

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.47,900/bale on Saturday. ICE cotton futures closed red on Friday.

News: Cotton Association of India has reduced its May estimate for the cotton crop for the 2021-22 season by 8.31 lakh bales to 315.32 lakh bales from its previous estimate of 323.63 lakh bales. The association has attributed the reduction in crop estimate to the drop in production in states including Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Telangana, Karnataka and Andhra Pradesh. AgriWatch has estimated cotton production for 2021-22 season at 315.32 lakh bales lower from its previous season estimate of 323.63 lakh bales.

The total cotton supply between October 2021 and May 2022 remained at 367.22 lakh bales, which consists of the arrivals of 288.38 lakh bales, imports of 7 lakh bales during the month of May 2022 and Opening Stock is now estimated at 71.84 lakh bales at the beginning of the season on 1st October 2022. Further, the CAI has estimated cotton consumption for the months of October to May 2022 at 225 lakh bales while export shipment of cotton during the months of October to May 2022 is estimated at 38 lakh bales. Stock at the end of May 2022 is estimated at 34.22 lakh bales.

Cotton arrivals are very slow in India as the season is heading towards its closure. Mills have also reduced their consumption. Sowing has picked up in cotton growing areas for the 2022-23 season but will further depend on the progress of monsoon.

Cotton sowing is being progressing in Andhra Pradesh. Around 22,560 hectares of area has been sown under cotton as of 15th June 2022 which was 5,444 hectares as on the corresponding date last year.

Weather Forecast:

Thunderstorm accompanied with lightening & winds is very likely at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, & Muzaffarabad, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh & Delhi, Uttar Pradesh, Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Coastal Andhra Pradesh & Yanam, Rayalaseema, Telangana, Karnataka, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe, Lakshadweep, Bihar, Jharkhand, Odisha, Gangetic West Bengal. Heavy rainfall at isolated places over Assam & Meghalaya, Konkan & Goa, and heavy rainfall at isolated places Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Gujarat Region, Telangana, Karnataka, Tamil Nadu, Pondicherry, Karaikal, Kerala & Mahe and Lakshadweep, Bihar, Jharkhand, Odisha, Gangetic West Bengal.

International Fundamentals:

The ICE cotton Futures was lower by 8 points at 143.45 cents/lb. The Cotlook A index was at 161.05 cents/lb. The AWP for cotton was at 140.47 cents/lb.

According to the U.S. Crop progress report, as on 13th June 2022, U.S cotton planting stands at 90 percent which was 84 percent a week ago and around 87 percent in the previous year.

According to the USDA, WASDE Report, cotton production in the US may reduce in the coming 2022-23 season (August-July) to 35.92 lakh MT from 38.15 lakh MT of 2021-22. The production was 31.81 lakh MT in 2020-21. Cotton production is expected to increase in India, China, Brazil and Pakistan in 2022-23 season. Global production is projected to increase to 264.03 lakh MT in next season from 254.61 lakh MT of 2021-22.

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	18-Jun-22	17-Jun-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12955	12955	Unch
	Rajkot	B.T. Cotton	12885	12950	-65
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12900	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12300	12300	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	11700	11800	-100
	Jamner	Medium Staple	11500	11500	Unch
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	11722	11959	-237
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	18-Jun-22	17-Jun-22	
Punjab	Bhatinda	J-34	10400	10700	-300
	Abohar	J-34	10600	10800	-200
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9600	9650	-50
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas	Arrivals (Quintal)	Change
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State	Centre	Variety	18-Jun-22	17-Jun-22	
Gujarat	Ahmedabad	Shankar-6	4250	5100	-850
	Gondal	Shankar-6	318	363	-45
	Rajkot	B.T. Cotton	600	550	50
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	4	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	340	340	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	3000	6000	-3000
	Jamner	Medium Staple	27	20	7
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	38	162	-124
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	18-Jun-22	17-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	18-Jun-22	17-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1535	1535	Unch
Delhi	New Delhi	Rs. /10 Kg.	1500	1500	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1520	1515	5
Maharashtra	Mumbai	Rs. /10 Kg.	1540	1540	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	18-Jun-22	17-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2977	2997	-20
Maharashtra	Akola	Rs./Qtl	3044	3050	-6

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

Index	Unit	17-Jun-22	16-Jun-22	Change
CCIndex(328)	RMB/Ton	20708	21021	-313
CCIndex(527)	RMB/Ton	19400	19714	-314
CCIndex(229)	RMB/Ton	21227	21498	-271

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

China Foreign Cotton (FCE) Index :

Index	Unit	17-Jun-22	16-Jun-22	Change
FC Index (S)	Cents/lb	162.04	161.69	0.35
FC Index (M)	Cents/lb	160.41	160.07	0.34
FC Index (L)	Cents/lb	158.82	158.48	0.34

Cotlook Index:

Cotlook Indices	Unit	17-Jun-22	16-Jun-22	Change
A-Index	Cents/Pound	161.05	161.3	-0.25

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		16-Jun-22	16-Jun-22	Bales
Southeast	cents/lb.	143.53	145.78	0
North Delta	cents/lb.	142.53	144.78	0
South Delta	cents/lb.	142.53	144.78	0
East TX-OK	cents/lb.	135.53	137.78	91
West Texas	cents/lb.	135.53	137.03	574
Desert SW	cents/lb.	134.78	137.03	0
SJ Valley	cents/lb.	135.28	144.18	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 16-Jun-2022				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	20980
Equivalent	40 Kgs	21648	193	22484

Daily Futures Price Listing Friday, Jun 17 th , 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220617	143.57	145.88	143.18	143.45	-0.08	8,173	21,899	-3,840
Oct-22	220617	125.68	126.49	124.49	125.14	-0.99	77	296	+2
Dec-22	220617	119.07	119.80	117.81	118.29	-0.94	14,457	126,422	+1,650
Mar-23	220617	114.40	115.30	113.66	114.15	-0.73	3,160	24,007	+1,647
May-23	220617	111.05	111.76	110.43	110.87	-0.61	810	7,590	+213
Jul-23	220617	107.99	108.28	107.16	107.54	-0.45	438	7,373	+104
Total Volume and Open Interest							27,410	199,231	-213

Source: MRCI

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