

Domestic market summary**Major Market Highlights:**

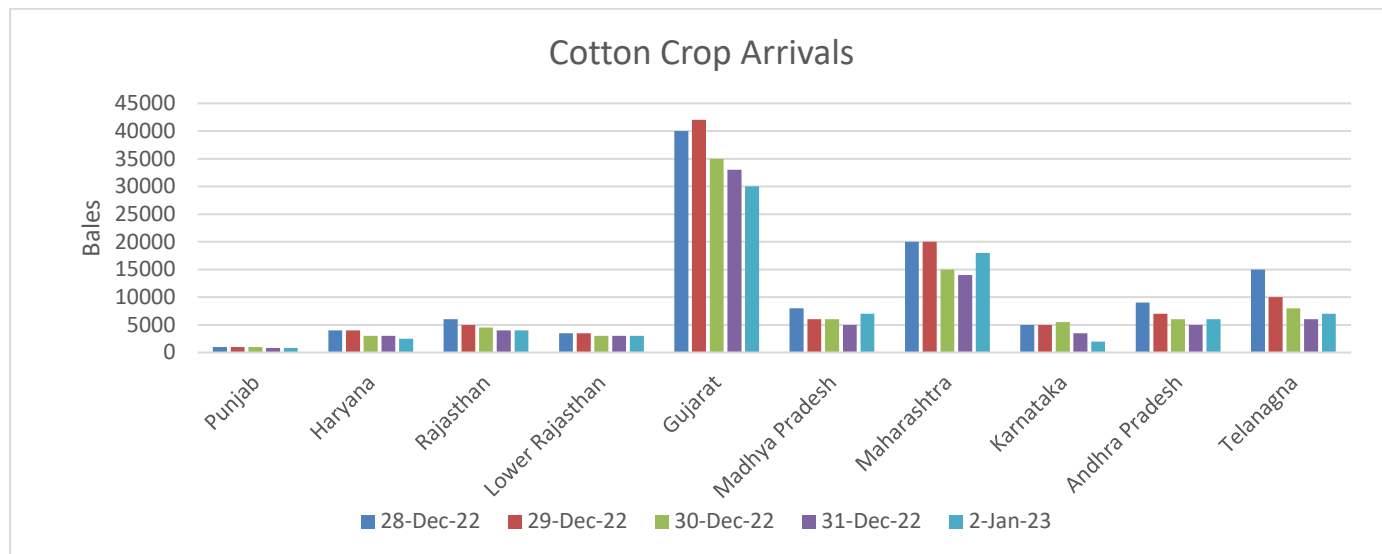
Cotton daily arrivals have reached around 1,20,000-1,30,000 bales per day. Cotton arrivals in the domestic market are not increasing as farmers are holding stock in anticipation of higher prices. Overall weather is favorable for the cotton crop. Cottonseed prices remained stable to firm during the last 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 from past 3 months. 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:

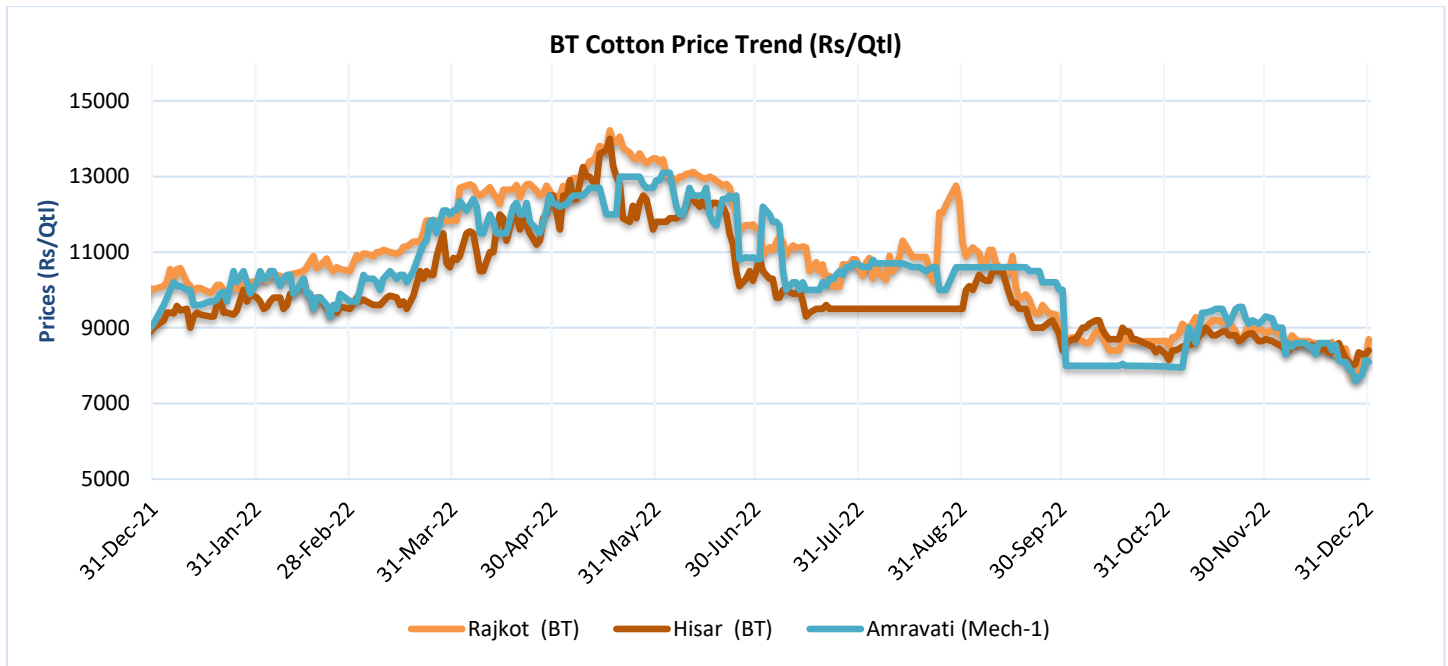


All India Cotton Arrivals 2022-23	
This Week	9 Lakh Bales
Cumulative Arrival	78 Lakh Bales
Cotton Consumption	59 Lakh Bales
Exports	1,50,000 Bales
Import	4,00,000 Bales

