

Domestic market summary

Major Market Highlights:

- Indian Cotton arrival are picking up so prices are under pressure. Cotton futures prices are also falling. MCX November cotton future had got below Rs. 30,000 during the week under review.
- As the new cotton 2022-23 season had begun. Mills are now ready to start their operations as cotton rate are declining but still yarn rates are not in parity. Export demand is limited.

Domestic Market Scenario:

The Directorate of Agriculture, Gujarat has released its first advance estimate for the 2022-23 season. As per that cotton production in Gujarat is expected to reach 9184.96 bales (170kg each) during the 2022-23 season. The area under cotton cultivation in the state has increased from 22.53 lakh hectares to 25.48 lakh hectares. The average yield is expected to increase in the 2022-23 season to 615 kgs per hectare from 600 kgs per hectare due to favorable weather conditions.

As per AgriWatch Sources, the rainfall during the last week has affected the quality of cotton in some parts of Gujarat. Overall, the moisture percentage has increased to 30-35% in the new cotton. The market is currently witnessing low demand as textile mills are closed for the 2021-22 season but will soon start operations for the 2022-23 season as the new cotton season is going start from 01st October 2022.

According to the Department of Agriculture Rajasthan, the first advance estimate for the 2022-23 season. Overall cotton production in the state is expected to reach 28,97,428 tonnes during the 2022-23 season. The area under cotton cultivation in the state has increased from 6.28 lakh hectares to 6.83 lakh hectares. The average yield is expected to be 721 kgs per hectare in the 2022-23 season.

The heavy rainfall during the past week has affected the cotton crop in Mansa district of Punjab. As per the market sources around 24 villages have been damaged as fields have become inundated. The

Agriculture Department is yet to access the loss suffered by farmers. Along with Punjab, farmers from Haryana had also suffered crop loss due to incessant rains during the last week. Farmers from Bhiwani district of Haryana had suffered losses majorly.

According to the Indian Cotton Federation (ICF), the cotton scenario for the 2022-23 season remains unpredictable. The overall estimates of cotton area and production are changing almost on a daily basis. Further, Textile mills are demanding contamination-free cotton with just 8 % moisture level. The Central government is considering a model cotton contract along with arbitration norms for dispute resolution.

As of Sept. 23rd, 2022 Cotton sowing has reached 127.39 Lakh Ha. Vs 118.56 Lakh Ha. same period last year. Agriwatch expects overall the cotton sowing to reach 128 Lakh Ha. in 2022-23 season. Earlier, due to excess rainfall in July month cotton sowing was affected in central and southern India.

Cotton Sowing (Lakh Hectares) As of 23 rd Sept 2022			
States	2021-22	2022-23	Difference
Andhra Pradesh	4.93	6.47	+1.54
Karnataka	6.43	8.21	+1.78
Gujarat	22.53	25.48	+2.95
Maharashtra	39.57	42.29	+2.72
Madhya Pradesh	6.0	5.99	-0.01
Rajasthan	6.28	6.83	+0.54
Punjab	2.54	2.48	-0.06
Haryana	6.88	6.50	-0.37
All India	118.56	127.39	8.83

New Cotton Arrivals:

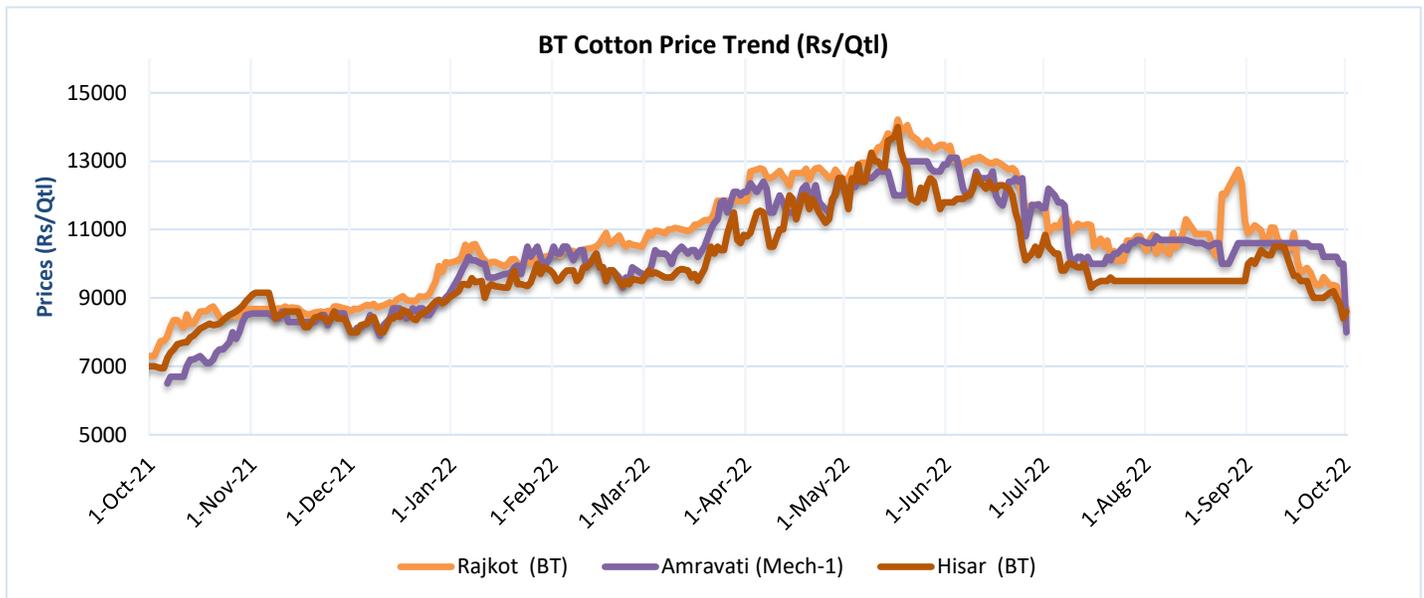
Cotton Arrivals (Quintals)		
	Total Arrivals up to 02.10.22	03 rd Oct'22
Punjab	11000	1000
Haryana	101500	5000
Lower Rajasthan	28500	4000
Ganga line	30500	5000
Net Total	171500	15000

