

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.48,270/bale on Saturday. ICE cotton futures closed red on Friday.

News: Cotton Association of India has reduced its April estimate of the cotton crop for the 2021-22 season by 11.50 lakh bales to 323.63 lakh bales from its previous estimate of 335.13 lakh bales. The Association has attributed the reduction in crop estimate to the drop in production in states including Gujarat, Maharashtra, Madhya Pradesh, Telangana, Tamil Nadu, Karnataka.

The total cotton supply between October 2021 to April 2022 remained at 358.49 lakh bales, which consists of the arrivals of 277.49 lakh bales, imports of 6 lakh bales during the month of April 2022 and Opening Stock of 75 lakh bales equivalent to 79.69 lakh running bales at the beginning of the season on 1st October 2021. Further, the CAI has estimated cotton consumption for the months of October to April 2022 at 200 lakh bales while export shipment of cotton during the months of October to April 2022 is estimated at 36 lakh bales. Stock at the end of March 2022 is estimated at 122.49 lakh bales.

Maharashtra State Cabinet has approved funds of Rs. 1,000 crore to increase cotton and soyabean production in the state. About 42 lakh hectares in the state area under cotton cultivation while soyabean is cultivated on over 46 lakh hectares.

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.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Jammu & Kashmir, Himachal Pradesh, Uttarakhand, and with lightening and gusty winds at isolated places over Kerala & Mahe, and with lightening at isolated places over Punjab, Haryana, Chandigarh, & Delhi, Odisha, Gangetic West Bengal, and Andaman & Nicobar Islands, and with lightening at isolated places over East Uttar Pradesh, Chhattisgarh, Jharkhand, Telangana, Karnataka, Tamil Nadu, Pondicherry & Karikal. Heavy rainfall at isolated places over Arunachal Pradesh, Assam & Meghalaya, Sub-Himalayana West Bengal, Sikkim, Kerala & Mahe, Tamil Nadu, Pondicherry & Karikal, Heavy to very heavy rainfall at isolated places over Andaman & Nicobar Islands, Nagaland, Manipur, Mizoram and Tripura.

International Fundamentals:

The ICE cotton Futures was lower by 33 points at 145.2 cents/lb. The Cotlook A index was at 162.20 cents/lb. The AWP for cotton was at 140.82 cents/lb.

According to the USDA WASDE May Report, the 2021-22 global cotton production was lowered by 1.8 million bales to 118.4 million bales. This was primarily a result of a 1.0 million bales reduction for India at 25.5 million bales and a 650,000 bales reduction for Uzbekistan at 2.8 million bales. World mill use in 2021-22 season, was lowered by 1.1 million bales to 122.9 million bales. The reduction in Consumption was primarily a result of lowered estimate for china to 500,000 bales to 38.5 million bales. The U.S. export forecast was unchanged, but the Chinese import number dropped to 400,000 bales at 8.8 million tonnes. Also, India's export forecast was lowered by 500,000 bales to 4.44 million bales.

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 ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	14-May-22	13-May-22	
Gujarat	Ahmedabad	Shankar-6	13000	13000	Unch
	Gondal	Shankar-6	14005	13955	50
	Rajkot	B.T. Cotton	13810	13550	260
	Patan	B.T. Cotton	12950	10760	2190
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12240	10990	1250
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	13600	12800	800
	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	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	0	-
Karnataka	Bijapur	Bunny	NA	13666	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12000	11800	200
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	14-May-22	13-May-22	
Punjab	Bhatinda	J-34	11000	10900	100
	Abohar	J-34	11000	10900	100
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	10400	10300	100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	14-May-22	13-May-22	
Gujarat	Ahmedabad	Shankar-6	13600	13600	Unch
	Gondal	Shankar-6	1242	764	478
	Rajkot	B.T. Cotton	1250	1400	-150
	Patan	B.T. Cotton	351	275	76
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	9	10	-1
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	850	4250	-3400
	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	7000	12000	-5000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	0	-
Karnataka	Bijapur	Bunny	NA	70	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	7	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	14-May-22	13-May-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	43	51	-9
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	14-May-22	13-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1615	1615	Unch
Delhi	New Delhi	Rs. /10 Kg.	1560	1560	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1610	1610	Unch
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	14-May-22	13-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3027	3033	-6
Maharashtra	Akola	Rs./Qtl	3095	3080	15

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

Index	Unit	12-May-22	11-May-22	Change
CCIndex(328)	RMB/Ton	22313	22313	Unch
CCIndex(527)	RMB/Ton	20565	20558	7
CCIndex(229)	RMB/Ton	22646	22653	-7
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	11-May-22	9-May-22	Change
FC Index (S)	Cents/lb	161.29	-	-
FC Index (M)	Cents/lb	159.66	-	-
FC Index (L)	Cents/lb	158.1	-	-

Cotlook Index:

Cotlook Indices	Unit	12-May-22	11-May-22	Change
A-Index	Cents/Pound	162.2	161.7	0.50

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		12-May-22	12-May-22	Bales
Southeast	cents/lb.	145.53	147.78	0
North Delta	cents/lb.	144.53	146.78	0
South Delta	cents/lb.	144.53	146.78	0
East TX-OK	cents/lb.	137.53	139.78	34
West Texas	cents/lb.	137.53	139.03	19
Desert SW	cents/lb.	136.78	139.03	0
SJ Valley	cents/lb.	137.28	146.18	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 12-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 Friday, May 13 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
May-22	220513	145.53	146.62	143.55	145.20	-0.33	12,967	86,593	-973
Jul-22	220513	134.70	134.70	134.70	134.70	+0.57	0	33	+0
Oct-22	220513	127.52	128.65	126.69	127.99	+0.32	7,767	80,200	+405
Dec-22	220513	122.43	123.28	121.39	122.82	+0.47	1,389	15,382	+559
Mar-23	220513	116.80	117.45	116.00	117.21	+0.51	817	5,075	+568
May-23	220513	111.04	111.60	110.35	111.51	+0.47	217	5,188	+128
Total Volume and Open Interest							23,465	202,762	+682

Source: MRCI

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