Domestic Cotton Prices Scenario

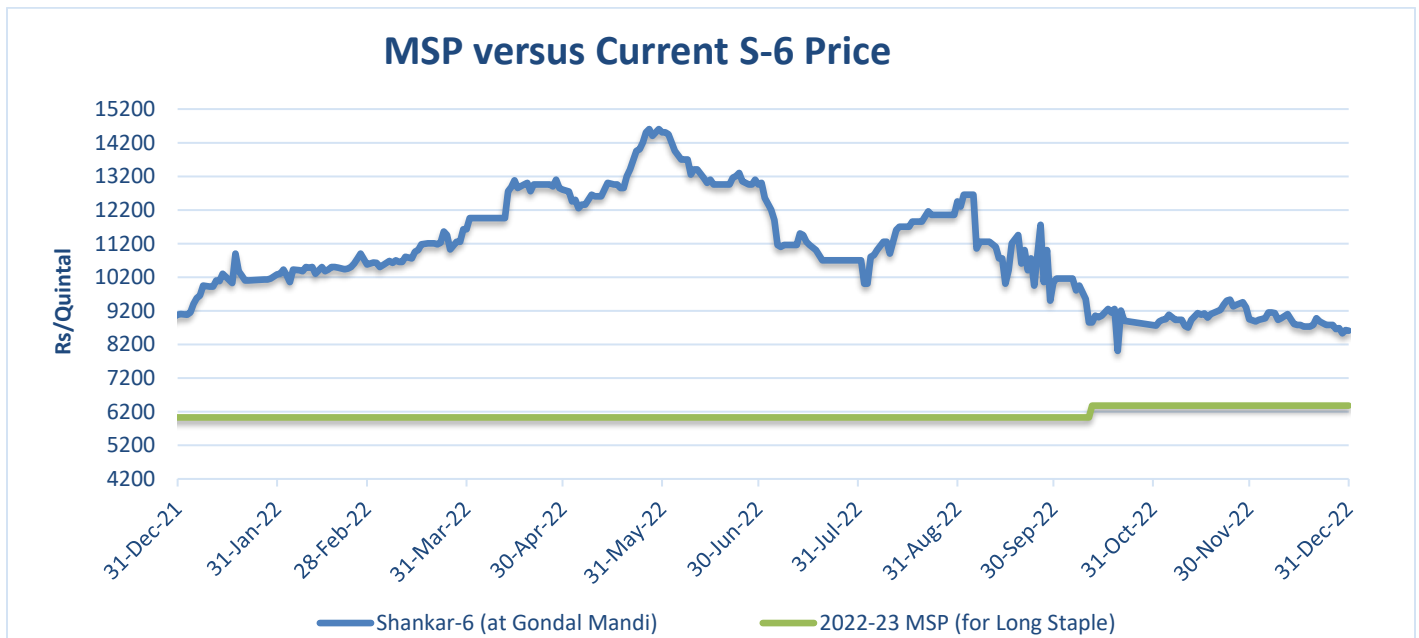
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Weekly BT Cotton average prices at Rajkot stood lower at Rs. 8,008/Qtl compared to previous week's Rs. 8,412/Qtl. Cotton prices at Amravati traded at Rs. 7,850 per quintal whereas prices in Hisar were slightly lower at Rs. 8,233 per quintal during the past week.