Cotton Price (Rs./Quintal) as. of 03.10.22	
	Ready Delivery
Punjab	7000
Haryana	7000
Ganga line	7000

Domestic Cotton Prices Scenario

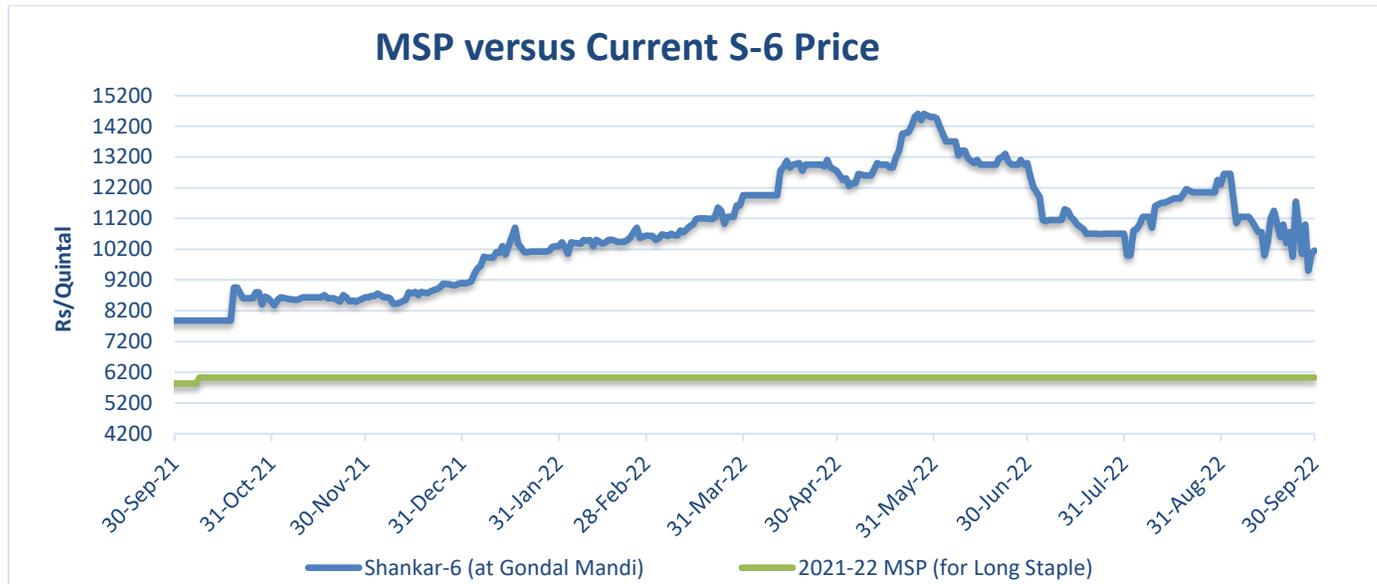
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood slightly lower at Rs. 9,058/Qtl compared to previous week's Rs. 9,580/Qtl. Cotton prices at Amravati traded at Rs. 9,766 per quintal whereas prices in Hisar were slightly lower at Rs. 8,866 per quintal during the past week.



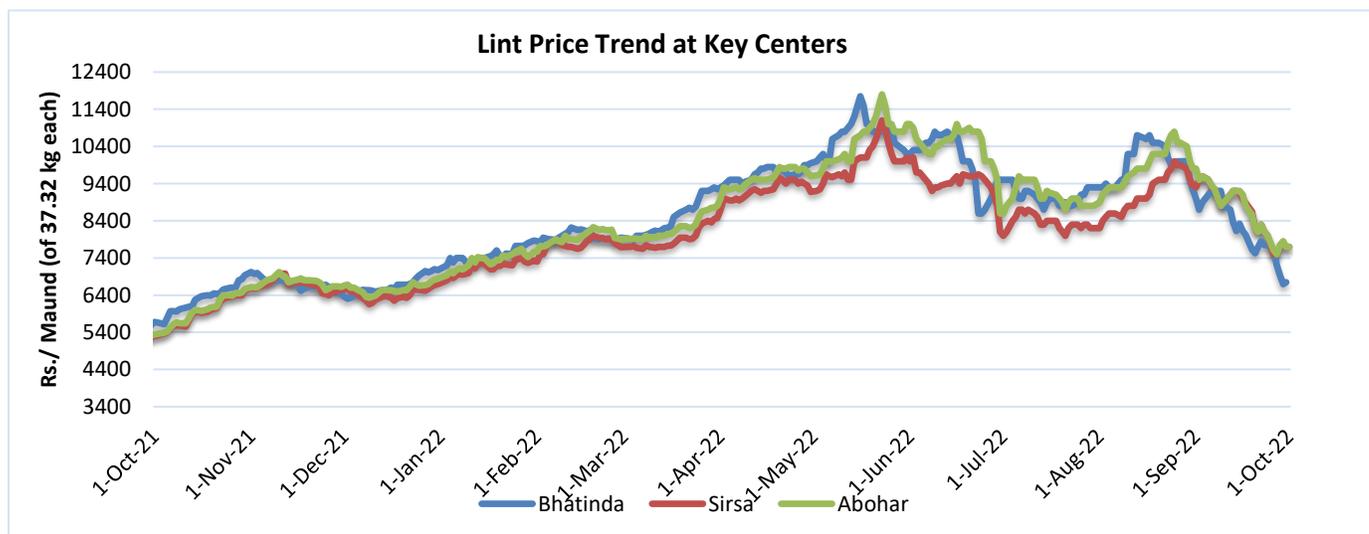
Spot Price Comparison

Cotton shanker-6 at Gondal market traded higher at Rs. 10,784 per quintal against the minimum support price of Rs. 6025 per quintal. Overall the new cotton quality is good in the market.



