

Domestic market summary**Major Market Highlights:**

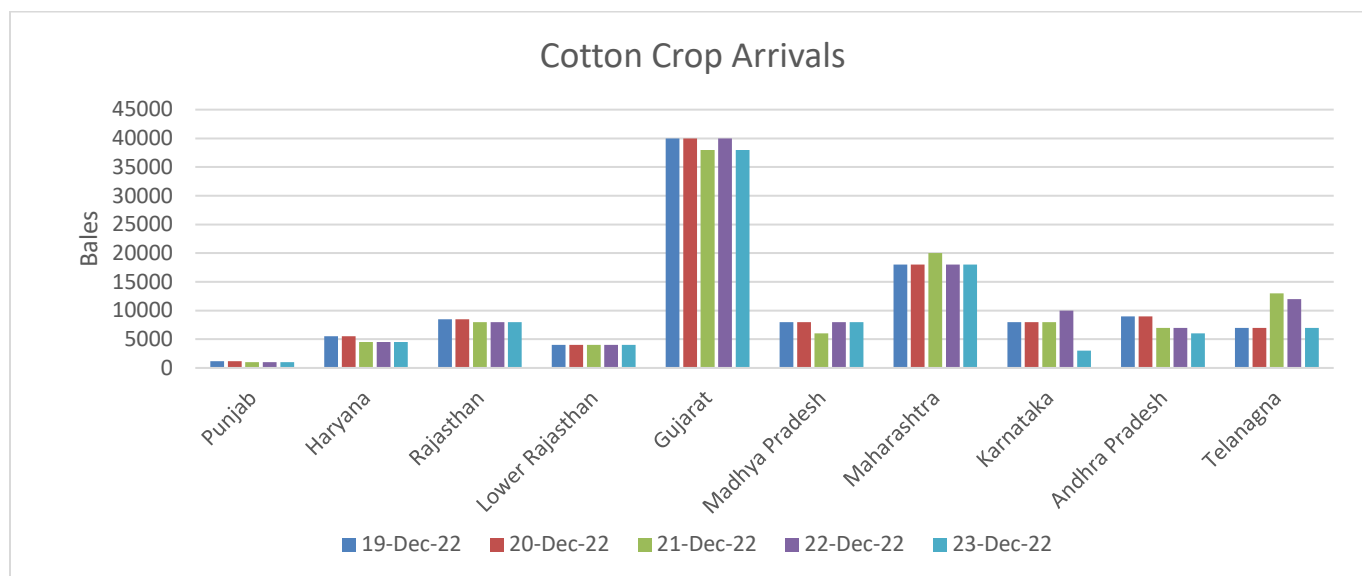
Cotton daily arrivals have reached around 1,20,000-1,30,000 bales per day. Overall cotton crop condition is good however in some areas lower yield is reported. In some areas of central and northern India third picking has been started, the cotton crop quality may get affected due to uneven weather. Cottonseed prices are remained stable during the last week. However, the raw cotton prices remained lower due to improved arrivals in the market. Demand is also comparatively lower than the production.

Ginning factories are facing issues of falling prices, lack of arrivals and disparity. Limited stock is available with the ginners. Spinning margin close to zero. Cotton yarn prices are stable. Trade is very slow due to the huge disparity to spinners and ginners. Export demand has improved during the last week.

Domestic Market Scenario:

- As per the market sources, 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 Association of India has released its November estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate by 4.25 lakh bales for the 2022-23 season to 339.75 lakh bales. Cotton imports were maintained at 12 lakh bales and exports at 30 lakh bales. Domestic consumption was estimated at 300 lakh bales. Overall, the ending stock for the 2022-23 season was estimated at 53.64 lakh bales.

New Cotton Crop Arrival & Prices:

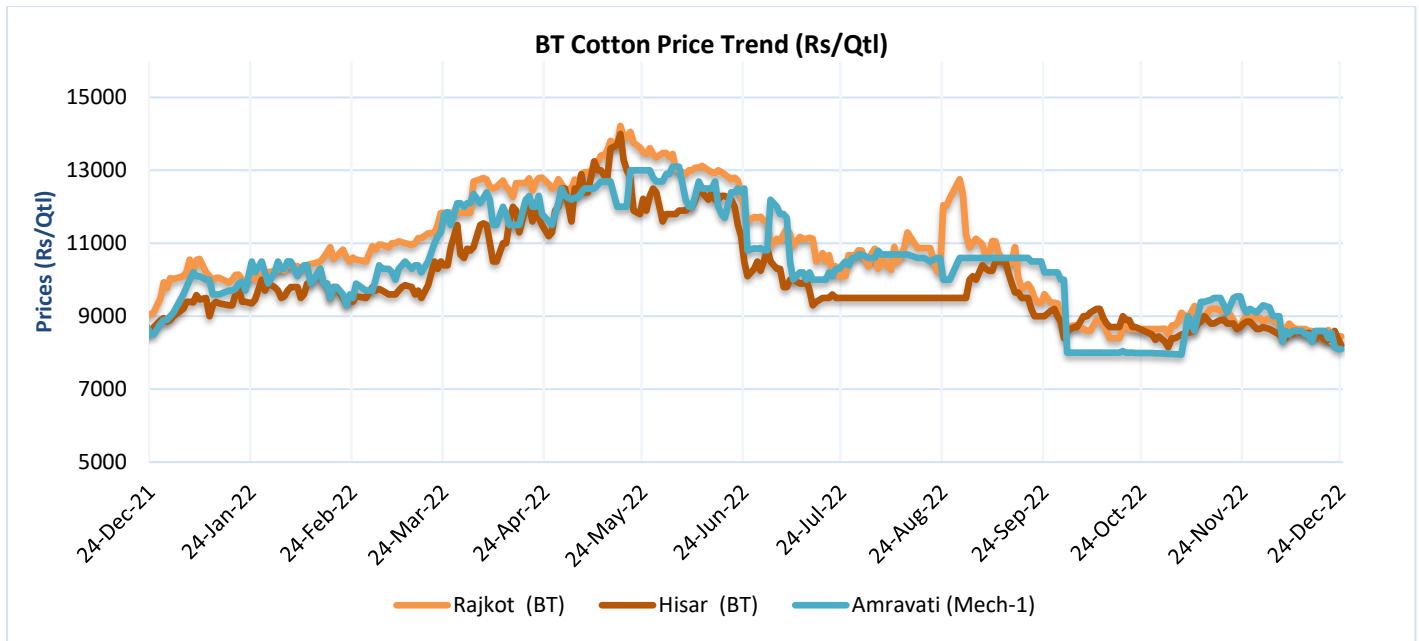


All India Cotton Arrivals 2022-23	
This Week	9 Lakh Bales
Cumulative Arrival	69 Lakh Bales
Cotton Consumption	53 Lakh Bales
Exports	1,00,000 Bales
Import	3,00,000 Bales

