

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.44,960/bale on Monday. ICE cotton futures closed green on Friday.

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.

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 Nagaland, Manipur, Mizoram & Tripura, with lightening at isolated places over Arunachal Pradesh, Konkan & Goa, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh, & Yanam, Telangana, Tamil Nadu, Pondicherry, Karikal, Kerala & Mahe. Heavy rainfall at isolated places over Arunachal Pradesh and Assam & Meghalaya. Heat wave condition at isolated places over West Rajasthan, Bihar, Jharkhand, Gangetic West Bengal, Sikkim, Odisha, Gujarat State and north Madhya Maharashtra and Coastal Andhra Pradesh.

International Fundamentals:

The ICE cotton Futures was higher by 87 points at 139.46 cents/lb. The Cotlook A index was at 157.20 cents/lb. The AWP for cotton was at 136.20 cents/lb.

The US Department of Agriculture (USDA) has forecast cotton production in Bangladesh for marketing year 2022-23 to be 155,000 bales, up by 2.6 per cent as compared to 2021-22 and imports at 8.9 million bales. Cotton harvested area is projected at 46,000 hectares, up by 2.2 per cent over from 2021-2022.

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 ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	25-Apr-22	23-Apr-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12505	12455	50
	Rajkot	B.T. Cotton	12625	12805	-180
	Patan	B.T. Cotton	11830	11805	25
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	11380	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11200	11500	-300
	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	11500	11800	-300
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	12669	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12500	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	25-Apr-22	23-Apr-22	
Punjab	Bhatinda	J-34	9600	9700	-100
	Abohar	J-34	9600	9700	-100
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9180	9350	-170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	25-Apr-22	23-Apr-22	
Gujarat	Ahmedabad	Shankar-6	17000	17000	Unch
	Gondal	Shankar-6	345	942	-597
	Rajkot	B.T. Cotton	2132	2350	-218
	Patan	B.T. Cotton	2235	2810	-575
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	38	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1190	1105	85
	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	10000	9000	1000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	730	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	25-Apr-22	23-Apr-22	
Punjab	Bhatinda	J-34	170	340	-170
	Abohar	J-34	68	119	-51
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	510	340	170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	25-Apr-22	23-Apr-22	
Gujarat	Rajkot	Rs. /10 Kg.	1635	1630	5
Delhi	New Delhi	Rs. /10 Kg.	1520	1520	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1610	1605	5
Maharashtra	Mumbai	Rs. /10 Kg.	1660	1650	10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	25-Apr-22	23-Apr-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2981	3053	-72
Maharashtra	Akola	Rs./Qtl	3098	3172	-74

INTERNATIONAL PRICES AND INDICESChina 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 Friday, Apr 22nd, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220422	138.60	141.43	136.40	139.46	+0.87	5,182	2,595	-3,596
Jul-22	220422	137.90	138.17	135.00	135.85	-2.04	12,016	99,040	-58
Oct-22	220422	124.91	125.57	124.29	124.29	-2.39	21	44	+9
Dec-22	220422	120.31	120.31	118.21	119.16	-1.02	5,283	75,154	+463
Mar-23	220422	116.43	116.43	114.70	115.57	-0.86	1,940	12,936	+324
May-23	220422	111.29	111.65	110.26	111.19	-0.79	515	2,985	+31
Total Volume and Open Interest							25,490	206,774	-2,645

Source: MRCI

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