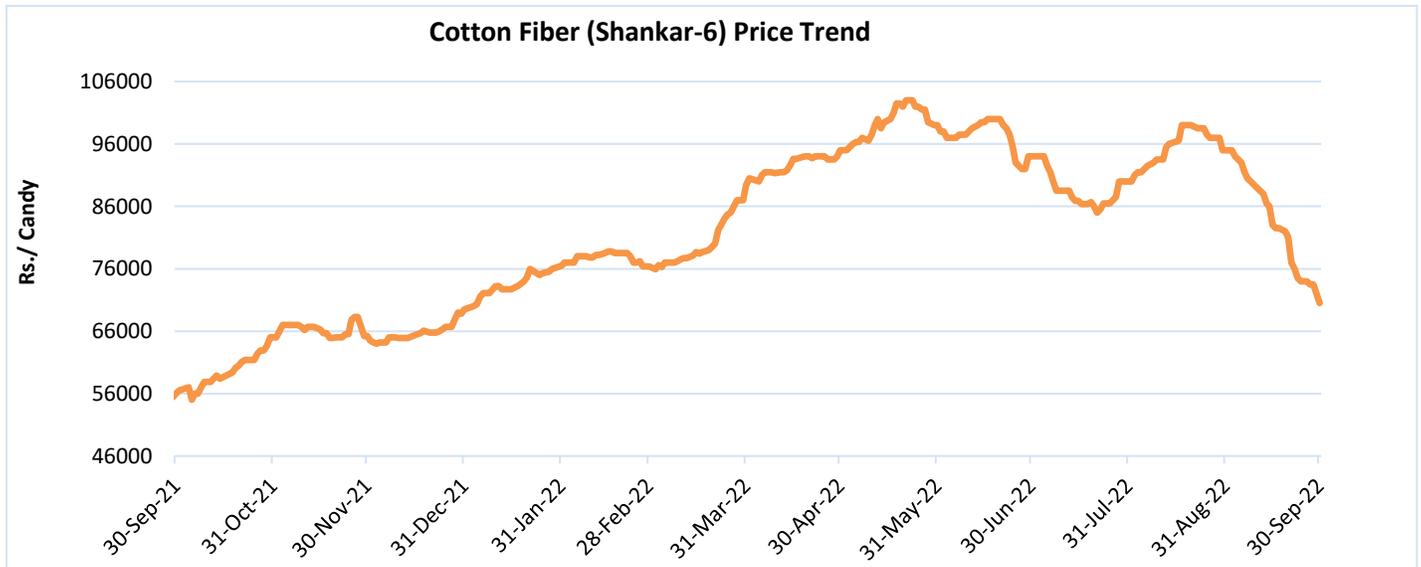
Lint price Outlook

The average price stood slightly lower at Rs. 7166/maund this week compared to Rs.7733/maund previous week in Abohar, in Bhatinda prices were at Rs.7158/maund, and slightly lower in Sirsa at Rs.7133/maund from Rs.7700/maund previous week.



Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly lower and is currently at Rs.71800/candy and is likely to remain range bound in the coming week amid tight supply. Prices are falling mainly because of a production cut by the textile mills.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

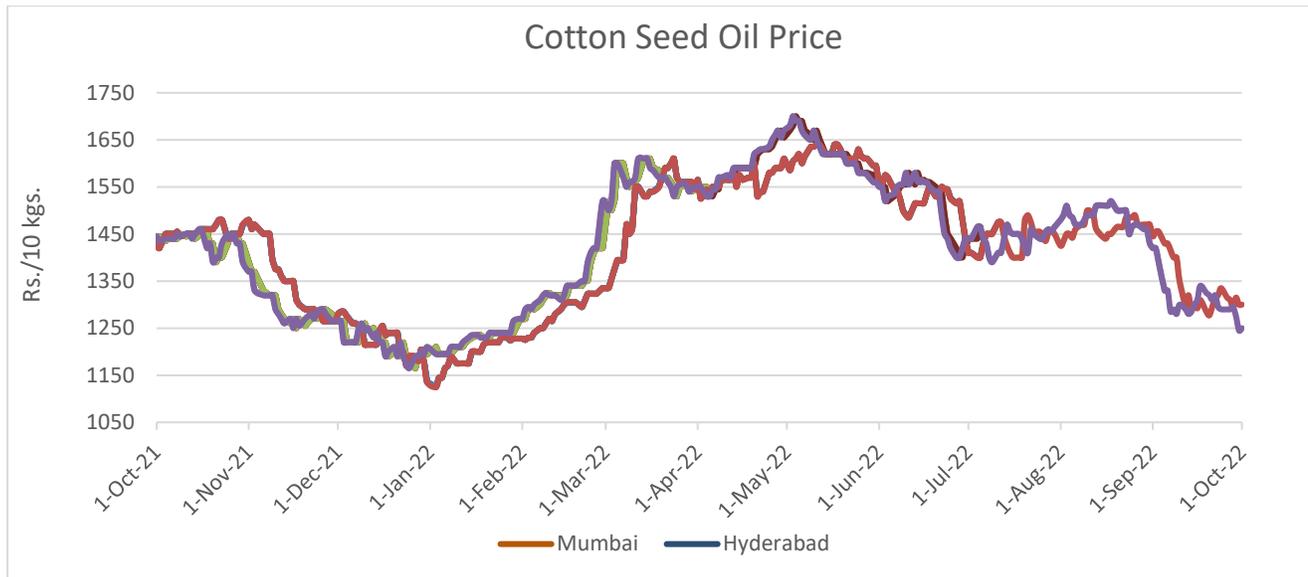
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a weak trend across the major centers during the week ending on 01st Oct'22. Prices are falling mainly because of reduced demand in the market.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	01-Oct-22	24-Sep-22	
Rajkot	1256	1313	-4.35
Hyderabad	1267	1302	-2.71
Mumbai	1263	1299	-2.06