Domestic Cotton Prices Scenario

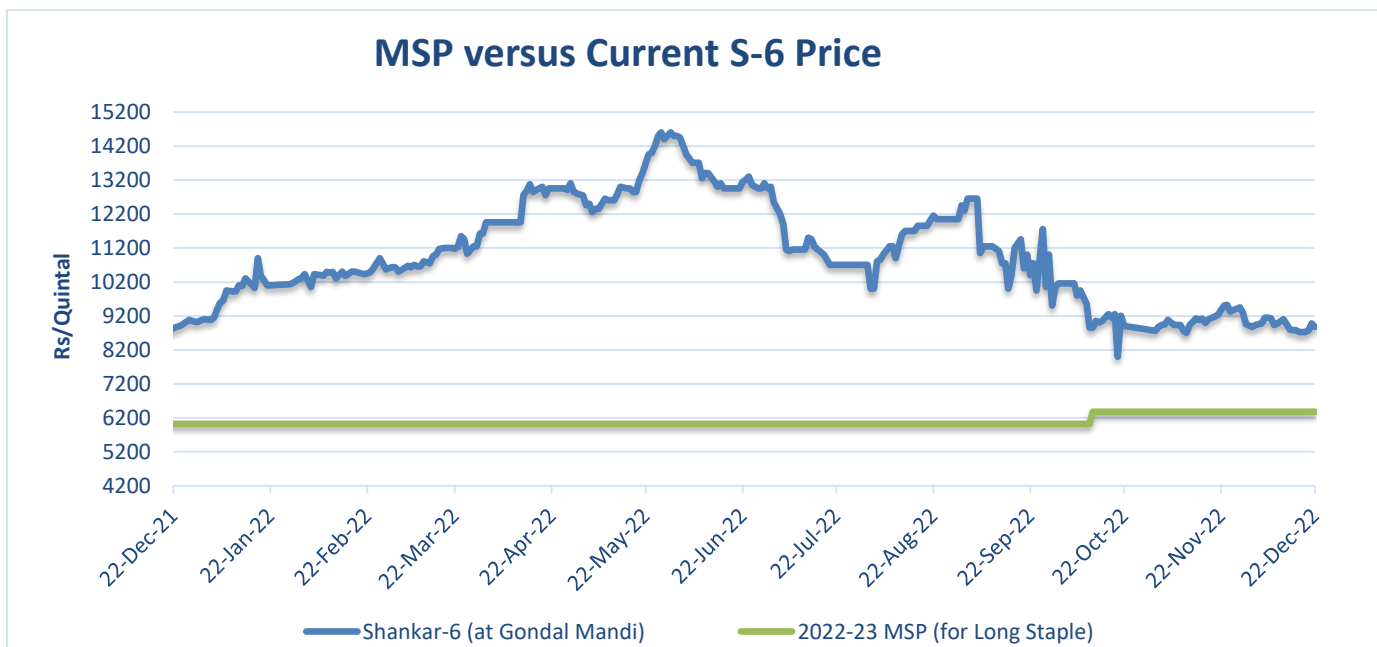
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood lower at Rs. 8,412/Qtl compared to previous week's Rs. 8,591/Qtl. Cotton prices at Amravati traded at Rs. 8,316 per quintal whereas prices in Hisar were slightly higher at Rs. 8,400 per quintal during the past week.



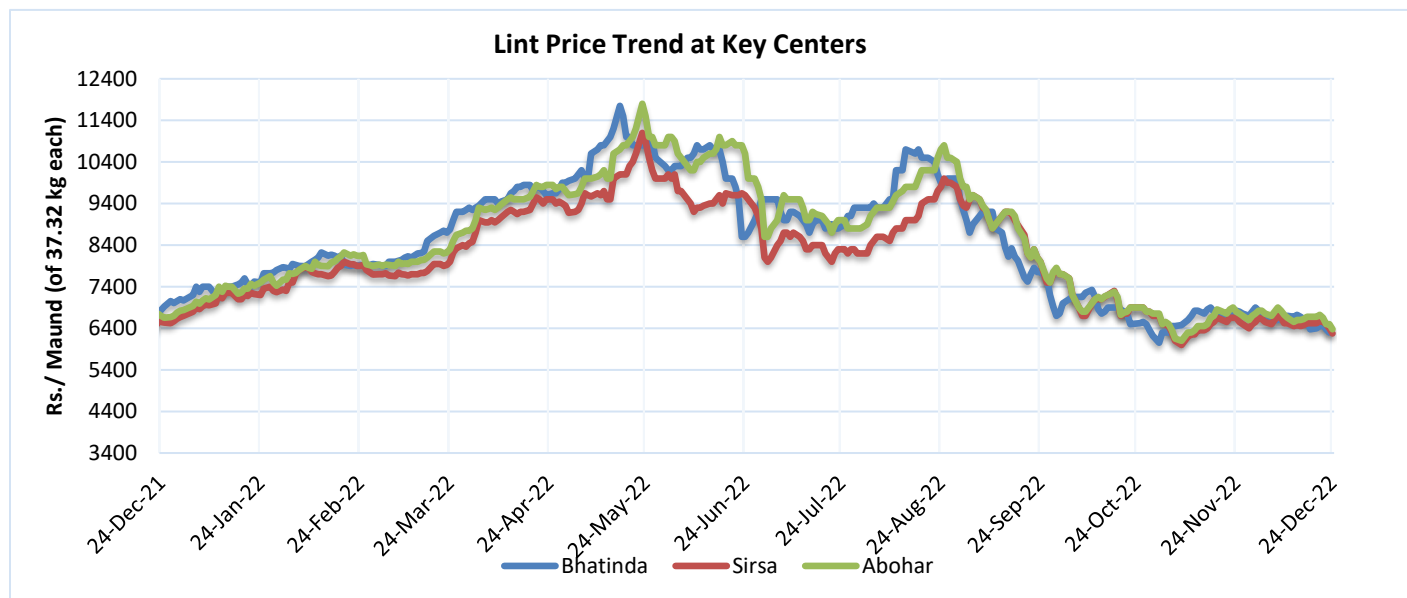
Spot Price Comparison

Cotton shanker-6 at Gondal market traded slightly higher at Rs. 8,611 per quintal against the minimum support price of Rs. 6,380 per quintal.



