

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.46,580/bale on Thursday. ICE cotton futures closed green on Wednesday.

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 Andaman & Nicobar Islands, and with lightening at isolated places over Sub- Himalayan West Bengal, Sikkim, Odisha, Coastal Andhra Pradesh, Yanam, Rayalaseema, and Kerala & Mahe, and with lightening and gusty winds at isolated places over Jammu & Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, East Uttar Pradesh, Chhattisgarh, Gangetic West Bengal & Sikkim, Nagaland, Manipur, Mizoram, Tripura, Telangana, South Interior Karnataka, Tamil Nadu, Pondicherry & Karikal, and Assam & Meghalaya. Heavy rainfall at isolated places over Andaman & Nicobar Islands.

International Fundamentals:

The ICE cotton Futures was higher by 468 points at 154.76 cents/lb. The Cotlook A index was at 169.30 cents/lb. The AWP for cotton was at 138.6cents/lb.

As the 2021-22 cotton season is coming towards its closure, the production and consumption both are on higher side. Global cotton production is higher by 8.4 percent from 24.39 million tonnes to 26.43 million tonnes in 2021-22 season. While the global cotton production is on the higher side, India (3.7%) and china(3.1%) cotton production is on its lower side as compared to the previous season mainly because of the lesser sown area. Further, Global cotton consumption has increased by 1.9 percent to 26.16 million tonnes as compared to the previous season. Global cotton trade was down from the previous season. The drop is mainly due to logistical complications and supply chain disruptions over the course of the 2021-22 season.

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	5-May-22	4-May-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12955	12805	150
	Rajkot	B.T. Cotton	12880	12655	225
	Patan	B.T. Cotton	11755	12105	-350
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11275	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12900	12400	500
	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	12400	12250	150
	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	13269	13131	138
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12400	12400	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	5-May-22	4-May-22	
Punjab	Bhatinda	J-34	10200	10100	100
	Abohar	J-34	10200	10100	100
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9700	9600	100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	5-May-22	4-May-22	

Gujarat	Ahmedabad	Shankar-6	15300	17000	-1700
	Gondal	Shankar-6	1823	1503	320
	Rajkot	B.T. Cotton	1150	1050	100
	Patan	B.T. Cotton	857	1215	-358
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	22	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	850	1020	-170
	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	14000	15000	-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	473	530	-57
	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	5-May-22	4-May-22	
Punjab	Bhatinda	J-34	NA	43	-
	Abohar	J-34	NA	43	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	170	170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	5-May-22	4-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1660	1660	Unch
Delhi	New Delhi	Rs. /10 Kg.	1520	1520	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1620	1630	-10
Maharashtra	Mumbai	Rs. /10 Kg.	1660	1670	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	5-May-22	4-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3014	2991	23
Maharashtra	Akola	Rs./Qtl	3060	3041	19

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	29-Apr-22	28-Apr-22	Change
CCIndex(328)	RMB/Ton	22426	22357	69
CCIndex(527)	RMB/Ton	20715	20692	23
CCIndex(229)	RMB/Ton	22827	22753	74
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	29-Apr-22	28-Apr-22	Change
FC Index (S)	Cents/lb	166.04	159.04	7.00
FC Index (M)	Cents/lb	164.44	157.44	7.00
FC Index (L)	Cents/lb	162.9	155.9	7.00

Cotlook Index:

Cotlook Indices	Unit	29-Apr-22	28-Apr-22	Change
A-Index	Cents/Pound	166.05	159.05	7.00

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		29-Apr-22	28-Apr-22	Bales
Southeast	cents/lb.	145.63	149.93	-
North Delta	cents/lb.	144.63	148.93	-
South Delta	cents/lb.	144.63	148.93	-
East TX-OK	cents/lb.	137.63	141.93	-
West Texas	cents/lb.	137.63	141.18	-
Desert SW	cents/lb.	136.88	141.18	-
SJ Valley	cents/lb.	137.38	148.33	-

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 Wednesday, May 04 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Cotton(ICE)									
May-22	220504	158.02	158.02	158.02	158.02	+4.69	5	18	-5
Jul-22	220504	150.01	155.95	149.10	154.76	+4.68	14,323	95,529	+229
Oct-22	220504	132.99	136.21	132.99	136.21	+2.81	5	40	-2
Dec-22	220504	126.05	129.91	125.49	129.78	+3.60	6,034	76,903	+376
Mar-23	220504	120.56	124.07	120.08	123.66	+2.79	1,128	14,663	+252
May-23	220504	114.38	117.37	114.17	117.25	+2.47	477	4,128	-28
Total Volume and Open Interest							22,755	206,452	+866

Source: MRCI

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