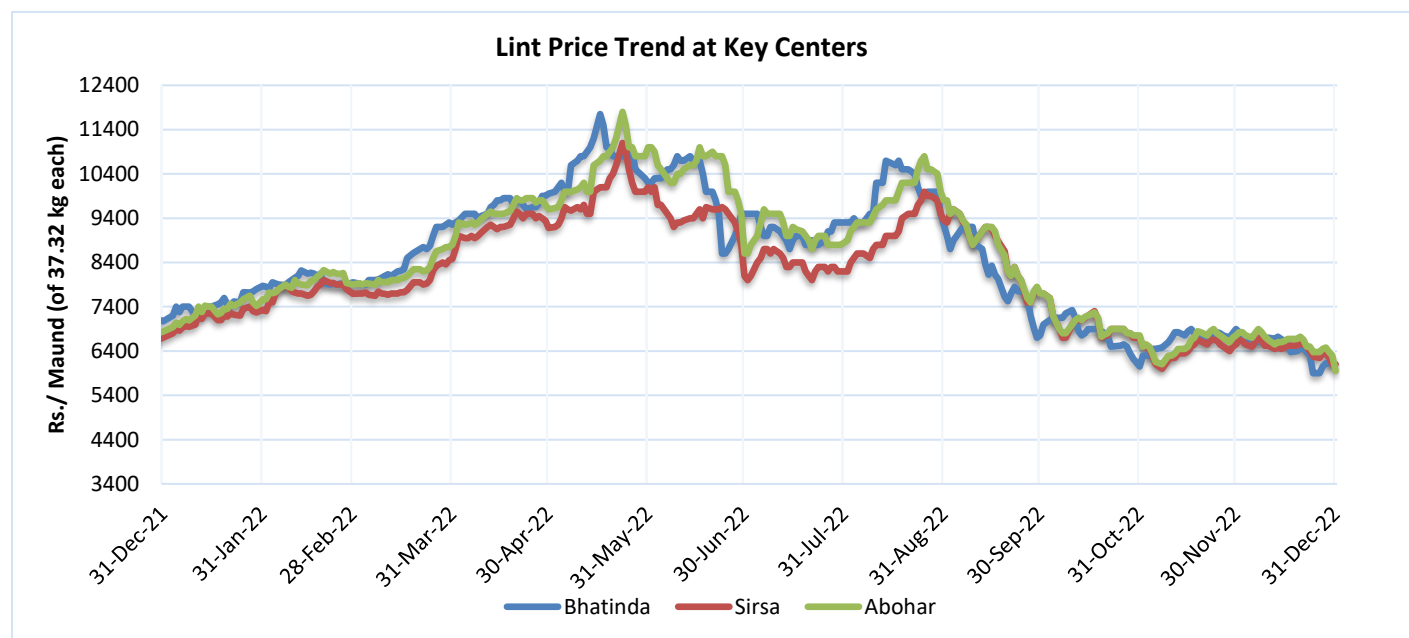
Spot Price Comparison

Cotton shanker-6 at Gondal market traded slightly lower at Rs. 8,238 per quintal against the minimum support price of Rs. 6,380 per quintal.



Lint price Outlook

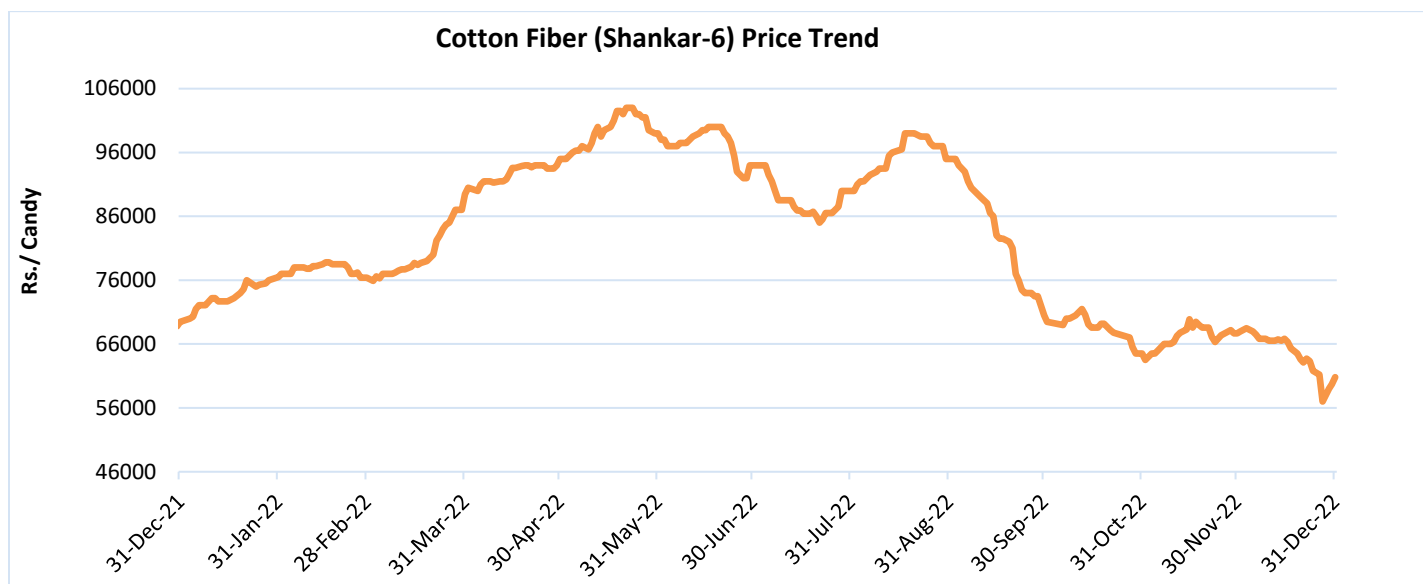
The average price stood slightly lower at Rs. 6062/maund this week compared to Rs.6391/maund previous week in Abohar, in Bhatinda prices were at Rs.6054/maund, and slightly lower in Sirsa at Rs.5979/maund from Rs.6262/maund previous week.



Source: Agriwatch

Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly lower and is currently at Rs.59,330/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

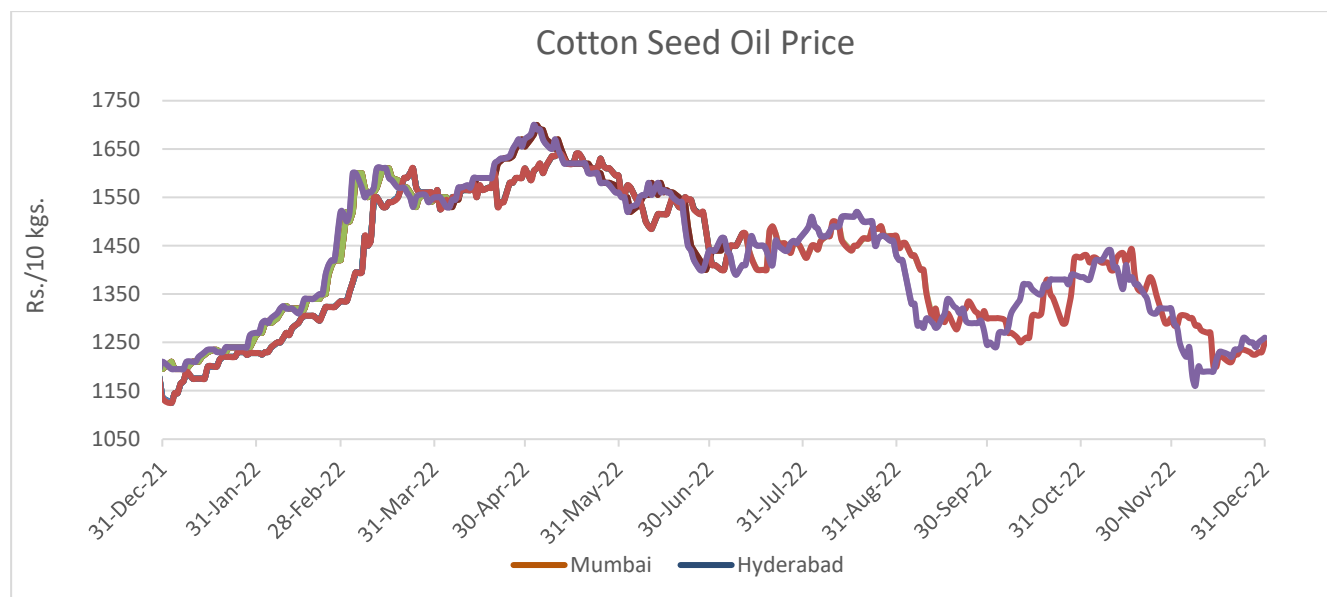
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have shown a higher trend across the major centers during the week ending on 31st Dec'22.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	31-Dec-22	24-Dec-22	
Rajkot	1249	1246	0.25
Hyderabad	1235	1236	-0.08
Mumbai	1254	1245	0.74

