

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.48,090/bale on Saturday. ICE cotton futures closed red on Friday.

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 East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, and gusty winds at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, & Muzaffarabad, Gangetic West Bengal, Coastal Andhra Pradesh & Yanam, Telangana, and lightening at isolated places over at Bihar, Jharkhand, Odisha, Gujarat State, Konkan & Goa, Madhya Maharashtra, Marathwada, Kerala & Mahe, Lakshwadeep. Thunderstorm and gusty winds at isolated places over West Rajasthan. Heat wave conditions very likely at isolated places over Assam & Meghalaya. Heavy rainfall at isolated places over Arunachal Pradesh, and heavy rainfall at isolated places Sub- Himalayan West Bengal & Sikkim, Nagaland, Manipur, Mizoram, Tripura, Konkan & Goa, Coastal Karnataka.

International Fundamentals:

The ICE cotton Futures was lower by 145 points at 145.06 cents/lb. The Cotlook A index was at 155.35 cents/lb. The AWP for cotton was at 134.41 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	11-Jun-22	10-Jun-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	NA	NA	-
	Rajkot	B.T. Cotton	NA	13125	-
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	12500	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12400	12600	-200
	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	12500	12700	-200
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	11419	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12500	13000	-500
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	11-Jun-22	10-Jun-22	
Punjab	Bhatinda	J-34	10700	10800	-100
	Abohar	J-34	10800	11000	-200
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9400	9600	-200
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
-----------	-------	--------------------	--------

State	Centre	Variety	11-Jun-22	10-Jun-22	
Gujarat	Ahmedabad	Shankar-6	7650	7650	Unch
	Gondal	Shankar-6	NA	NA	-
	Rajkot	B.T. Cotton	NA	650	-
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	2	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	255	255	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	9000	7000	2000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	213	-
	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	11-Jun-22	10-Jun-22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	NA	NA	-
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	11-Jun-22	10-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1570	1570	Unch
Delhi	New Delhi	Rs. /10 Kg.	1525	1525	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1530	1530	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1560	1580	-20

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	11-Jun-22	10-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3033	3040	-7
Maharashtra	Akola	Rs./Qtl	3062	3075	-13

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	10-Jun-22	9-Jun-22	Change
CCIndex(328)	RMB/Ton	21247	21242	5
CCIndex(527)	RMB/Ton	19910	19879	31
CCIndex(229)	RMB/Ton	21747	21742	5

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

China Foreign Cotton (FCE) Index :

Index	Unit	10-Jun-22	9-Jun-22	Change
FC Index (S)	Cents/lb	165.11	159.23	5.88
FC Index (M)	Cents/lb	163.49	157.61	5.88
FC Index (L)	Cents/lb	161.9	156.02	5.88

Cotlook Index:

Cotlook Indices	Unit	9-Jun-22	8-Jun-22	Change
A-Index	Cents/Pound	159.1	155.35	3.75

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		9-Jun-22	9-Jun-22	Bales
Southeast	cents/lb.	146.51	148.76	0
North Delta	cents/lb.	145.51	147.76	0
South Delta	cents/lb.	145.51	147.76	0
East TX-OK	cents/lb.	138.51	140.76	220
West Texas	cents/lb.	138.51	140.01	0
Desert SW	cents/lb.	137.76	140.01	0
SJ Valley	cents/lb.	138.26	147.16	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 09-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 Friday, Jun 10 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220610	146.92	147.70	144.50	145.06	-1.45	16,023	53,010	-3,950
Oct-22	220610	132.95	132.95	129.40	130.06	-2.01	27	72	+2
Dec-22	220610	124.87	126.00	121.05	122.36	-2.57	17,392	112,425	+3,756
Mar-23	220610	120.55	121.05	117.05	117.84	-2.27	3,133	21,252	+402
May-23	220610	116.75	117.05	113.61	113.39	-2.08	562	7,198	+40
Jul-23	220610	112.69	112.73	110.00	110.80	-1.78	410	6,783	+47
Total Volume and Open Interest							38,191	211,849	+346

Source: MRCI

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2022 Indian Agribusiness Systems Ltd.