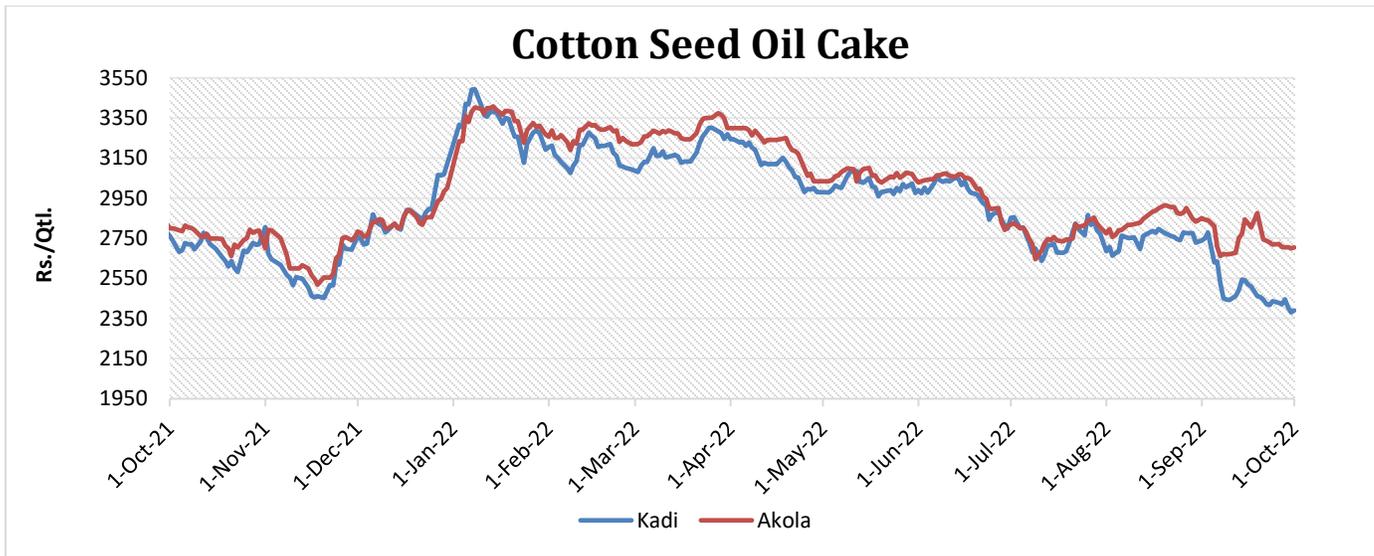
Source: Agriwatch



Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased slightly as compared to previous week. Prices in Kadi were at Rs. 2411 per quintal from Rs. 2440 per quintal and in Akola prices were at Rs. 2708 per quintal from Rs. 2769 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	01-Oct-22	24-Sep-22	
Kadi	2411	2440	-1.17
Akola	2708	2769	-2.22



Source: NCDEX

Price Forecast for the coming week

Months	Past Week	During the week	Coming week
Price per quintal at Rajkot (Average of the month)	8700	84500-8650	89500-9540

International Market Scenario

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,420	32,310	32,720
Yield	772	781	778
Opening Stock	97,646	88,074	84,721
Production	1,11,481	1,15,955	1,18,445
Imports	49,078	42,977	44,609
Total Supply	2,58,205	2,47,045	2,47,844

Exports	48,514	43,286	44,580
Domestic Consumption	1,21,617	1,19,218	1,18,625
Ending Stock	88,074	84,721	84,752

Source: USDA *Global projected 2022-23; #estimated 2021-22

*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

According to the U.S. Crop progress report, as of 26th Sep 2022, U.S cotton Cotton Bolls opening stands at 67 percent which is higher than that of the previous season (59 percent). In the previous week cotton bolls opening was 58 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 27 percent in good to a fair condition which was 28 percent in the previous week.

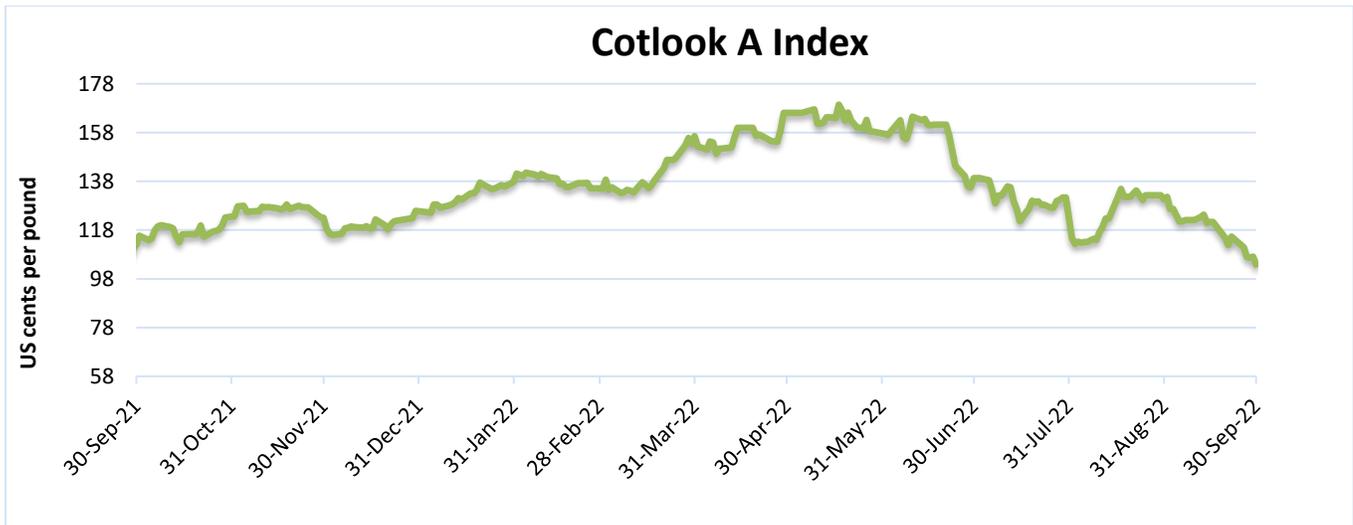
Cotton production in Pakistan has reached 2.19 million bales till 15th September 2022, which is around 19% lower from the previous season. The production has fallen mainly due to heavy rainfalls. As a result, Pakistan may import 5.5-6 million bales of cotton to overcome the shortfall in the 2022-23 season.

