

### Domestic Fundamentals:

#### **Market Outlook:**

*The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.50,350/bale on Thursday. ICE cotton futures closed green on Friday.*

**News:** *Cotton fiber prices have touched a record high at Rs. 1,15,000 to Rs. 1,70,000 per candy in the last two days. The lack of quality produce is pushing up the prices despite higher pressing of raw cotton.*

*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 due to the drop in production in states including Gujarat, Maharashtra, Madhya Pradesh, Telangana, Tamil Nadu, Karnataka. Agriwatch has estimated cotton production at 320.60 lakh bales in the 2021-22 season.*

*For the coming 2022-23 season, cotton sowing is being progressing in northern states along with some parts of Madhya Pradesh and Gujarat. As per Agriwatch market sources, around 5 percent of the cotton sowing is done in Gujarat where water availability was there. Also, In Madhya Pradesh sowing is progressing in Khandwa region.*

*The Tamil Nadu government is planning to establish procurement centers like Cotton Corporation of India in the state, to procure cotton directly from farmers across the state.*

#### Weather Forecast:

*Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Himachal Pradesh Gangetic West Bengal, Andaman & Nicobar Islands, and gusty winds at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, Muzaffarabad, East Madhya Pradesh, and with lightening at isolated places over Uttar Pradesh, West Madhya Pradesh, Bihar, Jharkhand, Chhattisgarh, Gangetic West Bengal, Lakshadweep, Kerala & Mahe.*

### International Fundamentals:

*The ICE cotton Futures was lower by 533 points at 142.37 cents/lb. The Cotlook A index was at 163 cents/lb. The AWP for cotton was at 143 cents/lb.*

*According to the U.S. Crop progress report, as on 15<sup>th</sup> May 2022, U.S cotton planting stands at 37 percent which is 1 percent lower as that of the previous season. Also, U.S. cotton planting was same as that of past 5 years average.*

*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.*

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	20-May-22	19-May-22	
Gujarat	Ahmedabad	Shankar-6	14500	14500	Unch
	Gondal	Shankar-6	14605	14405	200
	Rajkot	B.T. Cotton	14055	13900	155
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11005	11850	-845
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12801	13000	-199
	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	13000	12000	1000
	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	14050	13346	704
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	13800	13850	-50
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	20-May-22	19-May-22	
Punjab	Bhatinda	J-34	11000	11000	Unch
	Abohar	J-34	11000	11000	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	10200	10500	-300
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-May-22	19-May-22	

Gujarat	Ahmedabad	Shankar-6	13600	13600	Unch
	Gondal	Shankar-6	1204	1582	-378
	Rajkot	B.T. Cotton	1300	1100	200
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8	13	-5
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4250	1020	3230
	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	5000	12000	-7000
	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	116	172	-56
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	6	15	-9
Commodity		Lint	Arrivals (Quintal)		Change
State	Centre	Variety	20-May-22	19-May-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	170	170	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	20-May-22	19-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1590	1600	-10
Delhi	New Delhi	Rs. /10 Kg.	1550	1570	-20
Telangana	Hyderabad	Rs. /10 Kg.	1595	1610	-15
Maharashtra	Mumbai	Rs. /10 Kg.	1600	1600	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price	Change
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State	Centre	Unit	20-May-22	19-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2980	2961	19
Maharashtra	Akola	Rs./Qtl	3029	3037	-9

### INTERNATIONAL PRICES AND INDICES

#### China Cotton Index:

Index	Unit	20-May-22	19-May-22	Change
CCIndex(328)	RMB/Ton	22105	22166	-61
CCIndex(527)	RMB/Ton	20432	20473	-41
CCIndex(229)	RMB/Ton	22464	22503	-39
RMB -Renminbi, 1RMB =0.16 \$U.S.				

#### China Foreign Cotton (FCE) Index :

Index	Unit	20-May-22	19-May-22	Change
FC Index (S)	Cents/lb	165.47	162.23	3.24
FC Index (M)	Cents/lb	163.8	160.56	3.24
FC Index (L)	Cents/lb	162.25	159	3.25

#### Cotlook Index:

Cotlook Indices	Unit	19-May-22	18-May-22	Change
A-Index	Cents/Pound	163	167	-4.00

#### USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		19-May-22	19-May-22	Bales
Southeast	cents/lb.	147.7	149.95	0
North Delta	cents/lb.	146.7	148.95	0
South Delta	cents/lb.	146.7	148.95	0
East TX-OK	cents/lb.	139.7	141.95	0
West Texas	cents/lb.	139.7	141.2	528
Desert SW	cents/lb.	138.95	141.2	0
SJ Valley	cents/lb.	139.45	148.35	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 19-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 Thursday, May 19 <sup>th</sup> , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">Jul-22</a>	220519	144.45	148.86	141.12	147.70	+3.23	14,819	81,246	-2,448
<a href="#">Oct-22</a>	220519	135.07	135.92	133.89	134.97	-1.08	12	36	+3
<a href="#">Dec-22</a>	220519	128.82	129.25	126.40	128.22	-0.96	8,369	83,597	+1,704
<a href="#">Mar-23</a>	220519	123.24	124.50	121.55	123.93	-0.18	1,031	16,249	+190
<a href="#">May-23</a>	220519	118.44	120.08	117.19	119.71	+0.52	486	5,611	+167
<a href="#">Jul-23</a>	220519	113.55	115.81	112.66	115.47	+1.20	323	5,624	+88
Total Volume and Open Interest							25,319	202,738	-176

Source: MRCI

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