Lint price Outlook

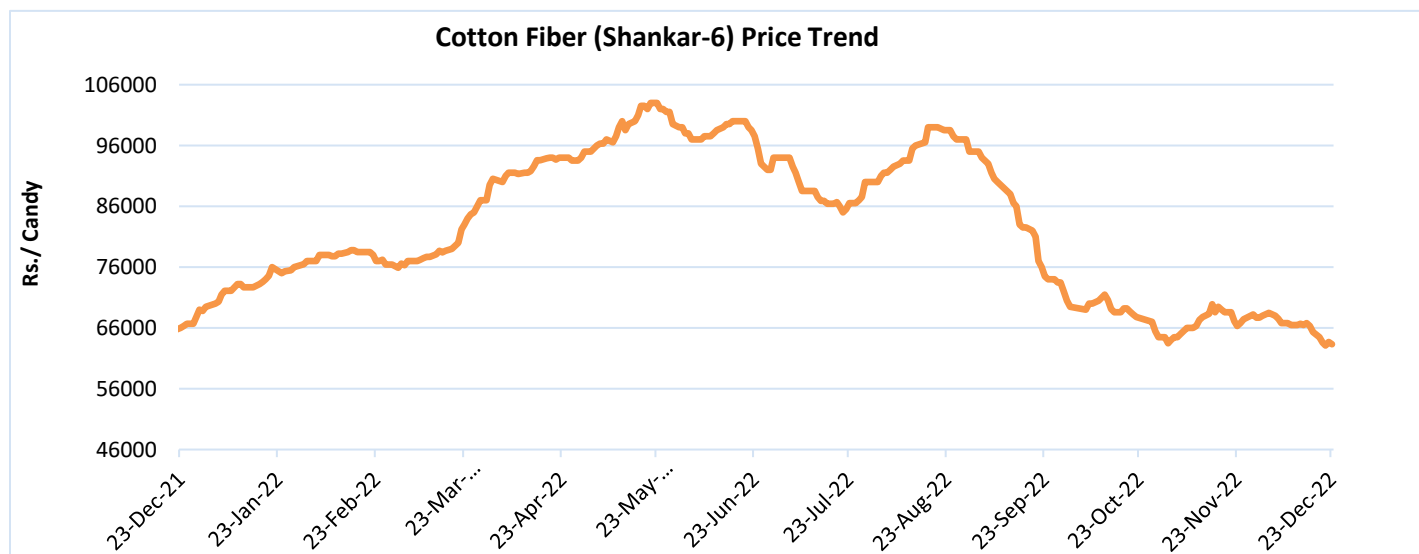
The average price stood slightly lower at Rs. 6391/maund this week compared to Rs.6620/maund previous week in Abohar, in Bhatinda prices were at Rs.6395/maund, and slightly lower in Sirsa at Rs.6262/maund from Rs.6512/maund previous week.



Source: Agriwatch

Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly lower and is currently at Rs.63,100/candy and is likely to remain weak in the coming weeks.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

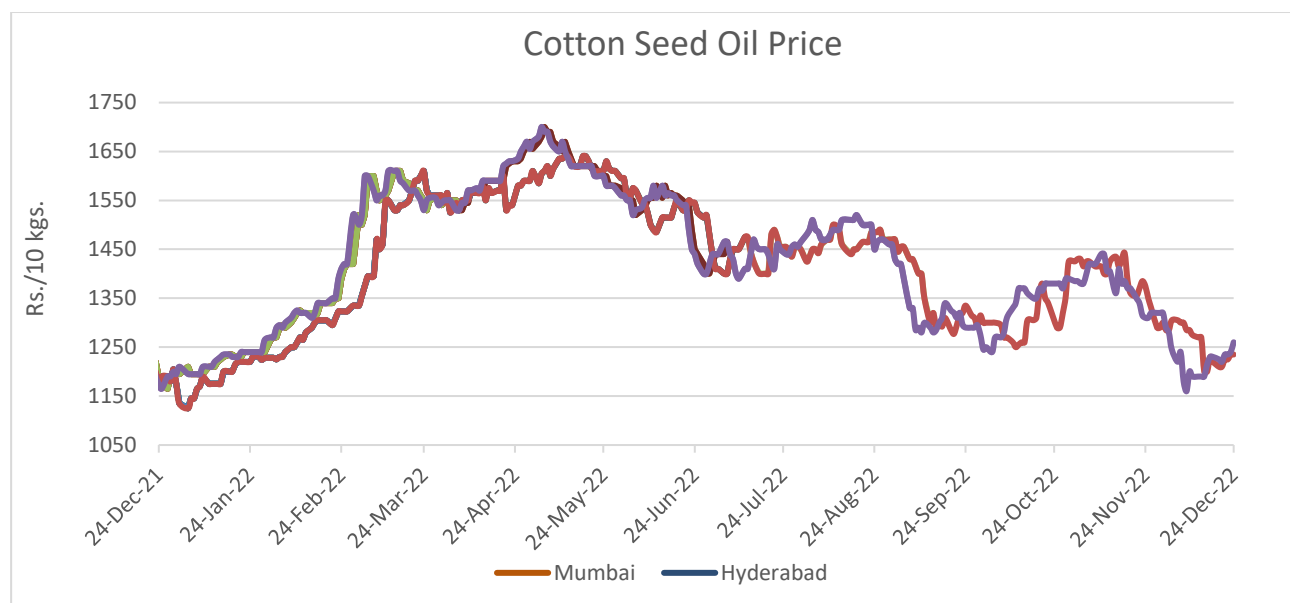
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a higher trend across the major centers during the week ending on 24th Dec'22.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	24-Dec-22	17-Dec-22	
Rajkot	1246	1236	0.80
Hyderabad	1236	1229	0.56
Mumbai	1245	1218	2.22