Cotlook A Index

Cotlook A Index was lower this week. The Cotlook A Index was at 107.08 cents/lb lower as compared to the previous week (113.97 cents/lb).

Cotlook A Index	Weekly Average Price change as on		% Change
	01-Oct-22	24-Sep-22	
Prices	107.08	113.97	-6.05
Prices in US cents per Pound			

Source: Cotlook

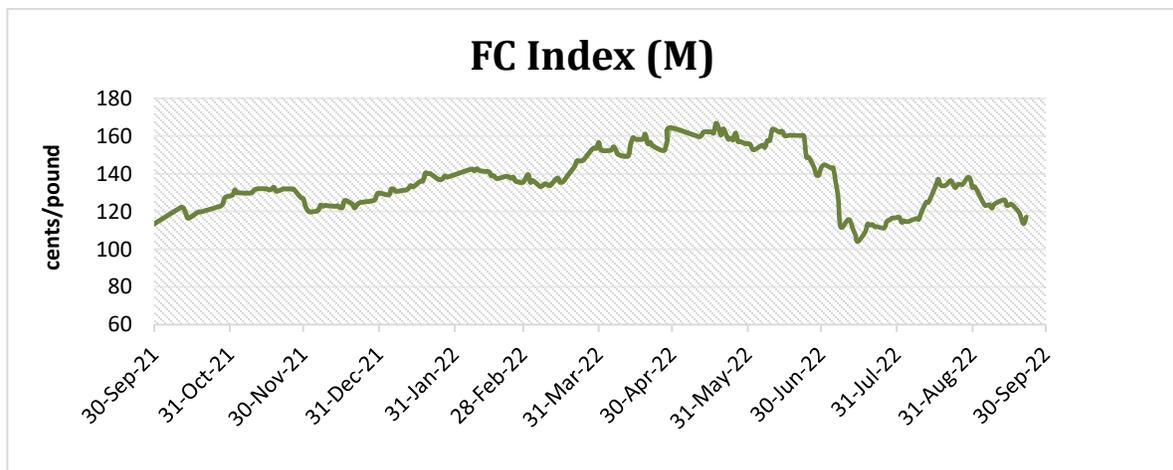


China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	30-Sep-22	23-Sep-22	
FC (S)	109.99	118.04	-6.82
FC (M)	108.52	116.61	-6.94
FC (L)	107.19	115.46	-7.17

Prices in US cents per Pound

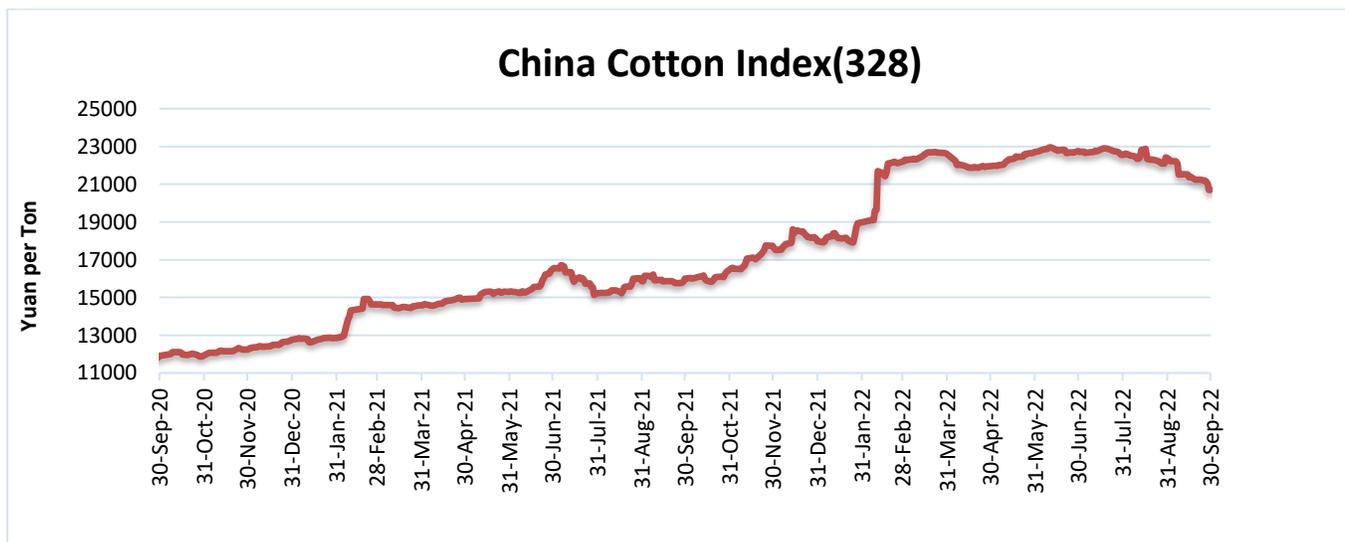
Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	30-Sep-22	24-Sep-22	
CCIndex(328)	15500.40	15604.40	-0.67
CCIndex(527)	14041.60	14197.80	-1.10
CCIndex(229)	15941.40	16045.20	-0.65

