

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.43,960/bale on Friday. ICE cotton futures closed red on Thursday.

News: *Cotton prices had again increased in the local market this week. The raw cotton prices in Ahmedabad market have reached Rs. 13000 per quintal. The lower cotton production in India along with the US has resulted in price rise. There is a strong demand of cotton globally especially coming in from China supporting prices. Also, Strong demand continues from Pakistan, Bangladesh and Brazil as well.*

All India daily arrivals decreasing fast and tight supply gave strong stand to the Indian market. Indian mills are struggling to get quality cotton. Also, disparity in yarn forced them to cut down production of yarn. Indian cotton Shanker-6 prices remained stable near Rs90,200 to 90,500 per candy.

The 2021-22 cotton season has almost come to an end in Punjab. Cotton prices in Punjab has reached at Rs.8,200 per quintal, which is around 26 percent higher from the previous kharif season due to dip of 47 percent in cotton production as compared to the last season.

The high demand for cotton pushed its price to Rs 12,000 per quintal at the Adoni market on 31st March 2022 from previous week price of Rs. 11,219 per quintal. It is for the first time that the Kurnool cotton is in such high demand. Even in November, the fiber crop was being traded at an inflated price of Rs 7,500 per quintal.

According to All Gujarat Spinners Association, Yarn manufacturers have curtailed the cotton procurement due to rising prices of their basic raw material. Cotton prices have hit a record high of Rs 90,000 a candy, higher by 12.5% in last 40 days. Spinning units have cut procurement by at least 15%.

Weather Forecast:

Heat wave conditions in isolated pockets over West Rajasthan, East Rajasthan, Haryana-Delhi, and in isolated pockets over Madhya Pradesh, Himachal Pradesh, south Punjab, Uttar Pradesh, Bihar, Jharkhand, Gujarat State and Vidarbha is expected. Thunderstorm accompanied with lightening very likely at isolated places over Sub- Himalyana West Bengal, Sikkim, and Kerala -Mahe and with lightening at isolated places over Chhattisgarh, Tamil Nadu, Pondicherry & Karikal. Heavy rainfall at isolated places very likely over Assam & Meghalaya, Arunachal Pradesh, Sub-Himalyana West Bengal - Sikkim.

International Fundamentals:

The ICE cotton Futures was down by 249 points at 133.2 cents/lb. The Cotlook A index was at 153.95 cents/lb. The AWP for cotton was at 130.89 cents/lb.

According to the U.S. Crop progress report, as on 03rd April 2022, U.S cotton planting stands at 4 percent which 2 percent lower from previous season of 6 percent. U.S. cotton planting is also lower from past 5 years average of 6 percent.

According to International Cotton Advisory Committee Report, Global Consumption for the 2021-22 season is expected to be at 26.16 million tonnes whereas production is expected to slightly fall to 26.43 million tonnes. Global cotton supply is at 57.129 million tonnes while the global demand is at 57.133 million tonnes. The current price forecast of the average A index for the 2021-22 ranges from 106 cents to 126 cents, with a midpoint at 113 cents per pound.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	8-Apr-22	7-Apr-22	
Gujarat	Ahmedabad	Shankar-6	13000	13000	Unch
	Gondal	Shankar-6	12955	12855	100
	Rajkot	B.T. Cotton	12500	12550	-50
	Patan	B.T. Cotton	12180	12630	-450
	Kadi	B.T. Cotton	12000	12000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	11875	-
Haryana	Bhiwani	B.T. Cotton	11500	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	10500	11000	-500
	Fatehabad	B.T. Cotton	10600	12000	-1400
	Jind	B.T. Cotton	10500	12000	-1500
	Uchana	B.T. Cotton	11350	11200	150
	Dabwali	B.T. Cotton	11400	11450	-50
Rajasthan	Hanumangarh	B.T. Cotton	NA	12000	-
	Rawatsar	B.T. Cotton	11500	11600	-100
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	11500	12200	-700
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	10600	10600	Unch
Karnataka	Bijapur	Bunny	12209	12319	-110
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11000	11500	-500
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	8-Apr-22	7-Apr-22	
Punjab	Bhatinda	J-34	9500	9500	Unch
	Abohar	J-34	9500	9500	Unch
	Mansa	J-34	9500	9500	Unch
Haryana	Sirsa	J-34	9150	9200	-50
Rajasthan	Sri-Ganganagar	J-34	8836	8836	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	8-Apr-22	7-Apr-22	

