

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.47,940/bale on Thursday. ICE cotton futures closed green on Tuesday.

News: *As per the Spinners Association of Gujarat, Yarn demand has declined due to the increase in prices. Spinning unit in Gujarat have reduced cotton procurement to 50 percent to 3.1 lakh bales per month instead of 6.2 lakh bales per month.*

Cotton sowing for the 2022-23 season is progressing well in Punjab, Haryana and some parts of Rajasthan. As per Agriwatch, almost 70 percent of the cotton sowing has been done in Rajasthan for the 2022-23 season. Whereas, in Punjab and Haryana almost 40-50 percent of the sowing is done. Further, Sowing is expected to decrease in Punjab as in the 2021-22 season cotton crop was affected due to Pink Bollworm infestation. It is expected that farmers may shift towards maize in the 2022-23 season.

The Telangana government has estimated a kharif action plan for the 2022-23 season. As per that, Cotton is expected to be cultivated in about 6,70,800 acres in Telangana for the coming 2022-23 season. Cotton is been trading at Rs. 11,800 per quintal in 2021-22 season in Khammam.

Cotton Association of India (CAI) and International Cotton Association (ICA) have signed a Memorandum of Understanding (MoU) to increase co-operation and address quality issues in cotton.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Kerala & Mahe and with lightening and gusty winds at isolated places over East Uttar Pradesh, Bihar, Gangetic West Bengal, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Coastal Arunachal Pradesh, Rayalseema, Chhattisgarh, Jharkhand, Telangana, Coastal & South Interior Karnataka, Tamil Nadu, Pondicherry & Karikal, Kerala & Mahe.

International Fundamentals:

The ICE cotton Futures was higher by 66 points at 143.60 cents/lb. The Cotlook A index was at 161.70 cents/lb. The AWP for cotton was at 147cents/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 24 percent which is same as that of previous season. 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	12-May-22	11-May-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	13405	13205	200
	Rajkot	B.T. Cotton	13420	13405	15
	Patan	B.T. Cotton	13000	12570	430
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11810	11410	400
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12855	13000	-145
	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	12700	12700	Unch
	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	13491	13313	178
	Hubli	D.C.H.	NA	0	-
	Hubli	B.T. Cotton	NA	0	-
	Raichur	H-44 Cotton	11500	12000	-500
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	12-May-22	11-May-22	
Punjab	Bhatinda	J-34	10800	10800	Unch
	Abohar	J-34	10800	10800	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	10100	10100	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	12-May-22	11-May-22	

Gujarat	Ahmedabad	Shankar-6	15300	15300	Unch
	Gondal	Shankar-6	1180	1913	-733
	Rajkot	B.T. Cotton	1330	1400	-70
	Patan	B.T. Cotton	258	445	-187
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	16	26	-10
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5100	850	4250
	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	12000	14000	-2000
	Jamner	Medium Staple	NA	18	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	489	328	161
	Hubli	D.C.H.	NA	0	-
	Hubli	B.T. Cotton	NA	0	-
	Raichur	H-44 Cotton	8	5	3
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	12-May-22	11-May-22	Change
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	34	43	-9
	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	12-May-22	11-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1615	1630	-15
Delhi	New Delhi	Rs. /10 Kg.	1560	1520	40
Telangana	Hyderabad	Rs. /10 Kg.	1610	1615	-5
Maharashtra	Mumbai	Rs. /10 Kg.	1620	1620	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	12-May-22	11-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3085	3083	2
Maharashtra	Akola	Rs./Qtl	3033	3095	-61

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	11-May-22	10-May-22	Change
CCIndex(328)	RMB/Ton	22313	22320	-7
CCIndex(527)	RMB/Ton	20558	20576	-18
CCIndex(229)	RMB/Ton	22653	22671	-18

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

China Foreign Cotton (FCE) Index :

Index	Unit	11-May-22	10-May-22	Change
FC Index (S)	Cents/lb	161.29	NR	-
FC Index (M)	Cents/lb	159.66	NR	-
FC Index (L)	Cents/lb	158.1	NR	-

Cotlook Index:

Cotlook Indices	Unit	11-May-22	10-May-22	Change
A-Index	Cents/Pound	161.7	161.7	Unch

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		11-May-22	11-May-22	Bales
Southeast	cents/lb.	143.6	145.85	0
North Delta	cents/lb.	142.6	144.85	0
South Delta	cents/lb.	142.6	144.85	0
East TX-OK	cents/lb.	135.6	137.85	310
West Texas	cents/lb.	135.6	137.1	0
Desert SW	cents/lb.	134.85	137.1	0
SJ Valley	cents/lb.	135.35	144.25	0

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 11-May-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 11 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
May-22	220511	143.18	144.96	142.36	143.36	+0.66	17,047	88,561	-2,227
Jul-22	220511	131.05	131.05	131.05	131.05	+0.28	10	37	-5
Oct-22	220511	124.05	125.84	123.36	123.36	+0.58	7,022	79,663	+266
Dec-22	220511	118.54	120.41	118.30	119.59	+0.68	843	14,816	-302
Mar-23	220511	113.18	115.00	113.00	114.44	+0.90	175	4,497	-11
May-23	220511	108.46	109.86	108.23	109.20	+1.04	102	5,030	+11
Total Volume and Open Interest							25,323	202,873	-2,274

Source: MRCI

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