Source: Agriwatch

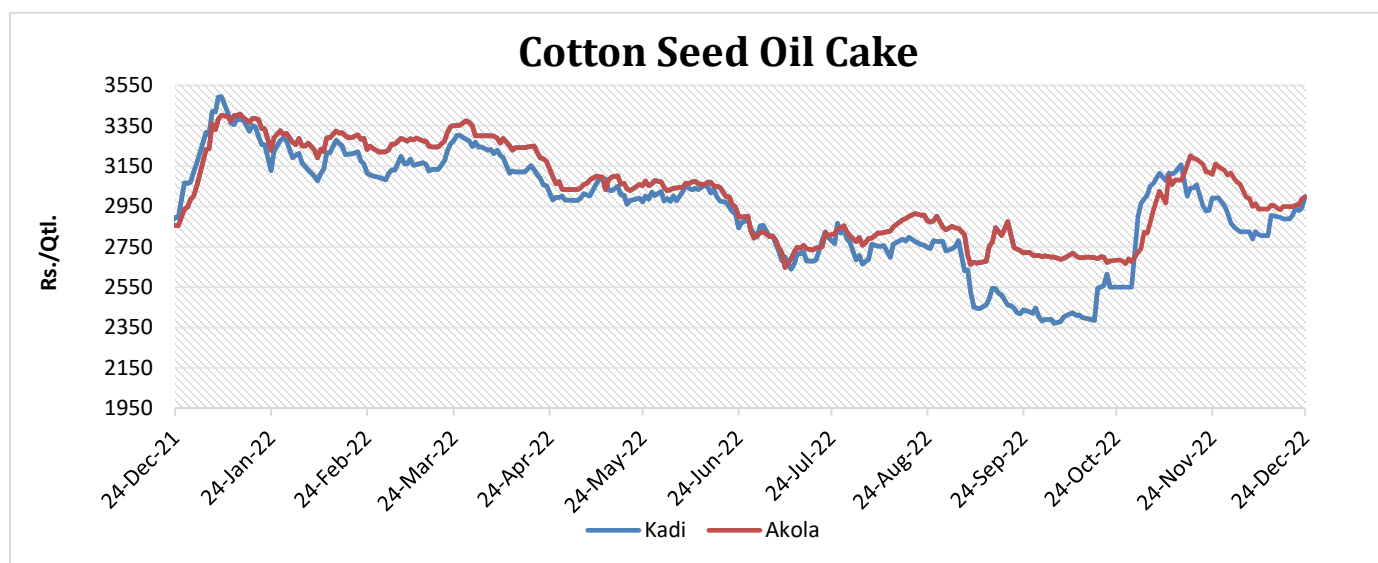


Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has increased slightly due to limited demand as compared to previous week. Prices in Kadi were at Rs. 2933 per quintal from Rs. 2883 per quintal and in

Akola prices were at Rs. 2966 per quintal from Rs. 2946 per quintal the previous week. For the coming week we expect prices to remain stable.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	24-Nov-22	17-Nov-22	
Kadi	2933	2883	1.75
Akola	2966	2946	0.69



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)	8500	8500-8840	8650-9640

Stock Summary

Stock with Spinners	Stock with Government, MCX, MNC, Traders, Ginners etc	Total
34.00	9.00	43.00

International Market Scenario

According to the Pakistan Cotton Ginners Association, cotton production in Pakistan is likely to fall by 40% in 2022. Cotton production has reached 40.28pc lower than the previous year harvest. During the previous season cotton production was around 7.16 million bales before December 2021 against 4.28 million bales this year.

During the period, the export of cotton was 4,900 bales which is 11,100 bales (69.38 pc) less than the export of 16,000 bales in the same period last year. Overall cotton production in Pakistan during 2022 is likely to fall at 4.8 million bales due to heavy rains and floods which have largely affected the crop during the previous months. As per sources, Pakistan may import about 7 million bales to meet the industrial demand.

USDA Balance Sheet

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 bales, 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.

The U.S. balance sheet shows higher production and ending stocks relative to the previous month. Exports and consumption are estimated down this month, and shipments are projected at the lowest level in 7 years.

World Cotton Balance Sheet			
	2020-21	2021-22#	2022-23*
Area Harvested	31,367	32,315	32,064
Yield	773	779	782
Opening Stock	98,393	86,725	85,444
Production	1,11,467	1,15,728	1,15,728
Imports	48,693	42,889	42,271
Exports	48,728	42,863	42,251
Domestic Consumption	1,23,100	1,17,035	1,11,631
Ending Stock	86,725	85,444	89,561

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

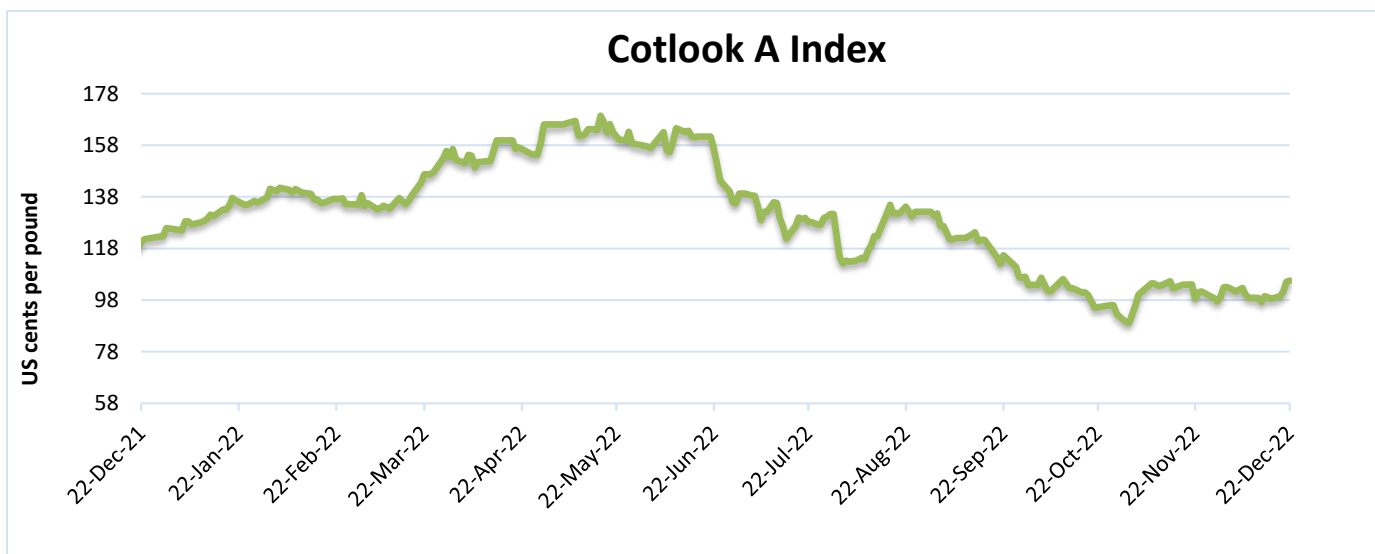
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was higher this week. The Cotlook A Index was at 102.01 cents/lb lower as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	25-Dec-22	15-Dec-22	
Prices	102.01	98.72	3.33
Prices in US cents per Pound			

