

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 Wednesday. ICE cotton futures closed green on Tuesday.

News: *According to the market sources, government may impose a temporary ban on cotton exports if cotton prices continue to surge. Cotton prices are currently around Rs. 93,500 per candy for Shanker-6 variety. Although, prices for some varieties have even touched Rs. 1,00,00 per candy. As a result a ban could ease the prices in the domestic market. In the past week, the government had removed 10 percent import duty on cotton.*

According to the market sources, Telangana government is targeting to increase the area under cotton by 55–65 percent to about 28–30 lakh hectares as compared to last year's 18 lakh hectares even as the cottonseed industry pegged the growth in cotton acreage at 15 per cent in the upcoming Kharif season. As per USDA report, the all-cotton planted area for the coming season (2022) is estimated at 12.2 million acres, higher 9 percent from last year.

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.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Jammu & Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, and with lightening and gusty winds at isolated places over Telangana, and with lightening at isolated places over Himachal Pradesh, Assam & Meghalaya, Konkan & Goa, Madhya Maharashtra, South Chhattisgarh, Kerala & Mahe. Heat wave condition at isolated places over Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, Gangetic West Bengal, Odisha, Gujarat State, Telangana, and Madhya Maharashtra.

International Fundamentals:

The ICE cotton Futures was higher by 112 points at 142.53 cents/lb. The Cotlook A index was at 154.50 cents/lb. The AWP for cotton was at 136.20 cents/lb.

According to the China Cotton Association, as on 15th April 2022, new cotton crop sowing progress was 72 percent in Xinjiang, which is 23.8 percentage points higher than the same period last year. Currently Cotton Crop in Marabishi, Kashgar, Yarkant, and Turpan have been in seeding stage, and the planting progress was higher than the last year in the major cotton growing areas.

According to USDA, April month Report, the global cotton production is estimated at 120.2 million bales in 2021-22 season as compared to 119.9 million bales in February 2022. India's cotton crop was unchanged at 26.50 million bales. India allowed duty-free imports of cotton until Sept. 30 as prices in the local market jumped to a record high because of a drop in the production.

According to the U.S. Crop progress report, as on 24th April 2022, U.S cotton planting stands at 12 percent which is same as that of previous season of 12 percent. U.S. cotton planting was higher from past 5 years average of 1 percent.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	27-Apr-22	26-Apr-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12355	12255	100
	Rajkot	B.T. Cotton	12550	12500	50
	Patan	B.T. Cotton	12200	12155	45
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	10950	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11900	11300	600
	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	11800	11600	200
	Jamner	Medium Staple	NA	11300	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	12539	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12000	11000	1000
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-Apr-22	26-Apr-22	
Punjab	Bhatinda	J-34	9650	9650	Unch
	Abohar	J-34	9650	9625	25
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9250	9200	50
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	27-Apr-22	26-Apr-22	

Gujarat	Ahmedabad	Shankar-6	17000	17000	Unch
	Gondal	Shankar-6	351	547	-196
	Rajkot	B.T. Cotton	2820	2020	800
	Patan	B.T. Cotton	1860	2460	-600
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	30	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1190	1190	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	8000	10000	-2000
	Jamner	Medium Staple	NA	36	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	637	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8	10	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	27-Apr-22	26-Apr-22	
Punjab	Bhatinda	J-34	85	85	Unch
	Abohar	J-34	34	51	-17
	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	27-Apr-22	26-Apr-22	
Gujarat	Rajkot	Rs. /10 Kg.	1625	1645	-20
Delhi	New Delhi	Rs. /10 Kg.	1520	1520	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1600	1620	-20
Maharashtra	Mumbai	Rs. /10 Kg.	1655	1670	-15

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	27-Apr-22	26-Apr-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2994	2996	-2
Maharashtra	Akola	Rs./Qtl	3073	3062	11

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

Index	Unit	26-Apr-22	25-Apr-22	Change
CCIndex(328)	RMB/Ton	22446	22497	-51
CCIndex(527)	RMB/Ton	20767	20822	-55
CCIndex(229)	RMB/Ton	22837	22901	-64
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	26-Apr-22	25-Apr-22	Change
FC Index (S)	Cents/lb	153.94	154.35	-0.41
FC Index (M)	Cents/lb	152.35	152.75	-0.40
FC Index (L)	Cents/lb	150.81	151.22	-0.41

Cotlook Index:

Cotlook Indices	Unit	25-Apr-22	22-Apr-22	Change
A-Index	Cents/Pound	154.5	156.5	-2.00

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		25-Apr-22	22-Apr-22	Bales
Southeast	cents/lb.	135.41	138.1	-
North Delta	cents/lb.	134.41	137.1	-
South Delta	cents/lb.	134.41	137.1	-
East TX-OK	cents/lb.	127.41	130.1	-
West Texas	cents/lb.	127.41	129.35	-
Desert SW	cents/lb.	126.66	129.35	-
SJ Valley	cents/lb.	127.16	136.5	-

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 26-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 Tuesday, Apr 26 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220426	141.93	142.53	141.18	142.53	+1.12	1,582	56	-773
Jul-22	220426	135.50	137.00	134.75	135.68	+0.27	11,401	97,594	-1,459
Oct-22	220426	123.20	125.09	123.20	124.83	+0.47	17	47	+2
Dec-22	220426	118.17	119.95	117.83	118.71	+0.43	4,191	75,289	+201
Mar-23	220426	114.40	116.03	114.00	114.84	+0.35	847	13,108	+132
May-23	220426	109.99	111.63	109.73	110.19	+0.14	232	3,107	+108
Total Volume and Open Interest							18,779	203,251	-1,778

Source: MRCI

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