

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.47,101/bale on Wednesday. ICE cotton futures closed red on Tuesday.

News: *Government has increased the Minimum Support Price of Kharif crops for the Marketing Year 2022-23. Cotton MSP has increased to Rs. 6080 per quintal for medium staple and Rs. 6380 per quintal for long staple cotton. During the previous 2020-21 season, government had fixed minimum support price for medium staple at Rs. 5726 per quintal and Rs. 6025 for long staple.*

According to Ministry of Agriculture, latest Kharif sowing report, India's cotton acreage has declined by 2.35 percent to 10.73 lakh hectare till 3rd June 2022. Currently, sowing in northern states of Haryana, Punjab and Rajasthan recorded slow progress due to delay in release of canal water. Karnataka along with Gujarat has also reported sowing till now.

Cotton was sown on around 13.08 lakh hectare during the corresponding period of last year. The area coverage has been reported mainly from the states of Haryana (5.90 lakh ha), Punjab (2.31 lakh ha), Rajasthan (1.54 lakh ha) and Karnataka (0.72 lakh ha).

Cotton sowing is progressing in Gujarat and as per the State Agriculture Department data, around 42,516 hectares of area has been sown under cotton crop till 06th June 2022 compared to the previous season 14,952 hectares on the corresponding date.

According to the market sources, area under cotton cultivation is expected to grow in 2022-23 season by 7-9 percent on year-on-year basis to 13.2 million hectares on account of a strong demand and sufficient availability of seeds. The farm ministry has estimated cotton acreages at 12.0 million hectares. Cotton sowing is still progressing in Punjab, Haryana and Rajasthan and is expected to continue till 15th June 2022.

Weather Forecast:

Thunderstorm accompanied with lightening & winds is very likely at isolated places Andaman & Nicobar Islands, Madhya Pradesh, Vidarbha, Chhattisgarh and with lightening at isolated places over Jharkhand, Coastal Andhra Pradesh & Yanam, Rayalaseema, and with lightening at isolated places over Jammu & Kashmir, Himachal Pradesh, Bihar, Gangetic West Bengal, Gujarat, Madhya Maharashtra, Marathwada, Konkan & Goa, Karnataka, Telangana, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahi and Lakshadweep. Heat wave conditions very likely at isolated places over Uttarakhand, Punjab, Haryana, Chandigarh, & Delhi, Uttar Pradesh, East Madhya Pradesh, Telangana, Jharkhand, and Odisha. Heavy rainfall at isolated places over Assam & Meghalaya and heavy rainfall at isolated places Sub- Himalayan West Bengal & Sikkim, Arunachal Pradesh, Nagaland.

International Fundamentals:

The ICE cotton Futures was lower by 79 points at 136.95 cents/lb. The Cotlook A index was at 156.20 cents/lb. The AWP for cotton was at 135.36 cents/lb.

According to the U.S. Crop progress report, as on 05th June 2022, U.S cotton planting stands at 84 percent which was 68 percent a week ago and around 70 percent in the previous year.

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	8-Jun-22	7-Jun-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12955	12955	Unch
	Rajkot	B.T. Cotton	13000	13000	Unch
	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	12000	12000	Unch
	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	12000	Unch
	Jamner	Medium Staple	NA	12000	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	11309	11739	-430
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	13000	13000	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	8-Jun-22	7-Jun-22	
Punjab	Bhatinda	J-34	10500	10500	Unch
	Abohar	J-34	10600	10600	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9400	9400	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
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State	Centre	Variety	8-Jun-22	7-Jun-22	
Gujarat	Ahmedabad	Shankar-6	7650	6800	850
	Gondal	Shankar-6	574	574	Unch
	Rajkot	B.T. Cotton	380	400	-20
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	6	9	-3
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	425	255	170
	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	10000	3000
	Jamner	Medium Staple	NA	17	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	84	160	-76
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	8	-3
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	8-Jun-22	7-Jun-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9	17	-9
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	8-Jun-22	7-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1565	1550	15
Delhi	New Delhi	Rs. /10 Kg.	1530	1510	20
Telangana	Hyderabad	Rs. /10 Kg.	1535	1515	20
Maharashtra	Mumbai	Rs. /10 Kg.	1580	1555	25

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	8-Jun-22	7-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3039	3053	-14
Maharashtra	Akola	Rs./Qtl	3064	3065	-1

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

Index	Unit	8-Jun-22	7-Jun-22	Change
CCIndex(328)	RMB/Ton	21267	21406	-139
CCIndex(527)	RMB/Ton	19918	20048	-130
CCIndex(229)	RMB/Ton	21779	21914	-135
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	7-Jun-22	6-Jun-22	Change
FC Index (S)	Cents/lb	155.53	156.81	-1.28
FC Index (M)	Cents/lb	153.92	155.2	-1.28
FC Index (L)	Cents/lb	152.33	153.61	-1.28

Cotlook Index:

Cotlook Indices	Unit	7-Jun-22	6-Jun-22	Change
A-Index	Cents/Pound	156.1	163.06	-6.96

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		7-Jun-22	7-Jun-22	Bales
Southeast	cents/lb.	136.95	139.2	0
North Delta	cents/lb.	135.95	138.2	0
South Delta	cents/lb.	135.95	138.2	0
East TX-OK	cents/lb.	128.95	131.2	1
West Texas	cents/lb.	128.95	130.45	0
Desert SW	cents/lb.	128.2	130.45	0
SJ Valley	cents/lb.	128.7	137.6	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 07-Jun-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 Tuesday, Jun 07 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220607	137.74	138.47	136.10	136.95	-0.79	11,953	65,851	-2,419
Oct-22	220607	127.48	128.02	126.18	128.02	+0.10	20	66	-1
Dec-22	220607	119.68	120.87	118.12	119.88	+0.08	10,030	99,337	+1,094
Mar-23	220607	114.46	116.15	113.55	115.33	+0.22	1,881	20,549	+20
May-23	220607	111.29	112.82	110.74	112.31	+0.39	530	7,112	+149
Jul-23	220607	107.50	109.40	107.50	108.99	+0.50	266	6,569	+83
Total Volume and Open Interest							24,533	210,533	-1,078

Source: MRCI

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