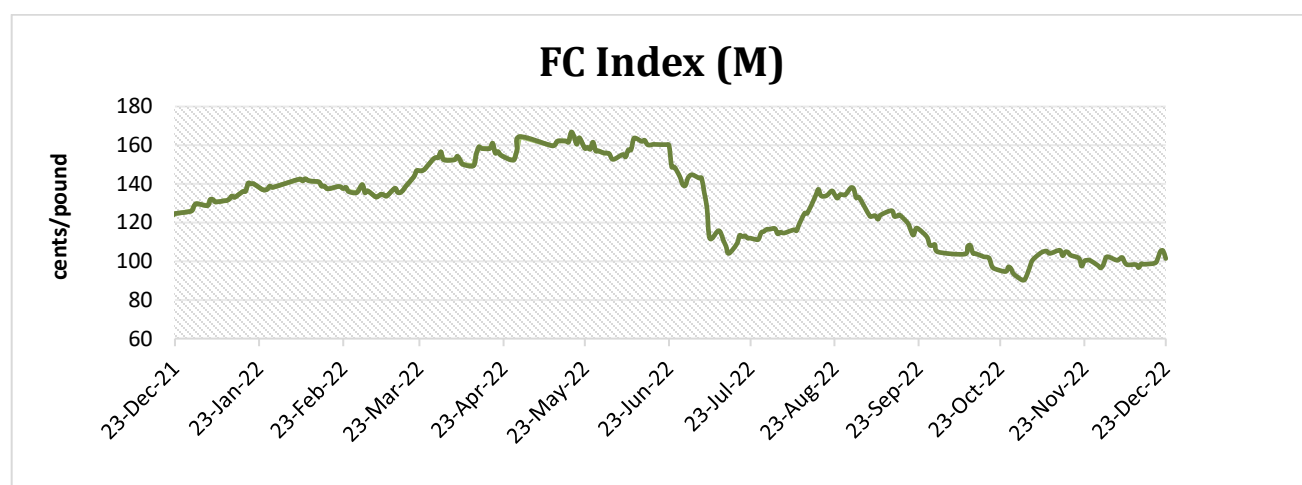
Source: Cotlook



China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	24-Dec-22	15-Dec-22	
FC (S)	103.25	98.78	4.53
FC (M)	102.42	98.03	4.48
FC (L)	101.63	97.03	4.74
Prices in US cents per Pound			

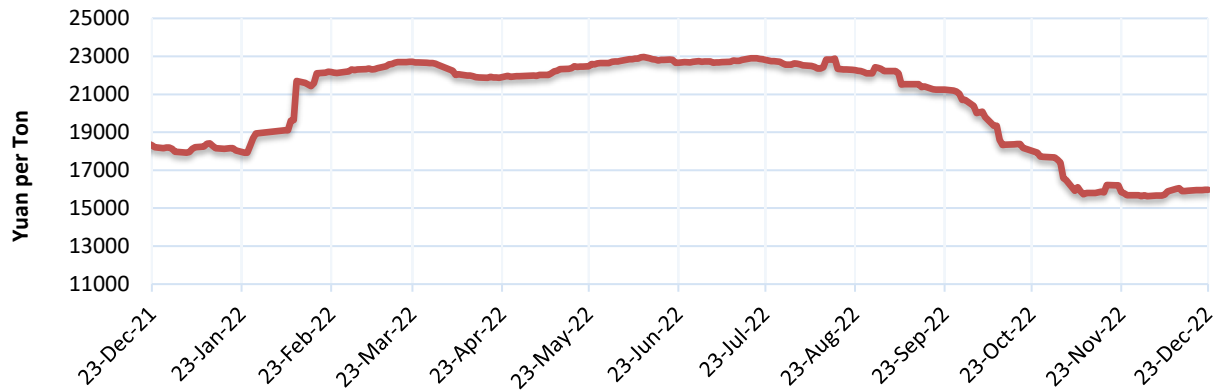
Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	23-Dec-22	16-Dec-22	
CCIndex(328)	14981.40	14990.80	-0.06
CCIndex(527)	13492.00	13485.00	0.05
CCIndex(229)	15297.60	15297.40	-
Prices in Yuan per ton			

Source: China Cotton Association

China Cotton Index(328)



USA Spot Prices

U.S.A spot prices was at 82.79 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	25-Dec-22	15-Dec-22	
Prices	89.79	82.92	8.28
Prices in US cents per Pound			

Source: USDA

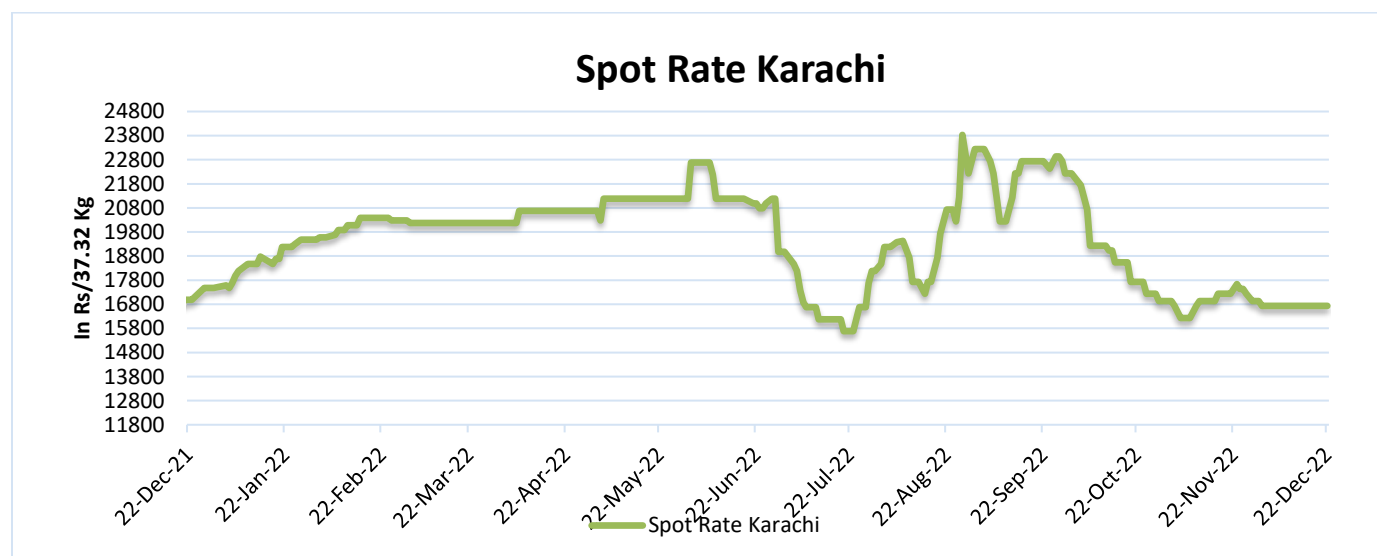
Daily Movement of USA Spot Price



Pakistan Spot Prices

The Karachi spot price remained stable at Rs.16785/q from the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	24-Dec-22	15-Dec-22	
Prices	16785	16735	0.30
Prices in Rs per 37.32 Kg			



