900	-1000
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64400	65400	-1000
J-34(202)	26mm	3.5 - 4.9	23	60300	60500	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60500	60700	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	62500	62600	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63400	63600	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	64400	64500	-100
DCH-32(107)	34mm	3.0 - 3.8	33	67500	64500	3000

Cotton Yarn Prices	11-Jan-23	10-Jan-23	Change	11-Jan-23	10-Jan-23	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.91	2.91	Unch	241	241	Unch
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	251	251	Unch
Ne 21/1 Carded Weaving Yarn	2.91	2.91	Unch	241	241	Unch
Ne 26/1 Combed Hosiery Yarn	3.11	3.11	Unch	257	257	Unch
Ne 30/1 Carded Hosiery Yarn	3.07	3.07	Unch	254	254	Unch
Ne 30/1 Combed Hosiery Yarn	3.19	3.19	Unch	264	264	Unch
Ne 32/1 Carded Weaving Yarn	3.15	3.15	Unch	261	261	Unch
Ne 34/1 Combed Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Hosiery Yarn	3.64	3.64	Unch	301	301	Unch
Ne 40/1 Carded Weaving Yarn	3.34	3.34	Unch	276	276	Unch
Ne 30/2 Carded Hosiery Yarn	3.34	3.34	Unch	276	276	Unch
Ne 32/2 Combed Knitting Yarn	3.76	3.76	Unch	311	311	Unch
Ne 32/2 Carded Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/2 Combed Hosiery Yarn	4.18	4.18	Unch	346	346	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Compact Weaving Yarn	3.82	3.82	Unch	316	316	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.16	4.16	Unch	344	344	Unch
Ne 16/1 Open End Yarn	2.28	2.28	Unch	189	189	Unch
Ne 21/1 Open End Yarn	2.47	2.47	Unch	204	204	Unch

Daily Futures Price Listing Tuesday, Jan 10th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-Mar</a>	230110	86	86.15	84.3	84.76	-1.46	16468	93854	-1622
<a href="#">23-May</a>	230110	85.91	86.04	84.34	84.84	-1.30	7,793	38,422	1354
<a href="#">23-Jul</a>	230110	85.35	85.88	84.25	84.76	-1.20	6,222	33,393	-826
<a href="#">23-Oct</a>	230110	82.11	82.11	82.11	82.11	-1.09	1	29	1
<a href="#">23-Dec</a>	230110	82.54	83	81.57	82.03	-1.11	1605	25,579	263
<a href="#">24-Mar</a>	230110	82.78	82.78	81.81	82.15	-1.03	23	4645	16
Total Volume and Open Interest							32,119	198,654	-812

Source: MRCI

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