

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.50,280/bale on Tuesday. ICE cotton futures closed green on Monday.

News: *Around 1.18 lakh hectares has been sown under cotton crop in Punjab till 09th 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 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.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Andaman & Nicobar Islands, Gangetic West Bengal, and gusty winds at isolated places over Jharkhand, and with lightening at isolated places over Vidarbha, Chhattisgarh, Bihar, Sub- Himalayana West Bengal, Sikkim, Odisha, Madhya Maharashtra, Konkan & Goa, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Coastal Andhra Pradesh, Yanam, Telangana, Karnataka, Tamil Nadu, Kerala & Mahe, Lakshwadeep, Pondicherry & Karikal. Heat wave conditions at isolated places over West Uttar Pradesh and West Rajasthan.

International Fundamentals:

The ICE cotton Futures was higher by 545 points at 150.65 cents/lb. The Cotlook A index was at 164.20 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 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	17-May-22	16-May-22	
Gujarat	Ahmedabad	Shankar-6	14000	13000	1000
	Gondal	Shankar-6	14505	14205	300
	Rajkot	B.T. Cotton	14220	13675	545
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11500	12505	-1005
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	14000	13700	300
	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	13500	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	12000	12000	Unch
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	NR	-
Karnataka	Bijapur	Bunny	14169	13929	240
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	14000	11000	3000
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	17-May-22	16-May-22	
Punjab	Bhatinda	J-34	11750	11200	550
	Abohar	J-34	11800	11200	600
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	11100	10600	500
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
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State	Centre	Variety	17-May-22	16-May-22	
Gujarat	Ahmedabad	Shankar-6	15300	15300	Unch
	Gondal	Shankar-6	1348	1353	-5
	Rajkot	B.T. Cotton	1300	2000	-700
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	4	19	-15
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1020	3400	-2380
	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	12	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	13000	14300	-1300
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	NR	-
Karnataka	Bijapur	Bunny	339	636	-297
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8	5	3
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	17-May-22	16-May-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	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	17-May-22	16-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1610	1620	-10
Delhi	New Delhi	Rs. /10 Kg.	1570	1580	-10
Telangana	Hyderabad	Rs. /10 Kg.	1615	1630	-15
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	17-May-22	16-May-22	
Gujarat	Mahešana (Kadi)	Rs./Qtl	3008	3050	-42
Maharashtra	Akola	Rs./Qtl	3061	3101	-40

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
Cotton	37.32Kgs	20200	180	21180
Equivalent	40 Kgs	21648	193	22699

Daily Futures Price Listing Monday, May 16 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220516	145.66	150.97	145.66	150.65	+5.45	14,081	86,007	-586
Oct-22	220516	138.35	139.61	136.57	139.61	+4.91	0	33	+0
Dec-22	220516	128.50	133.25	128.50	132.96	+4.97	9,009	81,344	+1,144
Mar-23	220516	123.71	127.27	123.46	127.25	+4.43	1,583	15,652	+270
May-23	220516	117.70	121.55	117.70	121.55	+4.34	696	5,271	+196
Jul-23	220516	111.93	115.86	111.93	115.86	+4.35	365	5,307	+119
Total Volume and Open Interest							26,131	203,936	+1,174

Source: MRCI

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