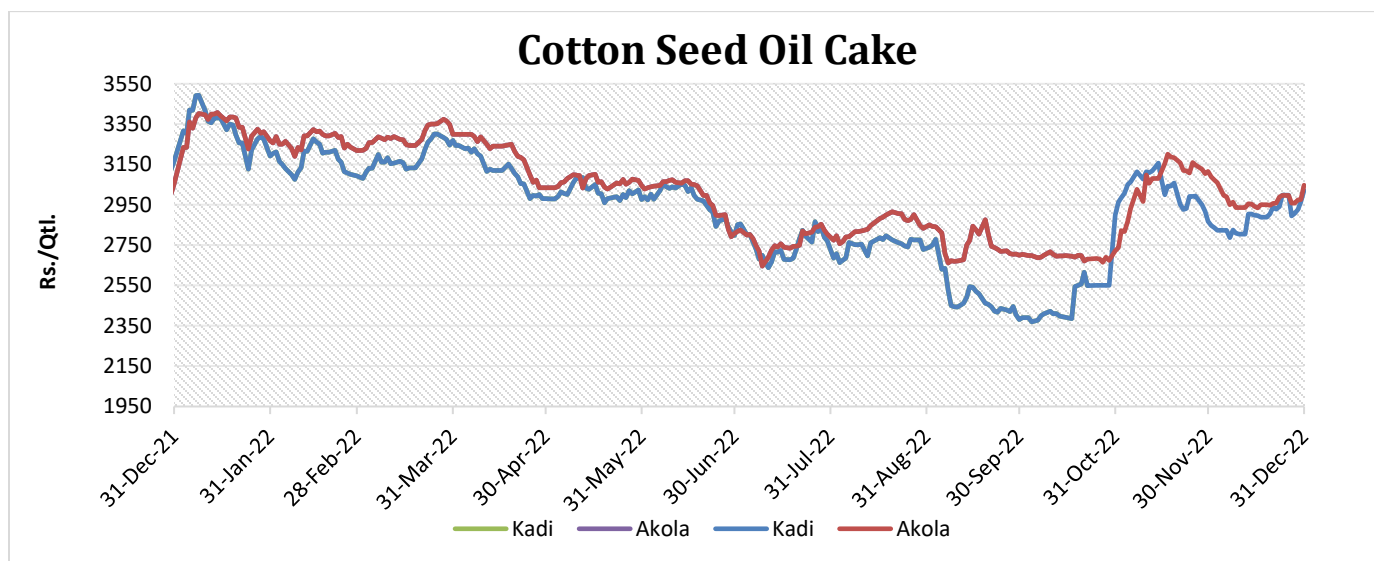
Source: Agriwatch



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. 2953 per quintal from Rs. 2933 per quintal and in Akola prices were at Rs. 2985 per quintal from Rs. 2966 per quintal the previous week. For the coming week we expect prices to remain stable.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	31-Dec-22	24-Dec-22	
Kadi	2953	2933	0.66
Akola	2985	2966	0.65



