

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.48,720/bale on Friday. ICE cotton futures closed red on Thursday.

News: *As per the market sources, government may impose temporary restrictions on cotton exports as the prices are at historic high making the fabric costlier. Although as per the textile industry, restricting cotton exports is unlikely to serve any purpose as the outbound shipments of cotton are unviable now, as domestic prices of the fiber have exceeded the global levels.*

Indian domestic market remained stable with slow supply against regular demand, through mills have reduced consumption. Weaker Indian rupee had made imports costly. Cotton fiber (Shanker-6) prices have touched a record high at Rs. 1,02,500 to Rs. 1,03,000 per candy in the last week. Agriwatch expects cotton fiber prices to range between Rs. 1,04,000 – Rs. 1,06,000 per candy in the coming week.

The Textile and garment manufacturer have approached the government to ban the future trading of cotton as it is adding to market speculation and further driving up the prices of the cotton in the market.

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 textile value chain in Gujarat is reducing cotton production by nearly half as textile mills are facing the possibility of shutting down units as raw cotton and cotton yarn prices kept on rising despite the governments steps to remove import duty.

Weather Forecast:

Thunderstorm accompanied with lightening winds & hail is very likely at isolated places over Uttarakhand and with lightening & gusty winds at isolated places over East Rajasthan, East Madhya Pradesh, Bihar, Jharkhand, and with lightening at isolated places over Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Chattisgarh, Gangetic West Bengal, Nagaland, Manipur, Mizoram, Tripura, Assam & Meghalaya, Coastal Andhra Pradesh, Telangana, Tamil Nadu, Pondicherry & Karaikal, Lakshadweep, Kerala & Mahe.

International Fundamentals:

The ICE cotton Futures was lower by 455 points at 140.61 cents/lb. The Cotlook A index was at 163 cents/lb. The AWP for cotton was at 139 cents/lb.

Pakistan cotton sowing has reached 90 percent in Punjab, over 3.6 million acres of area has been cultivated under cotton crop. As per the agriculture department, cotton sowing is still underway due to good availability of water in the current season.

According to the U.S. Crop progress report, as on 23rd May 2022, U.S cotton planting stands at 54 percent which is 17 percent higher as that of the previous season and 3 percent ahead of the 5 years average this week. Double-digit percentage increases in cotton planting were reported in 13 of the country's 15 cotton-producing states, led by Missouri (up 38 percent), Kansas and Tennessee (both up 29 percent), Mississippi (up 26 percent), Arkansas and North Carolina (both up 21 percent), and Alabama, Georgia, and Virginia (all up 20 percent).

DOMESTIC PRICES AND ARRIVALSCotton 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	27-May-22	26-May-22	
Gujarat	Ahmedabad	Shankar-6	14000	14000	Unch
	Gondal	Shankar-6	13705	13955	-250
	Rajkot	B.T. Cotton	13450	13610	-160
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11500	12400	-900
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12500	12299	201
	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	12800	NA	-
	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	12159	12827	-668
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	14200	13850	350
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-May-22	26-May-22	
Punjab	Bhatinda	J-34	10600	10900	-300
	Abohar	J-34	10600	10900	-300
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9800	10100	-300
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	27-May-22	26-May-22	
Gujarat	Ahmedabad	Shankar-6	8500	8500	Unch
	Gondal	Shankar-6	1543	1461	82
	Rajkot	B.T. Cotton	500	700	-200
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12	2	10
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	425	2550	-2125
	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	14000	NA	-
	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	101	318	-217
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9	7	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	27-May-22	26-May-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	85	85	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	27-May-22	26-May-22	
Gujarat	Rajkot	Rs. /10 Kg.	1550	1580	-30
Delhi	New Delhi	Rs. /10 Kg.	1515	1535	-20
Telangana	Hyderabad	Rs. /10 Kg.	1545	1570	-25
Maharashtra	Mumbai	Rs. /10 Kg.	1560	1575	-15

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	27-May-22	26-May-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3020	2985	35
Maharashtra	Akola	Rs./Qtl	3062	3052	10

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

Index	Unit	27-May-22	26-May-22	Change
CCIndex(328)	RMB/Ton	22221	22221	Unch
CCIndex(527)	RMB/Ton	20272	20277	-5
CCIndex(229)	RMB/Ton	21768	21765	3

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

China Foreign Cotton (FCE) Index :

Index	Unit	27-May-22	26-May-22	Change
FC Index (S)	Cents/lb	158.68	163.18	-4.50
FC Index (M)	Cents/lb	157.08	161.58	-4.50
FC Index (L)	Cents/lb	155.52	160.02	-4.50

Cotlook Index:

Cotlook Indices	Unit	26-May-22	25-May-22	Change
A-Index	Cents/Pound	163.2	159.7	3.50

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		26-May-22	25-May-22	Bales
Southeast	cents/lb.	140.61	147.41	0
North Delta	cents/lb.	139.61	146.41	0
South Delta	cents/lb.	139.61	146.41	0
East TX-OK	cents/lb.	132.61	139.41	110
West Texas	cents/lb.	132.61	138.66	1
Desert SW	cents/lb.	131.86	138.66	0
SJ Valley	cents/lb.	132.36	145.81	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 26-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 26 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220526	144.57	145.37	140.36	140.61	-4.55	13,333	75,960	-748
Oct-22	220526	130.23	132.28	130.00	131.52	-2.24	3	47	+1
Dec-22	220526	124.05	125.00	121.35	124.33	-0.28	9,460	86,726	+1,521
Mar-23	220526	119.52	120.00	116.99	119.54	-0.41	2,526	18,865	+504
May-23	220526	116.53	116.53	113.59	116.05	-0.48	1,191	6,300	+83
Jul-23	220526	110.28	112.62	110.00	112.39	-0.53	620	6,110	+154
Total Volume and Open Interest							27,343	204,678	+1,528

Source: MRCI

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