Prices in Yuan per ton

Source: China Cotton Association



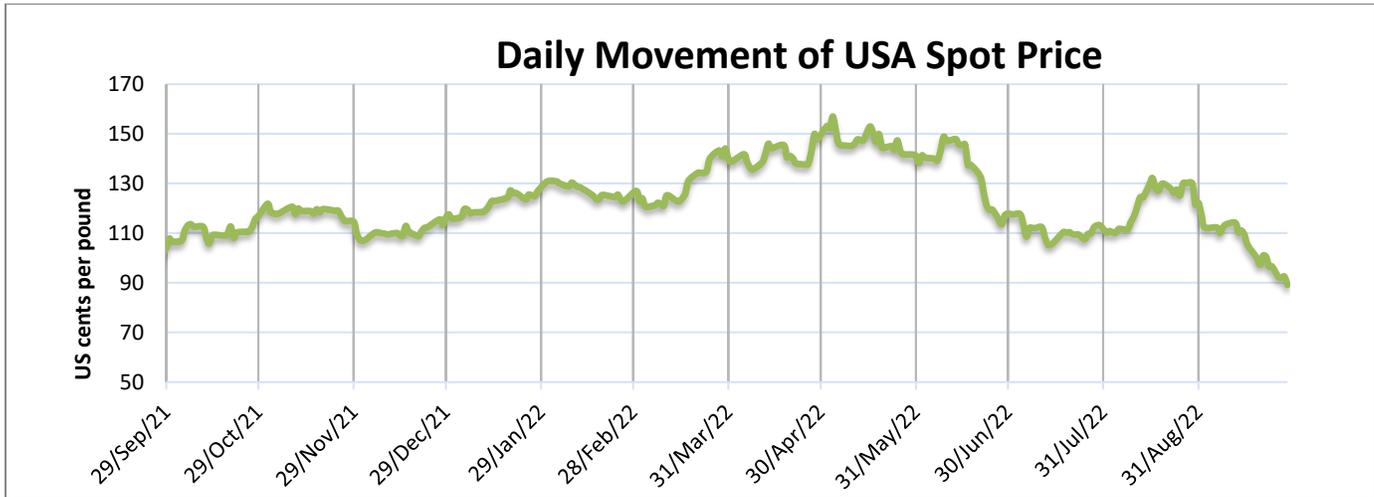
USA Spot Prices

U.S.A spot prices was at 93.20 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	29-Sep-22	24-Sep-22	
Prices	93.20	100.81	-7.55

Prices in US cents per Pound

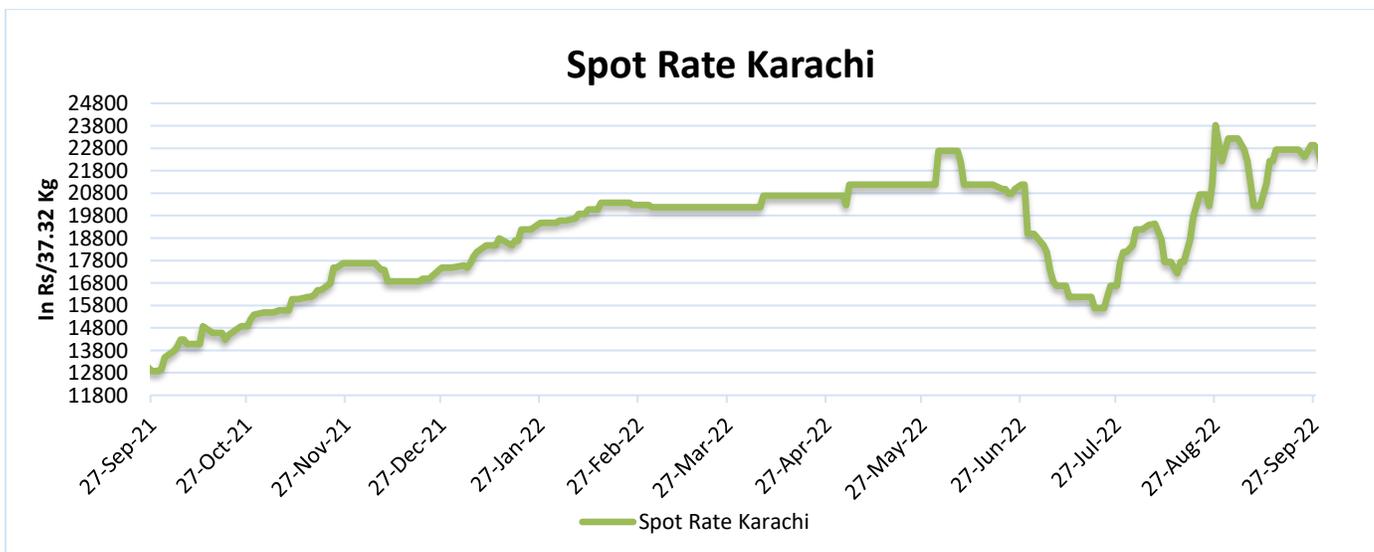
Source: USDA



Pakistan Spot Prices

The Karachi spot price had decreased at Rs.21635/q from the previous week. With the expectation of lower production the country due to heavy rainfalls, overall cotton quality is expected to be affected.

Karachi Spot Prices	Weekly Average Price as on		% Change
	29-Sep-22	24-Sep-22	
Prices	21635	22760	-4.94
Prices in Rs per 37.32 Kg			



Commodity: Cotton

Exchange: MCX

Contract: Oct

Expiry: Oct. 30, 2021

Cotton – Technical Outlook

Technical Chart:



Technical Commentary:

- As depicted in the above chart, market has corrected during the past week. Market has broken more than 61% Fibonacci retracement level.
- Technically market is under long liquidation as the market has witnessed a drop in open interest, now Cotton may take a support at 30530, resistance is now likely to be seen at 33847, a move above could see prices testing 32370
- MACD indicates bearish momentum .
- Overall, the prices are expected to remain range-bound to slightly weak in the coming days.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cotton	MCX	Oct	31050	31130	31450	31680	31800
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Oct	Sell	31460	31340	31240	31532

* Do not carryforward the position the next day.

