

**Domestic Fundamentals:****Market Outlook:**

*The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.49,580/bale on Monday. ICE cotton futures closed green on Friday.*

**News:** *Around 1.18 lakh hectares has been sown under cotton crop in Punjab till 09<sup>th</sup> May 2022. Although, government has set a target of 4 lakh hectares for the 2022-23 season. 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.*

*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 1<sup>st</sup> 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.*

**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 01<sup>st</sup> 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 arrivals have decreased in the market as the season is close towards its end.

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	16-May-22	14-May-22	
Gujarat	Ahmedabad	Shankar-6	13000	13000	Unch
	Gondal	Shankar-6	14205	14005	200
	Rajkot	B.T. Cotton	13675	13810	-135
	Patan	B.T. Cotton	NA	12950	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12505	12240	265
Haryana	Bhiwani	B.T. Cotton	NA	0	-
	Bhiwani	Desi	NA	0	-
	Adampur	B.T. Cotton	13701	13600	101
	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	12700	-700
	Jamner	Medium Staple	NA	11300	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	0	NA	-
Karnataka	Bijapur	Bunny	13929	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11000	12000	-1000
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	16-May-22	14-May-22	
Punjab	Bhatinda	J-34	11200	11000	200
	Abohar	J-34	11200	11000	200
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	10600	10400	200
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	16-May-22	14-May-22	
Gujarat	Ahmedabad	Shankar-6	15300	13600	1700
	Gondal	Shankar-6	1353	1242	111
	Rajkot	B.T. Cotton	2000	1250	750
	Patan	B.T. Cotton	NA	351	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	19	9	10
Haryana	Bhiwani	B.T. Cotton	NA	0	-
	Bhiwani	Desi	NA	0	-
	Adampur	B.T. Cotton	3400	850	2550
	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	14300	7000	7300
	Jamner	Medium Staple	NA	37	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	0	NA	-
Karnataka	Bijapur	Bunny	636	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	5	Unch
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	16-May-22	14-May-22	
Punjab	Bhatinda	J-34	NA	0	-
	Abohar	J-34	NA	43	-
	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	16-May-22	14-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1620	1615	5
Delhi	New Delhi	Rs. /10 Kg.	1580	1560	20
Telangana	Hyderabad	Rs. /10 Kg.	1630	1610	20
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	16-May-22	14-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3050	3027	23
Maharashtra	Akola	Rs./Qtl	3101	3095	6

**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 13-May-2022				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	37.32Kgs	20200	180	21180
<b>Equivalent</b>	40 Kgs	21648	193	22699

Daily Futures Price Listing Friday, May 13 <sup>th</sup> , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">May-22</a>	220513	145.53	146.62	143.55	145.20	-0.33	12,967	86,593	-973
<a href="#">Jul-22</a>	220513	134.70	134.70	134.70	134.70	+0.57	0	33	+0
<a href="#">Oct-22</a>	220513	127.52	128.65	126.69	127.99	+0.32	7,767	80,200	+405
<a href="#">Dec-22</a>	220513	122.43	123.28	121.39	122.82	+0.47	1,389	15,382	+559
<a href="#">Mar-23</a>	220513	116.80	117.45	116.00	117.21	+0.51	817	5,075	+568
<a href="#">May-23</a>	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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