Commodity: Cotton
Exchange: MCX
Contract: Dec
Expiry: Dec. 30, 2021

Cotton – Technical Outlook

Technical Chart:



Technical Commentary:

- As depicted in the above chart, market is currently trading at 29090 level.
- Technically, now Cotton has corrected during the last week, although prices may take support at 30000 level.
- Market is currently above 9 DMA. RSI indicates slight buying strength.
- Overall, the prices are expected to remain range-bound to weak in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cotton	MCX	Dec	38690	38770	29090	39320	39440
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Dec	Sell	39100	38980	38880	39172

Commodity: Cotton seed oilcake
Exchange: MCX
Contract: Dec
Expiry: Dec. 30, 2021

Cottonseed Oilcake

Technical Chart:



Technical Commentary:

- As evident from the above chart, market remained sideways during the last week.
- Currently market is trading above 9 and 18 DMA, Resistance is likely to be at 2950 level.
- RSI indicating weak buying strength.
- Market is expected to remain rangebound in the coming week.

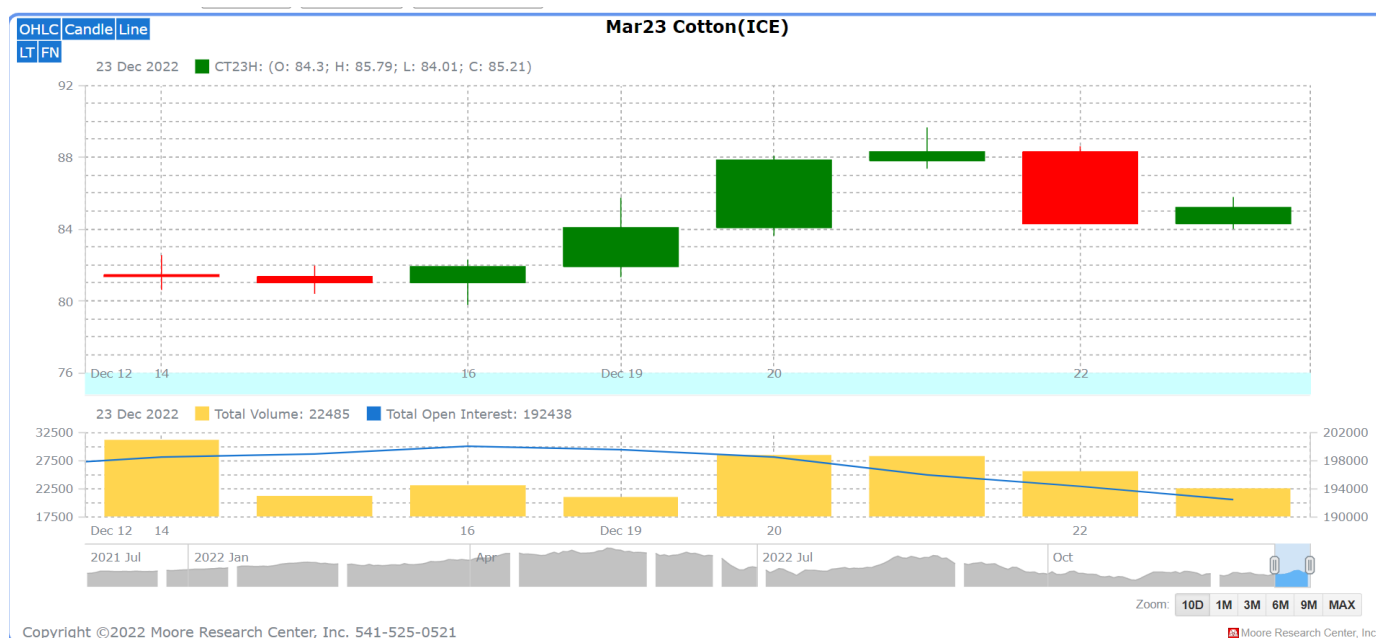
Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Dec	2692	2762	2882	3022	3082
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Dec	Buy	2872	2972	2992	2802

MCX Weekly Prices

MCX Cotton Futures	
Date	Dec-22
16-12-2022	63,990
23-12-2022	60,852
Changes in points	-3138
% Change	-4.90%

Currencies Weekly Change					
Date	INR/USD	Dollar Index	INR/Yuan	Yuan/Dollar	USD/Yuan
16-12-2022	82.73	104.45	11.864	0.1434	6.973
23-12-2022	82.79	104.04	11.845	0.1431	6.987
Changes in points	+0.06	-0.41	-0.019	-0.003	0.014
% Change	0.07	-0.39	-0.16	-0.21	0.20

Technical Analysis of Cotton Future (Mar'23 Contract) at ICE



- The Mar'23 contract remained sideways.
- Total volume increased & Open Interest decreased compared to last month,
- We expect cotton prices to remain sideways in the coming month.

