

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 Tuesday. ICE cotton futures closed green on Monday.

News: *The cotton yarn traders in south India are expecting demand to pick up in the coming weeks. Spinning mills are also reducing cotton yarn production which will support prices. Further, downstream manufacturers are likely to increase buying because of possible supply crunch in the market.*

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.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Uttarakhand and with lightening and gusty winds at isolated places over Gangetic West Bengal, and with lightening at isolated places over Himachal Pradesh, and with lightening and gusty winds at isolated places over Andaman & Nicobar Islands, Assam & Meghalaya, Odisha, Telangana, Coastal Andhra Pradesh, & Yanam, South interior Karnataka, Rayalaseema, Kerala & Mahe, and with lightening at isolated places over Jammu & Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, East Madhya Pradesh, Vidarbha, Chhattisgarh, Arunachal Pradesh, Tamil Nadu, Pondicherry & Karikal. Heavy rainfall at isolated places over Arunachal Pradesh, Sub- Himalayan West Bengal & Sikkim, and Assam & Meghalaya. Heat wave condition at isolated places over Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, and Arunachal Pradesh.

International Fundamentals:

The ICE cotton Futures was lower by 483 points at 157.16 cents/lb. The Cotlook A index was at 166.05 cents/lb. The AWP for cotton was at 138.6 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.

Pakistan cotton yarn exports has increased by about 25.97 percent as compared to corresponding period last year. During the 2021-22 season, about 260,284 metric tonnes of cotton yarn was exported as compared to corresponding period last year.

According to the U.S. Crop progress report, as on 01st May 2022, U.S cotton planting stands at 16 percent which is 1 percent higher as that of previous season of 15 percent. U.S. cotton planting was same as that of past 5 years average.

DOMESTIC PRICES AND ARRIVALSCotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	3-May-22	2-May-22	
Gujarat	Ahmedabad	Shankar-6	Closed	12500	-
	Gondal	Shankar-6	Closed	NA	-
	Rajkot	B.T. Cotton	12750	12500	250
	Patan	B.T. Cotton	Closed	11650	-
	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	12500	11600	900
	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	Closed	12200	-
	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	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	3-May-22	2-May-22	
Punjab	Bhatinda	J-34	10000	9950	50

	Abohar	J-34	10050	10000	50
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9650	9570	80
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	3-May-22	2-May-22	
Gujarat	Ahmedabad	Shankar-6	Closed	17000	-
	Gondal	Shankar-6	Closed	NA	-
	Rajkot	B.T. Cotton	1000	1800	-800
	Patan	B.T. Cotton	Closed	845	-
	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	680	1190	-510
	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	Closed	15000	-
	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	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-

Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	3-May-22	2-May-22	
Punjab	Bhatinda	J-34	34	34	Unch
	Abohar	J-34	26	43	-17
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	510	-170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	3-May-22	2-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1680	1680	Unch
Delhi	New Delhi	Rs. /10 Kg.	Closed	1520	-
Telangana	Hyderabad	Rs. /10 Kg.	Closed	1640	-
Maharashtra	Mumbai	Rs. /10 Kg.	Closed	1690	-

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	3-May-22	2-May-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	Closed	2979	-
Maharashtra	Akola	Rs./Qtl	Closed	3034	-

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	27-Apr-22	26-Apr-22	Change
CCIndex(328)	RMB/Ton	22534	22446	88
CCIndex(527)	RMB/Ton	20695	20767	-72
CCIndex(229)	RMB/Ton	22746	22837	-91

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

China Foreign Cotton (FCE) Index :

Index	Unit	27-Apr-22	26-Apr-22	Change
FC Index (S)	Cents/lb	154.18	153.94	0.24
FC Index (M)	Cents/lb	152.6	152.35	0.25
FC Index (L)	Cents/lb	151.06	150.81	0.25

Cotlook Index:

Cotlook Indices	Unit	27-Apr-22	25-Apr-22	Change
A-Index	Cents/Pound	154.25	154.5	-0.25

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		27-Apr-22	26-Apr-22	Bales
Southeast	cents/lb.	140.68	137.93	-
North Delta	cents/lb.	139.68	136.93	-
South Delta	cents/lb.	139.68	136.93	-
East TX-OK	cents/lb.	132.68	129.93	-
West Texas	cents/lb.	132.68	129.18	-
Desert SW	cents/lb.	131.93	129.18	-
SJ Valley	cents/lb.	132.43	136.33	-

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 30-Apr-2022

				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	21180
Equivalent	40 Kgs	21648	193	22699

Daily Futures Price Listing Monday, May 02nd, 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220502	155.00	157.16	155.00	157.16	+4.83	1	26	-1
Jul-22	220502	145.70	151.63	145.00	150.81	+5.18	19,315	96,127	+322
Oct-22	220502	130.52	132.45	130.52	132.45	+3.79	35	51	-3
Dec-22	220502	122.07	126.55	121.50	126.19	+4.12	10,332	10,332	-92
Mar-23	220502	117.88	121.35	117.02	121.35	+3.82	1,850	1,850	+410
May-23	220502	112.16	115.21	111.64	115.21	+3.25	645	645	+128
Total Volume and Open Interest							32,801	32,801	+855

Source: MRCI

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2022 Indian Agribusiness Systems Ltd.