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
36.50	10.00	46.50

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

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

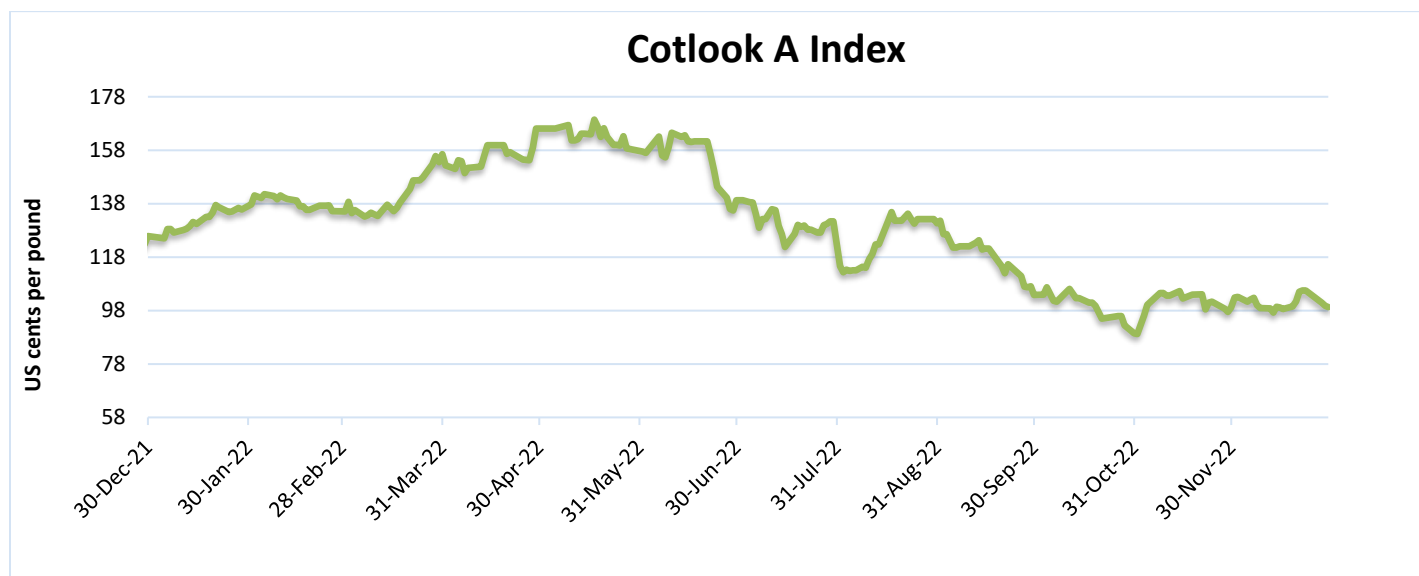
*Attribute Unit Description: Area in 1000 Ha; Yield of Cotton in Kg/Ha; Quantity of Cotton in 1000 480-lb Bales

Cotlook A Index

Cotlook A Index was lower this week. The Cotlook A Index was at 101.40 cents/lb lower as compared to the previous week.

Cotlook A Index	Weekly Average Price change as on		% Change
	31-Dec-22	25-Dec-22	
Prices	101.40	102.01	-0.60
Prices in US cents per Pound			

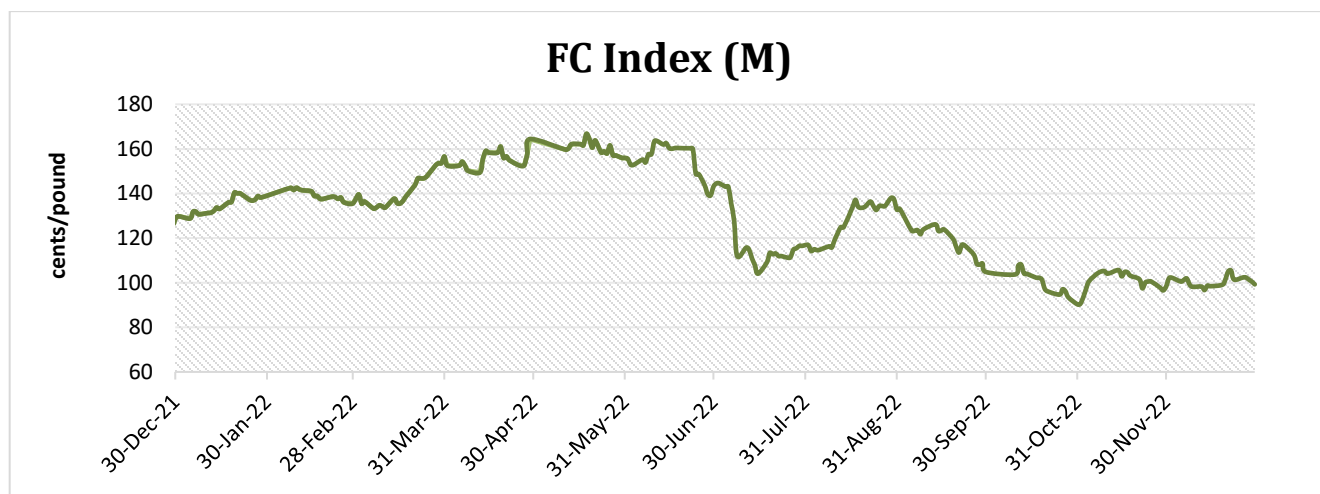
Source: Cotlook



China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	31-Dec-22	24-Dec-22	
FC (S)	102.08	103.25	-1.13
FC (M)	101.17	102.42	-1.22
FC (L)	100.17	101.63	-1.44
Prices in US cents per Pound			

Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	30-Dec-22	23-Dec-22	
CCIndex(328)	15013.20	14981.40	0.21
CCIndex(527)	13505.20	13492.00	0.10
CCIndex(229)	15320.00	15297.60	0.15
Prices in Yuan per ton			