Expected Price Range During Coming week

Expected Trend	Expected Trading Band
Range bound	85-97

Expected Support and Resistance

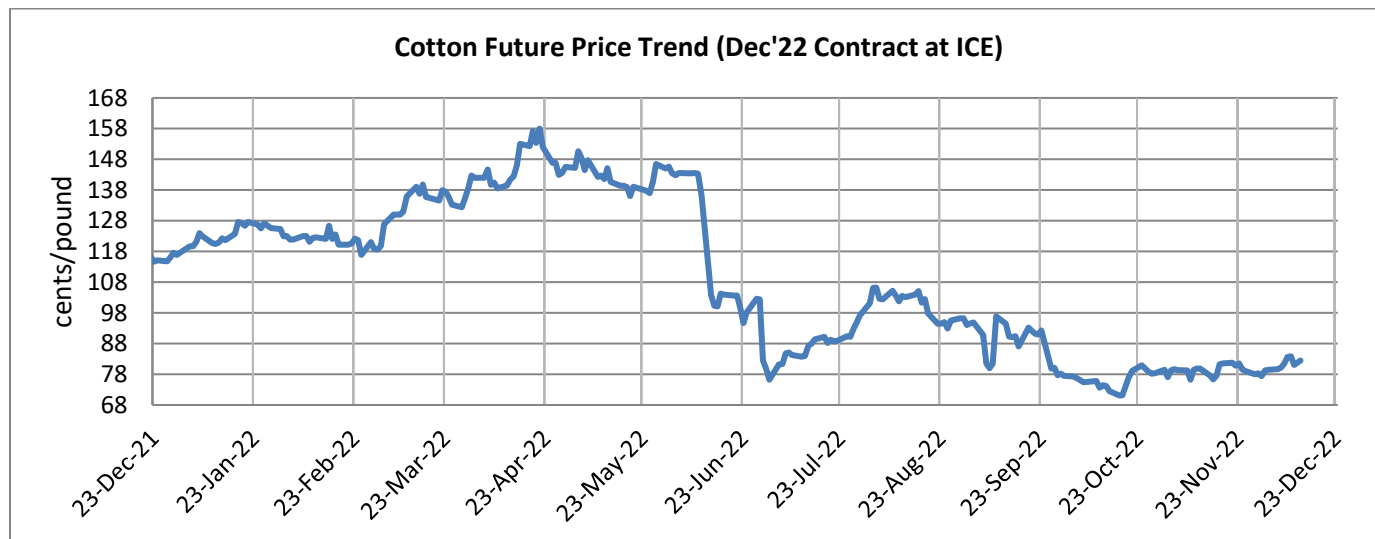
Support 1	Support 2	Resistance 1	Resistance 2
80	72	89	96

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	23-Dec-22	23-Nov-22	24-Sep-22	26-Jun-22	23-Dec-21	% Change over a month	% Change over previous year
Oct-22	82.96	79.85	94.49	90.32	94.49	3.89	-12.20
Dec-22	82.52	77.93	92.54	88.37	92.54	5.89	-10.83
Mar-23	85.21	82.90	89.67	85.94	89.67	2.79	-4.97
May-23	85.18	82.20	87.49	84.17	87.49	3.63	-2.64
Jul-23	84.91	81.24	84.78	81.64	84.78	4.52	0.15

Future Price Trend (Active Contract):



Cotton Yarn

Cotton Yarn Exports are likely to go down during the first half of 2023. The higher domestic prices along with weak export demand may impact the yarn export globally. Earlier, the exports in cotton yarn witnessed a downward trend from January 2022 onwards, further aggravating a slowdown in global demand. Furthermore, the second half of 2023 is expected to remain muted for cotton yarn exporters due to the weak demand from the international market.

Yarn prices in the northern Indian market witnessed a bearish trend as cotton prices were not feasible for the textile industry. Yarn prices declined in Delhi as the weaving industry was cautious about buying. Panipat's recycled yarn traded stable, but cotton comber and recycled fiber eased.

In Delhi, lower demand for cotton yarn was witnessed from domestic and export market. Cotton yarn eased by Rs.5 per kg for most of the counts and varieties.

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.

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	19th Dec'22 to 24th Dec'22	12th Dec'22 to 17th Dec'22	
Gujarat	Ahmedabad	Shankar-6	8425	8717	-292
	Gondal	Shankar-6	8611	8818	-206
	Rajkot	B.T. Cotton	8405	8592	-187
	Patan	B.T. Cotton	8553	8793	-241
	Kadi	B.T. Cotton	8517	8683	-167
	Deesa	B.T. Cotton	1460	1547	-88
	Dhrol	B.T. Cotton	8043	8884	-841
Haryana	Bhiwani	B.T. Cotton	8275	8617	-342
	Bhiwani	Desi	#DIV/0!	NA	-
	Adampur	B.T. Cotton	8400	8500	-100
	Fatehabad	B.T. Cotton	8162	8374	-212
	Jind	B.T. Cotton	9100	5600	3500
	Uchana	B.T. Cotton	8426	8590	-164
	Dabwali	B.T. Cotton	#DIV/0!	8465	-
Rajasthan	Hanumangarh	B.T. Cotton	8500	8740	-240
	Rawatsar	B.T. Cotton	8500	8705	-205
Madhya Pradesh	Khandwa	Mech-1	8225	8600	-375
	Khargaon	Mech-1	8335	8498	-163
Maharashtra	Amravati	Mech-1	8360	8517	-157
	Jamner	Medium Staple	#DIV/0!	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9400	8117	1283
	Hathras	Desi	7500	6400	1100
Telangana	Adilabad	Un-Ginned	8050	8185	-135
Andhra Pradesh	Adoni	Un-Ginned	8439.8	8440.833333	-1
Karnataka	Bijapur	Bunny	8874	8951	-76
	Hubli	D.C.H.	8500	8542	-42
	Hubli	B.T. Cotton	#DIV/0!	NA	-
	Raichur	H-44 Cotton	8425	8542	-117
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	19th Dec'22 to 24th Dec'22	12th Dec'22 to 17th Dec'22	
Punjab	Bhatinda	J-34	6396	6621	-225
	Abohar	J-34	6392	6617	-225
	Mansa	J-34	6267	6483	-217
Haryana	Sirsa	J-34	6263	6483	-221

