

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed overall mixed trend across India today. MCX cotton spot price traded at Rs.29,680/bale on Friday. ICE cotton futures closed red on Thursday.

News: Cotton prices continue to decline in the domestic market. Also, Cotton Corporation of India has started purchasing cotton in Maharashtra, Telangana, and Odisha. February cotton contract has been delayed by MCX.

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.

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%.

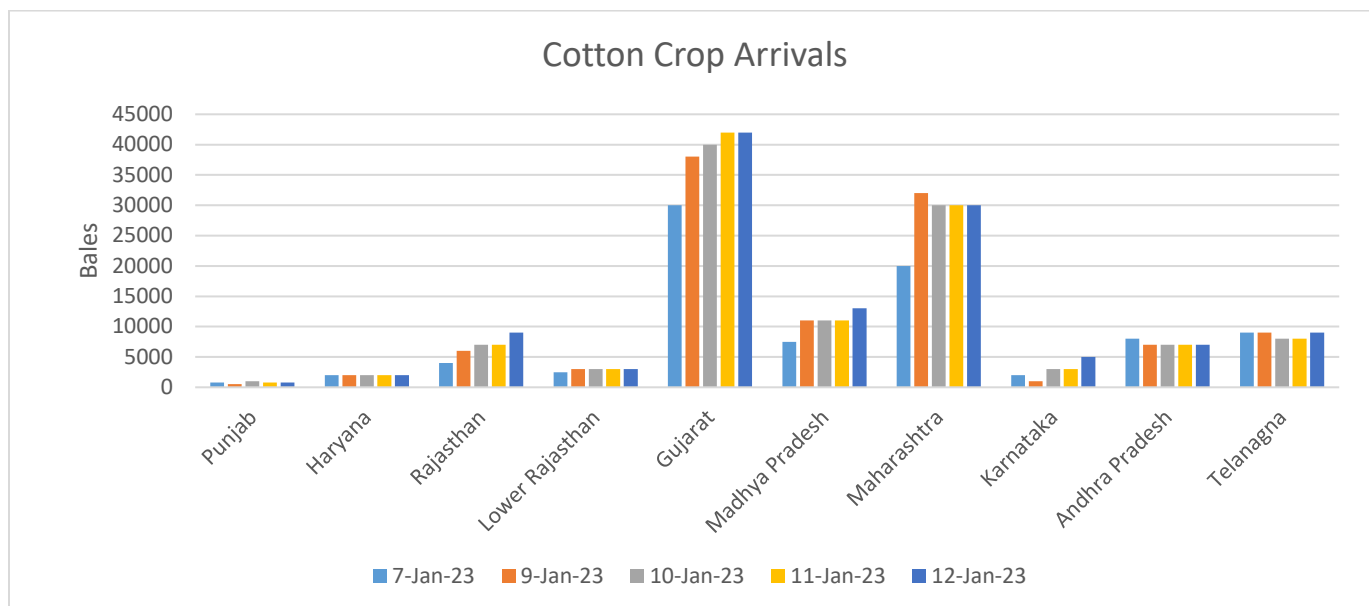
All India Kisan Khet Mazdoor Saghatan has urged the Karnataka government to establish cotton procurement centers in Yadgir district as the cotton prices in the domestic market had fallen drastically.

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 01st October to 31st 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 Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, and Bihar. Dense fog in isolated pockets over Jammu division, Himachal Pradesh, Uttarakhand, and Odisha.

All India New Cotton Crop: BalesNCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Jan-23	2920	2931	2875	2918	-24.00
Feb-23	2862	2865	2812	2863	-51.00

International Cotton Fundamentals:

The Cotlook A index was at 100.80 cents/lb. The AWP for cotton was 74.68 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	82.04	-222
May-23	82.27	-212
Jul-23	82.35	-201

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 State	Kapas		Prices (Rs./Quintal)		Change
	Centre	Variety	13-Jan-23	12-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8500	8750	-250
	Gondal	Shankar-6	8580	8655	-75
	Rajkot	B.T. Cotton	8250	8600	-350
	Patan	B.T. Cotton	8755	8550	205
	Kadi	B.T. Cotton	8800	8250	550
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8460	8475	-15
Haryana	Bhiwani	B.T. Cotton	8600	8600	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8400	8500	-100
	Fatehabad	B.T. Cotton	8335	8400	-65
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	8575	8700	-125
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	8500	8800	-300
	Rawatsar	B.T. Cotton	8675	8600	75
Madhya Pradesh	Khandwa	Mech-1	8300	8400	-100
	Khargaon	Mech-1	8250	8165	85
Maharashtra	Amravati	Mech-1	8350	8450	-100
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	8040	8000	40
Andhra Pradesh	Adoni	Un-Ginned	8459	8649	-190