Gujarat	Ahmedabad	Shankar-6	20400	22100	-1700
	Gondal	Shankar-6	3190	1741	1449
	Rajkot	B.T. Cotton	4400	3600	800
	Patan	B.T. Cotton	6015	5768	247
	Kadi	B.T. Cotton	5000	5000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	183	-
Haryana	Bhiwani	B.T. Cotton	NA	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1700	1700	Unch
	Fatehabad	B.T. Cotton	350	300	50
	Jind	B.T. Cotton	680	595	85
	Uchana	B.T. Cotton	600	800	-200
	Dabwali	B.T. Cotton	400	400	Unch
Rajasthan	Hanumangarh	B.T. Cotton	NA	200	-
	Rawatsar	B.T. Cotton	500	1000	-500
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	16000	15000	1000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	714	6680	-5966
Karnataka	Bijapur	Bunny	937	635	302
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	6	5	1
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	8-Apr-22	7-Apr-22	
Punjab	Bhatinda	J-34	1700	1700	Unch
	Abohar	J-34	255	340	-85
	Mansa	J-34	255	255	Unch
Haryana	Sirsa	J-34	1190	1020	170
Rajasthan	Sri-Ganganagar	J-34	10	10	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	8-Apr-22	7-Apr-22	
Gujarat	Rajkot	Rs. /10 Kg.	1580	1575	5
Delhi	New Delhi	Rs. /10 Kg.	1500	1500	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1570	1565	5
Maharashtra	Mumbai	Rs. /10 Kg.	1575	1570	5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	8-Apr-22	7-Apr-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3203	3229	-26
Maharashtra	Akola	Rs./Qtl	3263	3289	-26

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	7-Apr-22	6-Apr-22	Change
CCIndex(328)	RMB/Ton	22814	22846	-32
CCIndex(527)	RMB/Ton	20980	21030	-50
CCIndex(229)	RMB/Ton	23196	23225	-29

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

China Foreign Cotton (FCE) Index :

Index	Unit	7-Apr-22	6-Apr-22	Change
FC Index (S)	Cents/lb	154.07	155.87	-1.80
FC Index (M)	Cents/lb	152.5	154.3	-1.80
FC Index (L)	Cents/lb	150.96	152.76	-1.80

Cotlook Index:

Cotlook Indices	Unit	1-Apr-22	31-Mar-22	Change
A-Index	Cents/Pound	152.3	156.55	-4.25

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		1-Apr-22	1-Apr-22	Bales
Southeast	cents/lb.	136.55	138.8	#N/A
North Delta	cents/lb.	135.55	137.8	#N/A
South Delta	cents/lb.	135.55	137.8	#N/A
East TX-OK	cents/lb.	128.55	130.8	#N/A
West Texas	cents/lb.	128.55	130.05	#N/A
Desert SW	cents/lb.	128.8	131.05	#N/A
SJ Valley	cents/lb.	129.3	138.2	#N/A

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

Pakistan Cotton Spot rates: As on 08-Apr-2022				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	20680
Equivalent	40 Kgs	21648	193	22163

Daily Futures Price Listing Thursday, Apr 07 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220407	135.85	136.46	132.46	132.87	-2.89	16,015	73,260	-4,164
Jul-22	220407	132.62	133.88	133.88	131.01	-1.20	13,485	70,654	+5,175
Oct-22	220407	120.54	120.54	120.54	120.54	-0.02	1	45	+0
Dec-22	220407	114.32	114.94	114.94	113.70	+0.19	7,125	66,031	+1,356
Mar-23	220407	110.00	110.36	110.36	109.02	-0.28	869	9,581	+322
May-23	220407	106.01	106.25	106.25	105.50	-0.81	100	2,550	+6
Total Volume and Open Interest							37,845	233,264	+2,849

Source: MRCI

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