Commodity: Cotton seed oilcake

Exchange: MCX

Contract: Oct

Expiry: Oct. 30, 2021

Cottonseed Oilcake

Technical Chart:



Technical Commentary:

- As evident from the above chart overall upward trend was followed in the last week.
- Currently market is trading below 50 DMA, market may rise after a recent support of 2338 level. Resistance is likely to be at 2380 level.
- RSI indicating weak buying strength.
- Market is expected to remain elevated in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Oct	2229	2279	2345	2505	2520
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Oct	Sell	2355	2320	2295	2376

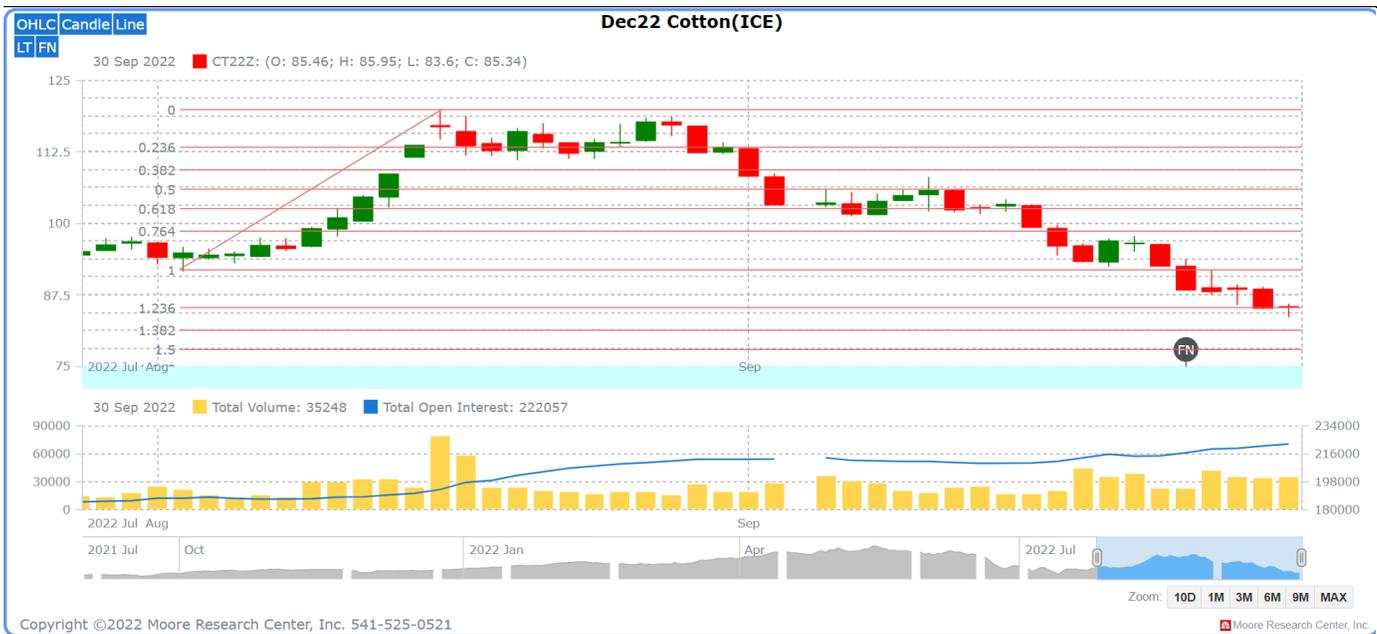
MCX and NCDEX Weekly Prices

Indian Indices in Candy				
Date	NCDEX Kapas	MCX		
	April	Aug-22	Oct-22	Nov-22
27-09-2022	63,747	67,771	64,801	64,634
28-09-2022	63,276	66,453	64,613	64,487
29-09-2022	61,812	65,345	63,107	62,584
30-09-2022	61,733	64,947	61,538	61,768

*NCDEX Kapas seed rate 700/20 kg to convert it in to candy.

Indian Basis					
Date	29 MM	USD-INR	CENTS/LB	ICE DEC	BASIS
27-09-2022	72,500	81.58	113.35	88.37	24.98
28-09-2022	70,500	81.94	109.74	88.09	21.65
29-09-2022	69,250	81.86	107.90	88.49	19.41
30-09-2022	68,500	81.34	107.42	85.34	22.08

Technical Analysis of Cotton Future (Dec'22Contract) at ICE



- The Dec'22' contract has showed a weak movement during the week under review.
- Total volume decreased & Open Interest decreased compared to last week.
- Market is expected to remain elevated in the coming week.
- Market expects weak buying strength.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
weak	85-100

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
83	75	88	96

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	30-Sep-22	31-Aug-22	02-Jul-22	03-Apr-22	30-Sep-21	% Change over a month	% Change over previous year
Oct-22	93.22	113.29	105.38	130.93	107.80	-17.72	-13.53
Dec-22	85.34	108.21	97.48	116.72	105.80	-21.13	-19.34
Mar-23	83.45	105.14	93.37	110.68	103.88	-20.63	-19.67
May-23	82.09	102.37	90.90	106.21	102.95	-19.81	-20.26
Jul-23	80.28	97.77	93.37	134.55	100.10	-17.89	-19.80

Future Price Trend (Active Contract):



Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	26th Sep'22 to 01st Oct'22	19th Sep'22 to 24th Sep'22	
Gujarat	Ahmedabad	Shankar-6	8833	9500	-667
	Gondal	Shankar-6	10785	10230	555
	Rajkot	B.T. Cotton	9058	9580	-522
	Patan	B.T. Cotton	8917	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1480	1187	293
	Dhrol	B.T. Cotton	9027	8838	189
Haryana	Bhiwani	B.T. Cotton	8625	9033	-408
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8867	9101	-234
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	8510	8880	-370
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	9466	10440	-974
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7160	8033	-873
	Hathras	Desi	7925	8700	-775
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9596	9688	-92
Karnataka	Bijapur	Bunny	9129	9247	-118
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9583	9560	23
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	26th Sep'22 to 01st Oct'22	19th Sep'22 to 24th Sep'22	
Punjab	Bhatinda	J-34	7158	7746	-588
	Abohar	J-34	7167	7733	-567
	Mansa	J-34	7167	7850	-683
Haryana	Sirsa	J-34	7133	7700	-567