Karnataka	Bijapur	Bunny	NA	8619	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8300	8400	-100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	13-Jan-23	12-Jan-23	
Punjab	Bhatinda	J-34	6400	6375	25
	Abohar	J-34	6325	6375	-50
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6300	6200	100
Rajasthan	Sri-Ganganagar	J-34	6063	6110	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	13-Jan-23	12-Jan-23	
Gujarat	Ahmedabad	Shankar-6	47600	76500	-28900
	Gondal	Shankar-6	8200	7950	250
	Rajkot	B.T. Cotton	3400	3200	200
	Patan	B.T. Cotton	3180	4417	-1237
	Kadi	B.T. Cotton	20000	5000	15000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	798	665	133
Haryana	Bhiwani	B.T. Cotton	1000	1000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	3001	2499	501.5
	Fatehabad	B.T. Cotton	50	150	-100
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	2000	3000	-1000
	Rawatsar	B.T. Cotton	2000	3000	-1000
Madhya Pradesh	Khandwa	Mech-1	4500	4000	500
	Khargaon	Mech-1	5300	5800	-500
Maharashtra	Amravati	Mech-1	9000	9000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	69692.8	64478.5	5214.3
Andhra Pradesh	Adoni	Un-Ginned	1090	1164	-74
Karnataka	Bijapur	Bunny	NA	4189	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	14	16	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	13-Jan-23	12-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	425	425	Unch

	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	NA	340	-
Rajasthan	Sri-Ganganagar	J-34	1000	1500	-500

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	13-Jan-23	12-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1220	1210	10
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1190	1190	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1210	1210	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	13-Jan-23	12-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3104	3113	-9
Maharashtra	Akola	Rs./Qtl	3119	3150	-31

INTERNATIONAL PRICES AND INDICES**China Cotton Index:**

Index	Unit	12-Jan-23	11-Jan-23	Change
CCIndex(328)	RMB/Ton	15230	15236	-6
CCIndex(527)	RMB/Ton	13721	13724	-3
CCIndex(229)	RMB/Ton	15550	15554	-4

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

China Foreign Cotton (FCE) Index :

Index	Unit	11-Jan-23	9-Jan-23	Change
FC Index (S)	Cents/lb	101.64	102.74	-1.10
FC Index (M)	Cents/lb	100.71	101.81	-1.10
FC Index (L)	Cents/lb	99.67	100.77	-1.10

Cotlook Index:

Cotlook Indices	Unit	12-Jan-23	10-Jan-23	Change
A-Index	Cents/Pound	100.1	102.1	-2.00

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		12-Jan-23	12-Jan-23	Bales
Southeast	cents/lb.	83.54	85.79	0
North Delta	cents/lb.	82.54	84.79	0
South Delta	cents/lb.	82.54	84.79	0

East TX-OK	cents/lb.	79.04	81.29	118
West Texas	cents/lb.	79.54	81.54	2870
Desert SW	cents/lb.	78.54	80.79	550
SJ Valley	cents/lb.	78.79	87.69	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
				12-Jan-23	11-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62300	63000	-700
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	62800	63500	-700
J-34(202)	26mm	3.5 - 4.9	23	59300	58300	1000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60000	60000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	61800	61800	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	62900	62900	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	64000	64000	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	66500	66500	Unch

Daily Futures Price Listing Thursday, Jan 12th 2023

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230112	84.4	84.87	81.85	82.04	-2.22	14170	92203	-2028
23-May	230112	84.49	85	82.11	82.27	-2.12	8,201	41,126	1187
23-Jul	230112	84.43	84.93	82.21	82.35	-2.01	3,636	34,886	645
23-Oct	230112	80.14	80.14	80.14	80.14	-1.37	36	28	-3
23-Dec	230112	81.5	82	80	80.08	-1.50	1419	25,831	122
24-Mar	230112	81.49	81.7	80.12	80.12	-1.45	152	4751	11
Total Volume and Open Interest							27,712	201,472	-142

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 © 2023 Indian Agribusiness Systems Ltd.