Source: China Cotton Association

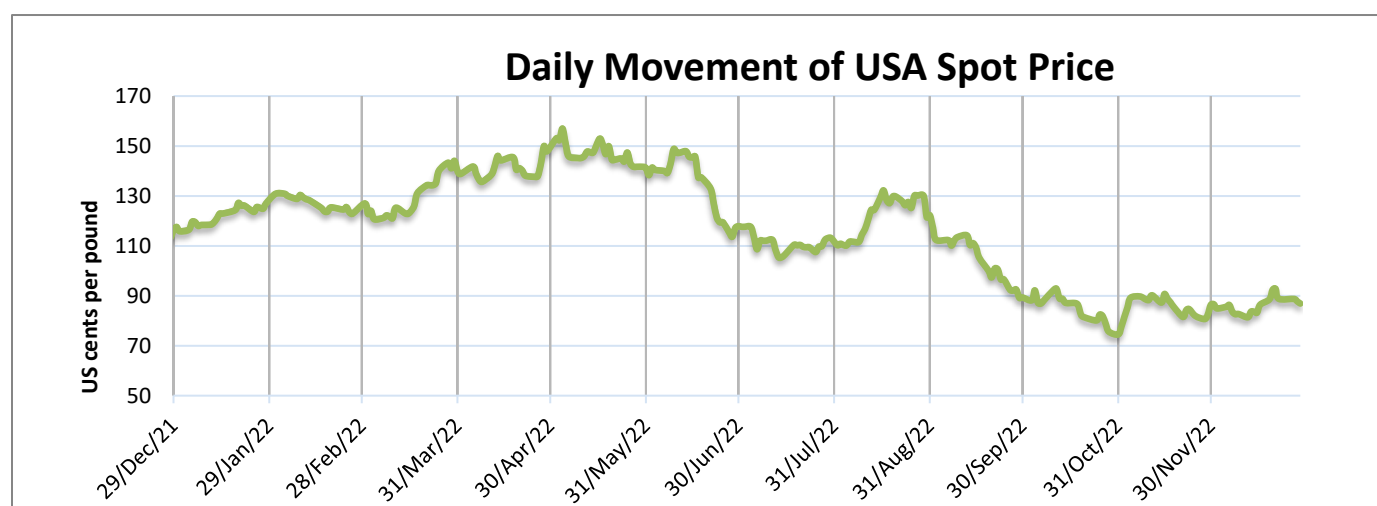


USA Spot Prices

U.S.A spot prices was at 82.80 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	29-Dec-22	25-Dec-22	
Prices	87.80	89.79	-2.22
Prices in US cents per Pound			

Source: USDA



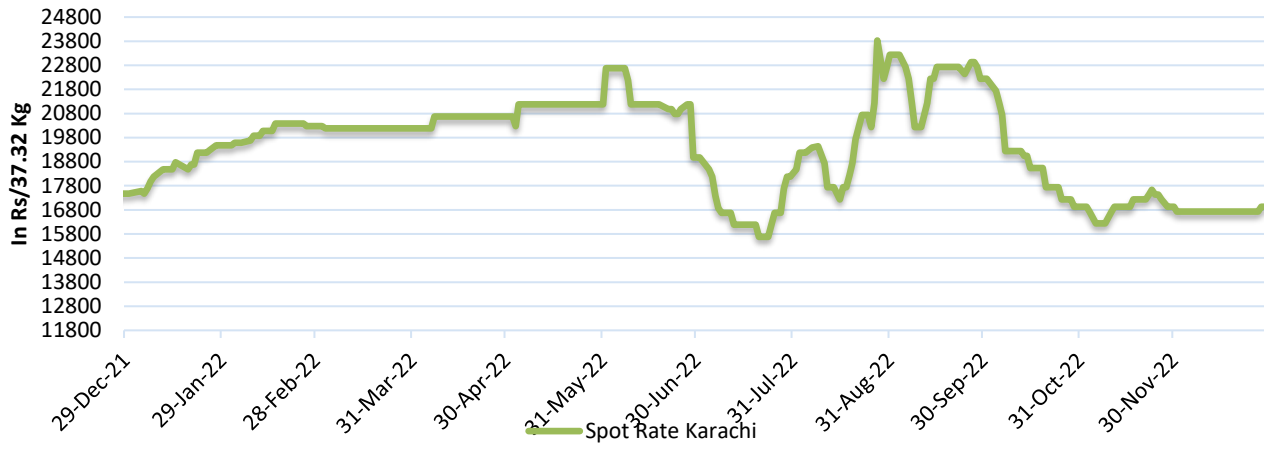
Pakistan Spot Prices

The Karachi spot price remained stable at Rs.16935/q from the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	30-Dec-22	24-Dec-22	
Prices	16935	16785	0.89
Prices in Rs per 37.32 Kg			



Spot Rate Karachi



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

Cotton – Technical Outlook

Technical Chart:



Technical Commentary:

- As depicted in the above chart, market is currently trading at 28800 level.
- Technically, now Cotton has corrected during the last week, although prices may take support at 30000 level.
- Market is currently below 9 DMA. RSI indicates weak 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	Jan	28400	28480	28800	29030	29150
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Jan	Sell	28810	28690	28590	28882

Commodity: Cotton seed oilcake
Exchange: MCX
Contract: Jan
Expiry: Jan. 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 3050 level.
- RSI indicating slight buying strength.
- Market is expected to remain rangebound in the coming week.