Rajasthan	Sri-Ganganagar	J-34	7082	7599	-517
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Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
	State	Centre	Variety	26th Sep'22 to 01st Oct'22	
Gujarat	Ahmedabad	Shankar-6	74800	32980	41820
	Gondal	Shankar-6	1487	654	833
	Rajkot	B.T. Cotton	6200	1490	4710
	Patan	B.T. Cotton	8076	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	256	24	232
Haryana	Bhiwani	B.T. Cotton	14000	2000	12000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	2350	1021	1329
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	6500	2700	3800
	Rawatsar	B.T. Cotton	2700	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	2800	6400	-3600
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	870	262	608
	Hathras	Desi	35	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	25467	42258	-16791
Karnataka	Bijapur	Bunny	1274	669	605
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	90	79	11
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	26th Sep'22 to 01st Oct'22	19th Sep'22 to 24th Sep'22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	2040	1700	340
	Mansa	J-34	639	NA	-

Haryana	Sirsa	J-34	1105	NA	-
Rajasthan	Sri-Ganganagar	J-34	7450	500	6950

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	1-Oct-22	24-Sep-22	1-Sep-22	1-Oct-21
Gujarat	Ahmedabad	Shankar-6	8500	9500	NA	NA
	Gondal	Shankar-6	NA	10305	Closed	NA
	Rajkot	B.T. Cotton	8700	9605	10890	NA
	Patan	B.T. Cotton	8850	NA	NA	NA
	Kadi	B.T. Cotton	NA	NA	NA	6750
	Deesa	B.T. Cotton	1400	1568	NA	0
	Dhrol	B.T. Cotton	8280	8990	NA	0
Haryana	Bhiwani	B.T. Cotton	8500	9100	NA	7500
	Bhiwani	Desi	NA	NA	NA	NA
	Adampur	B.T. Cotton	8600	Closed	10000	7000
	Fatehabad	B.T. Cotton	NA	NA	NA	NA
	Jind	B.T. Cotton	NA	NA	NA	NA
	Uchana	B.T. Cotton	NA	NA	NA	NA
	Dabwali	B.T. Cotton	NA	NA	NA	NA
Rajasthan	Hanumangarh	B.T. Cotton	NA	9100	10250	7300
	Rawatsar	B.T. Cotton	NA	NA	NA	7200
Madhya Pradesh	Khandwa	Mech-1	NA	NA	NA	NA
	Khargaon	Mech-1	NA	NA	NA	NA
Maharashtra	Amravati	Mech-1	0	10200	10600	NA
	Jamner	Medium Staple	NA	0	NA	0
Uttar Pradesh	Hathras	B.T. Cotton	7500	NA	NA	6750
	Hathras	Desi	NA	NA	NA	6300
Telangana	Adilabad	Un-Ginned	NA	0	0	0
Andhra Pradesh	Adoni	Un-Ginned	9501	9479	10568	8141
Karnataka	Bijapur	Bunny	9021	NA	10266	7909
	Hubli	D.C.H.	NA	0	0	NA
	Hubli	B.T. Cotton	NA	0	0	NA
	Raichur	H-44 Cotton	9450	NA	11000	NA
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	1-Oct-22	24-Sep-22	1-Sep-22	1-Oct-21

Punjab	Bhatinda	J-34	6750	7750	9250	5620
	Abohar	J-34	6800	7700	9250	5620
	Mansa	J-34	6800	7800	0	5620
Haryana	Sirsa	J-34	6700	7700	9250	5580
Rajasthan	Sri-Ganganagar	J-34	6392	7238	0	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	1-Oct-22	24-Sep-22	1-Sep-22	1-Oct-21
Gujarat	Ahmedabad	Shankar-6	17000	4420	0	NA
	Gondal	Shankar-6	8400	8000	10000	NA
	Rajkot	B.T. Cotton	NA	540	30	NA
	Patan	B.T. Cotton	1857	NA	NA	0
	Kadi	B.T. Cotton	NA	NA	NA	2000
	Deesa	B.T. Cotton	NA	NA	NA	0
	Dhrol	B.T. Cotton	89	8	NA	0
Haryana	Bhiwani	B.T. Cotton	2500	NA	0	1200
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	600	Closed	340	850
	Fatehabad	B.T. Cotton	NA	NA	NA	NA
	Jind	B.T. Cotton	NA	NA	NA	NA
	Uchana	B.T. Cotton	NA	NA	NA	NA
	Dabwali	B.T. Cotton	NA	NA	NA	0
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	NA	3000
	Rawatsar	B.T. Cotton	NA	NA	NA	3000
Madhya Pradesh	Khandwa	Mech-1	NA	0	0	NA
	Khargaon	Mech-1	NA	0	0	NA
Maharashtra	Amravati	Mech-1	0	1400	4000	NA
	Jamner	Medium Staple	NA	0	NA	0
Uttar Pradesh	Hathras	B.T. Cotton	350	NA	NA	200
	Hathras	Desi	NA	NA	NA	30
Telangana	Adilabad	Un-Ginned	NA	0	0	0
Andhra Pradesh	Adoni	Un-Ginned	4957	6384	2843	7018
Karnataka	Bijapur	Bunny	218	NA	68	47
	Hubli	D.C.H.	NA	0	0	NA
	Hubli	B.T. Cotton	NA	0	0	NA
	Raichur	H-44 Cotton	15	NA	10	NA
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)

State	Centre	Variety	1-Oct-22	24-Sep-22	1-Sep-22	1-Oct-21
Punjab	Bhatinda	J-34	NA	NA	NA	8500
	Abohar	J-34	340	170	NA	2890
	Mansa	J-34	102	NA	NA	510
Haryana	Sirsa	J-34	NA	NA	NA	1700
Rajasthan	Sri-Ganganagar	J-34	1000	150	NA	0

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