Rajasthan	Sri-Ganganagar	J-34	6130	6292	-163
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Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	19th Dec'22 to 24th Dec'22	12th Dec'22 to 17th Dec'22	Change
Gujarat	Ahmedabad	Shankar-6	340000	283900	56100
	Gondal	Shankar-6	40700	50850	-10150
	Rajkot	B.T. Cotton	24600	28400	-3800
	Patan	B.T. Cotton	49380	67020	-17640
	Kadi	B.T. Cotton	125000	140000	-15000
	Deesa	B.T. Cotton	3700	8600	-4900
	Dhrol	B.T. Cotton	3553	3661	-108
Haryana	Bhiwani	B.T. Cotton	2450	6700	-4250
	Bhiwani	Desi	0	NA	-
	Adampur	B.T. Cotton	9860	8670	1190
	Fatehabad	B.T. Cotton	1940	3000	-1060
	Jind	B.T. Cotton	2040	2210	-170
	Uchana	B.T. Cotton	0	2500	-2500
	Dabwali	B.T. Cotton	0	2500	-2500
Rajasthan	Hanumangarh	B.T. Cotton	16000	22000	-6000
	Rawatsar	B.T. Cotton	16000	22000	-6000
Madhya Pradesh	Khandwa	Mech-1	3000	1000	2000
	Khargaon	Mech-1	20940	15220	5720
Maharashtra	Amravati	Mech-1	37000	37000	Unch
	Jamner	Medium Staple	0	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	0	NA	-
	Hathras	Desi	0	NA	-
Telangana	Adilabad	Un-Ginned	293540	161191	132349
Andhra Pradesh	Adoni	Un-Ginned	7451	7759	-308
Karnataka	Bijapur	Bunny	11728	17042	-5314
	Hubli	D.C.H.	667	41	626
	Hubli	B.T. Cotton	0	0	Unch
	Raichur	H-44 Cotton	53	92	-39
Commodity	Lint		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	19th Dec'22 to 24th Dec'22	12th Dec'22 to 17th Dec'22	Change
Punjab	Bhatinda	J-34	0	0	Unch
	Abohar	J-34	2380	3315	-935
	Mansa	J-34	680	2448	-1768
Haryana	Sirsa	J-34	2210	3910	-1700

Rajasthan	Sri-Ganganagar	J-34	14500	14000	500
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Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	23-Dec-22	16-Dec-22	23-Nov-22	23-Dec-21
Gujarat	Ahmedabad	Shankar-6	8250	8750	9125	9000
	Gondal	Shankar-6	NA	8780	8930	9105
	Rajkot	B.T. Cotton	8450	8550	8700	9035
	Patan	B.T. Cotton	8425	8800	9000	8885
	Kadi	B.T. Cotton	8250	8750	9000	8500
	Deesa	B.T. Cotton	1480	1515	1570	1112
	Dhrol	B.T. Cotton	8340	8850	9210	8725
Haryana	Bhiwani	B.T. Cotton	NR	8600	0	0
	Bhiwani	Desi	NR	0	0	0
	Adampur	B.T. Cotton	8400	8400	8700	8550
	Fatehabad	B.T. Cotton	8155	8265	8680	8500
	Jind	B.T. Cotton	NR	0	0	8600
	Uchana	B.T. Cotton	8345	8535	8660	8565
	Dabwali	B.T. Cotton	NR	8465	8600	8900
Rajasthan	Hanumangarh	B.T. Cotton	8600	8700	8800	8800
	Rawatsar	B.T. Cotton	Closed	8700	8900	8800
Madhya Pradesh	Khandwa	Mech-1	Closed	8600	Closed	8500
	Khargaon	Mech-1	Closed	8470	Closed	8570
Maharashtra	Amravati	Mech-1	Closed	8600	Closed	8700
	Jamner	Medium Staple	NA	0	0	8025
Uttar Pradesh	Hathras	B.T. Cotton	9400	9800	9700	0
	Hathras	Desi	7500	7800	7500	0
Telangana	Adilabad	Un-Ginned	8050	8210	8370	8100
Andhra Pradesh	Adoni	Un-Ginned	NA	8400	NA	8756
Karnataka	Bijapur	Bunny	NA	8993	9096	9029
	Hubli	D.C.H.	NA	8400	0	0
	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	NA	8700	0	0

Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	23-Dec-22	16-Dec-22	23-Nov-22	23-Dec-21
Punjab	Bhatinda	J-34	6375	6625	6700	6700
	Abohar	J-34	6375	6500	6700	6775
	Mansa	J-34	NA	6550	6650	6725
Haryana	Sirsa	J-34	6250	6500	6500	6630
Rajasthan	Sri-Ganganagar	J-34	6110	6251	6345	6486

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	23-Dec-22	16-Dec-22	23-Nov-22	23-Dec-21
Gujarat	Ahmedabad	Shankar-6	51000	56100	51000	54400
	Gondal	Shankar-6	7950	8400	8600	7305
	Rajkot	B.T. Cotton	5200	4400	6000	2900
	Patan	B.T. Cotton	7635	11570	13565	5144
	Kadi	B.T. Cotton	30000	20000	15000	30000
	Deesa	B.T. Cotton	1000	3400	0	1700
	Dhrol	B.T. Cotton	506	700	697	320
Haryana	Bhiwani	B.T. Cotton	NR	1000	0	0
	Bhiwani	Desi	NR	0	0	0
	Adampur	B.T. Cotton	1700	1530	1530	2210
	Fatehabad	B.T. Cotton	250	450	200	1000
	Jind	B.T. Cotton	NR	0	0	1700
	Uchana	B.T. Cotton	NR	450	500	2000
	Dabwali	B.T. Cotton	NR	450	500	2000
Rajasthan	Hanumangarh	B.T. Cotton	Closed	4000	4000	3000
	Rawatsar	B.T. Cotton	Closed	4000	4000	3000
Madhya Pradesh	Khandwa	Mech-1	Closed	400	Closed	1600
	Khargaon	Mech-1	Closed	2100	Closed	7550
Maharashtra	Amravati	Mech-1	Closed	7000	Closed	15000
	Jamner	Medium Staple	NA	0	0	49
Uttar Pradesh	Hathras	B.T. Cotton	NA	0	0	0
	Hathras	Desi	NA	0	0	0
Telangana	Adilabad	Un-Ginned	52130	39920	29260.9	44007.8

Andhra Pradesh	Adoni	Un-Ginned	NA	1288	0	3672
Karnataka	Bijapur	Bunny	NA	3519	2598	5315
	Hubli	D.C.H.	NA	5	0	0
	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	NA	20	0	0
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	23-Dec-22	16-Dec-22	23-Nov-22	23-Dec-21
Punjab	Bhatinda	J-34	NA	0	0	8500
	Abohar	J-34	340	340	170	1360
	Mansa	J-34	NA	510	255	850
Haryana	Sirsa	J-34	340	850	850	1700
Rajasthan	Sri-Ganganagar	J-34	2500	3000	2500	2000

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				19th Dec'22 to 24th Dec'22	12th Dec'22 to 17th Dec'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	62320	63580	-1260
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	62720	64040	-1320
J-34(202)	26mm	3.5 - 4.9	23	60580	62480	-1900
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	#DIV/0!	#DIV/0!	-
Shankar-6(105)	29mm	3.5 - 4.9	28	63100	66320	-3220
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	65080	67440	-2360
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	65920	68000	-2080
DCH-32(107)	34mm	3.0 - 3.8	33	70500	72900	-2400

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