

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was stable at Rs.45,410/bale on Thursday. ICE cotton futures closed red on Wednesday.

News: *According to the Gujarat Trade Association, Gujarat Cotton production has decreased from 1.18 crore bales in 2017-18 to 90 lakh bales in 2020-21. In the 2021-22 cotton production is expected to fall to 80 lakh bales. The area under cotton cultivation has decreased from 26.42 lakh hectares in 2017-18 to 22.50 lakh hectares in 2021-22 season. However, the area under cotton cultivation is expected to increase by 2-3 percent in the coming 2022-23 season as cotton prices were stronger in the 2021-22 season.*

Cotton sowing in Punjab has begun for the 2022-23 season. Till 19th April 2022, cotton was sown on around 2,500 hectares in Punjab. During the ongoing 2021-22 season cotton was sown on over 3.03 lakh hectares in Punjab. Agriwatch expects area under cotton cultivation to increase in Punjab by around 1-2 percent in the 2022-23 season.

According to the Confederation of Indian Textile Industry, cotton yarn prices are expected to come down in the coming weeks. The cotton prices are at Rs.96000 per candy which had reduced by Rs. 1,000- 2,000 a candy in past few days. The textile industry expects that as soon as the cotton prices reduced further, yarn prices are also expected to come down slightly.

The Indian government on 13th April 2022 has removed the Agriculture Infrastructure and Development Cess (5 percent) and basic custom duty (5 percent) on the imports of cotton. The government has allowed duty free imports of cotton until 30th September 2022 as prices in the local market has increased because of lower production in 2021-22 season. Further, duty free imports will help textile mills to import cotton from Australia, Brazil, African countries and United States. Agriwatch expects prices to come down slightly in the short term.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Assam & Meghalaya, and with lightening at isolated places over Sub-Himalayan West Bengal, Sikkim, Odisha and with lightening & hail at isolated places over Jharkhand and with lightening and gusty winds at isolated places over Uttarakhand, Chhattisgarh, Gangetic West Bengal, Nagaland, Manipur, Mizoram, Tripura and Kerala & Mahe and with lightening & winds at isolated places over Arunachal Pradesh, Madhya Maharashtra, Marathwada, Konkan & Goa, and Telangana and with lightening at isolated places over Jammu & Kashmir, Ladakh, Gilgit Baltistan, Muzaffarabad, Himachal Pradesh, Bihar, Karnataka, Tamil Nadu, Pondicherry, Karikal & Lakshwadeep. Heavy rainfall at isolated places very likely over Sikkim, Assam & Meghalaya, south Tamil Nadu, Pondicherry, Karikal, and south Kerala.

International Fundamentals:

The ICE cotton Futures was lower by 180 points at 138.59 cents/lb. The Cotlook A index was at 159.90 cents/lb. The AWP for cotton was at 131.10 cents/lb.

According to the U.S. Crop progress report, as on 18th April 2022, U.S cotton planting stands at 10 percent which 1 percent lower from previous season of 11 percent. U.S. cotton planting was higher from past 5 years average of 9 percent.

According to USDA WASDE Report, the 2021-22 cotton production is estimated 340,000 bales higher, with increases for Pakistan and Greece. A 500,000-bale decline in China's expected consumption resulted in a similar decline in the global

estimate, which now stands at 124.1 million bales. World trade is projected about 450,000 bales lower this month, with exports projected lower for India, Brazil, and Malaysia.

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	22-Apr-22	21-Apr-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12750	12805	-55
	Rajkot	B.T. Cotton	12790	12675	115
	Patan	B.T. Cotton	12005	11960	45
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11700	11900	-200
	Fatehabad	B.T. Cotton	11200	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	12300	12000	300
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	10500	-
Karnataka	Bijapur	Bunny	12689	12711	-22
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12000	11500	500
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	22-Apr-22	21-Apr-22	
Punjab	Bhatinda	J-34	9800	9800	Unch
	Abohar	J-34	9800	9800	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9400	9450	-50
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
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State	Centre	Variety	22-Apr-22	21-Apr-22	
Gujarat	Ahmedabad	Shankar-6	17000	17000	Unch
	Gondal	Shankar-6	1256	1845	-589
	Rajkot	B.T. Cotton	1840	1600	240
	Patan	B.T. Cotton	2550	2145	405
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1020	1020	Unch
	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	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	16000	12000	4000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	138	-
Karnataka	Bijapur	Bunny	742	712	30
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	8	-3
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	22-Apr-22	21-Apr-22	
Punjab	Bhatinda	J-34	85	85	Unch
	Abohar	J-34	136	136	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	22-Apr-22	21-Apr-22	
Gujarat	Rajkot	Rs. /10 Kg.	1610	1625	-15
Delhi	New Delhi	Rs. /10 Kg.	1510	1520	-10
Telangana	Hyderabad	Rs. /10 Kg.	1585	1610	-25
Maharashtra	Mumbai	Rs. /10 Kg.	1635	1630	5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	22-Apr-22	21-Apr-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3055	3089	-34
Maharashtra	Akola	Rs./Qtl	3186	3190	-4

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

Index	Unit	21-Apr-22	20-Apr-22	Change
CCIndex(328)	RMB/Ton	22578	22614	-36
CCIndex(527)	RMB/Ton	20828	20842	-14
CCIndex(229)	RMB/Ton	23006	23084	-78
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	21-Apr-22	20-Apr-22	Change
FC Index (S)	Cents/lb	158.26	157.56	0.70
FC Index (M)	Cents/lb	156.67	155.97	0.70
FC Index (L)	Cents/lb	155.14	154.44	0.70

Cotlook Index:

Cotlook Indices	Unit	21-Apr-22	20-Apr-22	Change
A-Index	Cents/Pound	157.2	156.7	0.50

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		21-Apr-22	20-Apr-22	Bales
Southeast	cents/lb.	137.89	141.13	-
North Delta	cents/lb.	136.89	140.13	-
South Delta	cents/lb.	136.89	140.13	-
East TX-OK	cents/lb.	129.89	133.13	-
West Texas	cents/lb.	129.89	132.38	-
Desert SW	cents/lb.	129.14	132.38	-
SJ Valley	cents/lb.	129.64	139.53	-

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 21-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 21st, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220421	140.38	140.85	138.55	138.59	-1.80	12,022	6,191	-6,258
Jul-22	220421	138.70	139.17	136.82	137.89	-0.99	28,104	99,098	-560
Oct-22	220421	126.23	126.74	126.23	126.74	-1.36	4	35	+1
Dec-22	220421	120.87	121.02	119.13	120.18	-0.84	11,093	74,691	+620
Mar-23	220421	116.45	116.80	115.10	116.43	-0.54	2,029	12,612	+359
May-23	220421	112.12	112.12	110.74	111.98	-0.28	612	2,954	-82
Total Volume and Open Interest							54,338	209,419	-5,734

Source: MRCI

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