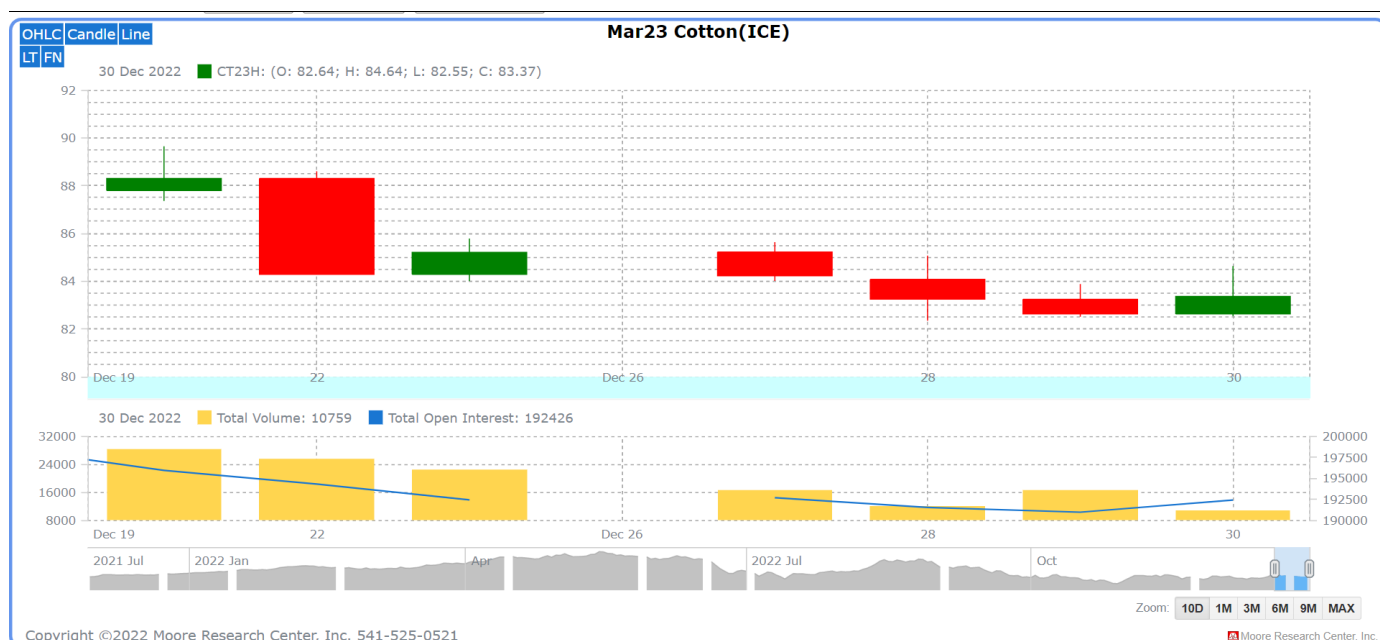
Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Jan	2861	2931	3051	3191	3251
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Jan	Buy	3041	3141	3161	2971

MCX Weekly Prices

MCX Cotton Futures	
Date	Dec-22
23-12-2022	60,852
30-12-2022	60,246
Changes in points	-606
% Change	-1.00%

Currencies Weekly Change					
Date	INR/USD	Dollar Index	INR/Yuan	Yuan/Dollar	USD/Yuan
23-12-2022	82.79	104.04	11.845	0.1431	6.987
30-12-2022	82.74	103.23	11.994	0.1450	6.898
Changes in points	-0.05	-0.81	0.149	0.0019	-0.089
% Change	-0.06	-0.78	1.26	1.33	-1.27

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



- The Mar'23 contract remained sideways.
- Total volume increased & Open Interest slightly increased 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	83-95

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
80	72	85	88

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	30-Dec-22	30-Nov-22	01-Oct-22	03-Jul-22	30-Dec-21	% Change over a month	% Change over previous year
Oct-22	80.74	81.28	92.14	105.38	97.34	-0.66	-17.05
Dec-22	80.88	80.10	84.20	94.90	92.29	0.97	-12.36
Mar-23	83.37	84.61	82.19	90.85	114.34	-1.47	-27.09
May-23	83.45	84.03	80.78	88.61	111.44	-0.69	-25.12
Jul-23	83.38	83.28	79.02	107.32	107.32	0.12	-22.31

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	26th Dec'22 to 31st Dec'22	19th Dec'22 to 24th Dec'22	
Gujarat	Ahmedabad	Shankar-6	8213	8425	-213
	Gondal	Shankar-6	8238	8611	-373
	Rajkot	B.T. Cotton	8008	8405	-397
	Patan	B.T. Cotton	8145	8553	-408
	Kadi	B.T. Cotton	8050	8517	-467
	Deesa	B.T. Cotton	1390	1460	-70
	Dhrol	B.T. Cotton	8194	8043	151
Haryana	Bhiwani	B.T. Cotton	8200	8275	-75
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8233	8400	-167
	Fatehabad	B.T. Cotton	8074	8162	-88
	Jind	B.T. Cotton	8000	9100	-1100

	Uchana	B.T. Cotton	8331	8426	-95
	Dabwali	B.T. Cotton	8250	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	8320	8500	-180
	Rawatsar	B.T. Cotton	8463	8500	-38
Madhya Pradesh	Khandwa	Mech-1	7800	8225	-425
	Khargaon	Mech-1	7977	8335	-358
Maharashtra	Amravati	Mech-1	7850	8360	-510
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	9400	9400	Unch
	Hathras	Desi	7500	7500	Unch
Telangana	Adilabad	Un-Ginned	7975	8050	-75
Andhra Pradesh	Adoni	Un-Ginned	7735.333333	8439.8	-704
Karnataka	Bijapur	Bunny	8307	8874	-568
	Hubli	D.C.H.	7555	8500	-946
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8000	8425	-425
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		
State	Centre	Variety	26th Dec'22 to 31st Dec'22	19th Dec'22 to 24th Dec'22	Change
Punjab	Bhatinda	J-34	6054	6396	-342
	Abohar	J-34	6063	6392	-329
	Mansa	J-34	NA	6267	-
Haryana	Sirsa	J-34	5979	6263	-283
Rajasthan	Sri-Ganganagar	J-34	5836	6130	-294

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		
State	Centre	Variety	26th Dec'22 to 31st Dec'22	19th Dec'22 to 24th Dec'22	Change
Gujarat	Ahmedabad	Shankar-6	355300	340000	15300
	Gondal	Shankar-6	46450	40700	5750
	Rajkot	B.T. Cotton	26200	24600	1600
	Patan	B.T. Cotton	26861	49380	-22519
	Kadi	B.T. Cotton	87500	125000	-37500
	Deesa	B.T. Cotton	2500	3700	-1200
	Dhrol	B.T. Cotton	3452	3553	-101
Haryana	Bhiwani	B.T. Cotton	400	2450	-2050

	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	9010	9860	-850
	Fatehabad	B.T. Cotton	660	1940	-1280
	Jind	B.T. Cotton	1530	2040	-510
	Uchana	B.T. Cotton	2050	NA	-
	Dabwali	B.T. Cotton	2050	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	11000	16000	-5000
	Rawatsar	B.T. Cotton	11000	16000	-5000
Madhya Pradesh	Khandwa	Mech-1	14750	3000	11750
	Khargaon	Mech-1	17190	20940	-3750
Maharashtra	Amravati	Mech-1	56500	37000	19500
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	205788	293540	-87752
Andhra Pradesh	Adoni	Un-Ginned	13277	7451	5826
Karnataka	Bijapur	Bunny	23025	11728	11297
	Hubli	D.C.H.	26	667	-641
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	74	53	21
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	26th Dec'22 to 31st Dec'22	19th Dec'22 to 24th Dec'22	
	Abohar	J-34	2125	2380	-255
	Mansa	J-34	NA	680	-
Haryana	Sirsa	J-34	1190	2210	-1020
Rajasthan	Sri-Ganganagar	J-34	10000	14500	-4500

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	31-Dec-22	24-Dec-22	1-Dec-22	31-Dec-21
Gujarat	Ahmedabad	Shankar-6	8625	8150	Closed	10000

	Gondal	Shankar-6	8605	8380	Closed	9925
	Rajkot	B.T. Cotton	8700	0	Closed	10020
	Patan	B.T. Cotton	8505	8400	8925	9805
	Kadi	B.T. Cotton	8250	8600	9000	9500
	Deesa	B.T. Cotton	1450	1480	Closed	1550
	Dhrol	B.T. Cotton	8750	8340	Closed	9685
Haryana	Bhiwani	B.T. Cotton	8300	8300	NR	0
	Adampur	B.T. Cotton	8400	8200	8650	9000
	Fatehabad	B.T. Cotton	8350	8050	8670	9200
	Jind	B.T. Cotton	NR	9500	0	8900
	Uchana	B.T. Cotton	8330	8310	8600	8800
	Dabwali	B.T. Cotton	NR	NR	NR	9300
Rajasthan	Hanumangarh	B.T. Cotton	8600	8450	8800	9350
	Rawatsar	B.T. Cotton	8700	8450	8950	9200
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	9000	9100
	Khargaon	Mech-1	Closed	Closed	8940	0
Maharashtra	Amravati	Mech-1	8100	8100	9250	9100
	Jamner	Medium Staple	NA	0	0	NA
Uttar Pradesh	Hathras	B.T. Cotton	NA	9400	9800	NA
	Hathras	Desi	NA	7500	7800	NA
Telangana	Adilabad	Un-Ginned	8050	0	0	8860
Andhra Pradesh	Adoni	Un-Ginned	7681	8400	9099	9611
Karnataka	Bijapur	Bunny	8689	NA	9389	10109
	Hubli	D.C.H.	6809	8500	9350	NA
	Hubli	B.T. Cotton	NA	NA	0	NA
	Raichur	H-44 Cotton	8500	NA	9100	NA
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	31-Dec-22	24-Dec-22	1-Dec-22	31-Dec-21
Punjab	Bhatinda	J-34	6225	6300	6900	7100
	Abohar	J-34	6225	6300	6900	7120
	Mansa	J-34	NR	0	6700	7100
Haryana	Sirsa	J-34	6100	6100	6700	6970
Rajasthan	Sri-Ganganagar	J-34	6016	6063	0	6533

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	31-Dec-22	24-Dec-22	1-Dec-22	31-Dec-21
Gujarat	Ahmedabad	Shankar-6	54400	73100	Closed	59500
	Gondal	Shankar-6	8000	NA	Closed	7505
	Rajkot	B.T. Cotton	2800	NA	Closed	5000
	Patan	B.T. Cotton	3105	8120	13800	3548
	Kadi	B.T. Cotton	10000	20000	30000	30000
	Deesa	B.T. Cotton	NA	NA	0	0
	Dhrol	B.T. Cotton	557	506	Closed	281
Haryana	Bhiwani	B.T. Cotton	400	700	NR	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	1360	1700	2380	1700
	Fatehabad	B.T. Cotton	150	200	400	1000
	Jind	B.T. Cotton	NR	1445	0	1700
	Uchana	B.T. Cotton	NR	NR	NR	2000
	Dabwali	B.T. Cotton	NR	NR	NR	2000
Rajasthan	Hanumangarh	B.T. Cotton	3000	4000	1500	5000
	Rawatsar	B.T. Cotton	3000	4000	1500	5000
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	1300	1400
	Khargaon	Mech-1	Closed	Closed	8430	0
Maharashtra	Amravati	Mech-1	10000	9000	3500	13000
Telangana	Adilabad	Un-Ginned	19436.8	0	0	27943.8
Andhra Pradesh	Adoni	Un-Ginned	700	1262	3807	2339
Karnataka	Bijapur	Bunny	1826	NA	6680	3191
	Hubli	D.C.H.	2	667	19	0
	Hubli	B.T. Cotton	NA	NA	0	0
	Raichur	H-44 Cotton	12	NA	19	0
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	31-Dec-22	24-Dec-22	1-Dec-22	31-Dec-21
Punjab	Bhatinda	J-34	NA	0	0	8500
	Abohar	J-34	255	425	595	1360
	Mansa	J-34	NR	0	255	680
Haryana	Sirsa	J-34	170	170	680	1020
Rajasthan	Sri-Ganganagar	J-34	1500	2000	0	2500

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				26th Dec'22 to 31st Dec'22	19th Dec'22 to 24th Dec'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	61820	62320	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	62220	62720	-500
J-34(202)	26mm	3.5 - 4.9	23	56560	60580	-4020
Shankar-6(105)	29mm	3.5 - 4.9	28	58900	63100	-4200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	60600	65080	-4480
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	61600	65920	-4320
DCH-32(107)	34mm	3.0 - 3.8	33	66900	70500	-3600

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