

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.47,590/bale on Monday. ICE cotton futures closed red on Friday.

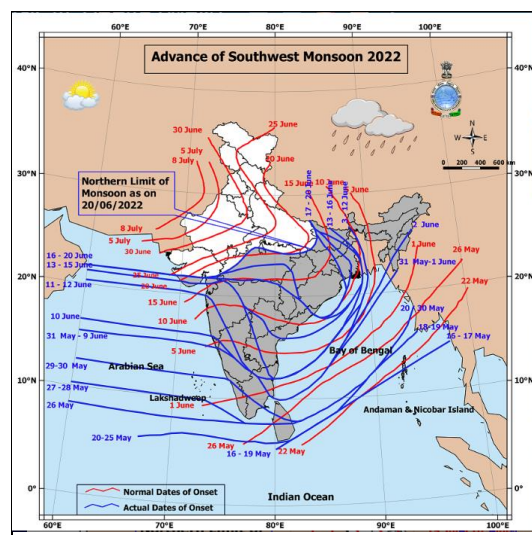
**News:** The prices of cotton yarn remained stable in south Indian markets of Mumbai and Tiruppur due to muted demand. The poor demand of fabric has led to temporary closure of more power looms. Also, The Cotton fiber shanker-6 prices have again touched a high of Rs. 1,00,000 per candy in the market, during the previous week prices were ranging between 95,000 to 98,500 per candy. Arrivals although are very slow in the market, almost 90 percent of the cotton has already arrived in the market till May 2022.

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 1<sup>st</sup> 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.

### Weather Forecast:

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



### 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 13<sup>th</sup> 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	20-Jun-22	18-Jun-22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	13105	12955	150
	Rajkot	B.T. Cotton	12755	12885	-130
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12390	12900	-510
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	12200	12300	-100
	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	0	-
	Khargaon	Mech-1	NA	0	-
Maharashtra	Amravati	Mech-1	12400	11700	700
	Jamner	Medium Staple	NA	11500	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-

Karnataka	Bijapur	Bunny	12113	11722	391
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12300	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	20-Jun-22	18-Jun-22	
Punjab	Bhatinda	J-34	10000	10400	-400
	Abohar	J-34	10000	10600	-600
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9500	9600	-100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jun-22	18-Jun-22	
Gujarat	Ahmedabad	Shankar-6	3400	4250	-850
	Gondal	Shankar-6	342	318	24
	Rajkot	B.T. Cotton	700	600	100
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	10	4	6
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	255	340	-85
	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	0	-
	Khargaon	Mech-1	NA	0	-
Maharashtra	Amravati	Mech-1	4000	3000	1000
	Jamner	Medium Staple	NA	27	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	248	38	210
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jun-22	18-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	20-Jun-22	18-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1500	1535	-35
Delhi	New Delhi	Rs. /10 Kg.	1460	1500	-40
Telangana	Hyderabad	Rs. /10 Kg.	1480	1520	-40
Maharashtra	Mumbai	Rs. /10 Kg.	1490	1540	-50

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	20-Jun-22	18-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2970	2977	-7
Maharashtra	Akola	Rs./Qtl	2997	3044	-47

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

Index	Unit	20-Jun-22	18-Jun-22	Change
CCIndex(328)	RMB/Ton	20389	Closed	-
CCIndex(527)	RMB/Ton	19158	Closed	-
CCIndex(229)	RMB/Ton	20810	Closed	-

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

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

Index	Unit	20-Jun-22	18-Jun-22	Change
FC Index (S)	Cents/lb	161.93	Closed	-
FC Index (M)	Cents/lb	160.31	Closed	-
FC Index (L)	Cents/lb	158.72	Closed	-

**Cotlook Index:**

Cotlook Indices	Unit	18-Jun-22	17-Jun-22	Change
A-Index	Cents/Pound	161.3	161.05	0.25

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		17-Jun-22	17-Jun-22	Bales

Southeast	cents/lb.	135.14	137.39	0
North Delta	cents/lb.	134.14	136.39	0
South Delta	cents/lb.	134.14	136.39	0
East TX-OK	cents/lb.	126.14	128.39	0
West Texas	cents/lb.	126.14	127.64	519
Desert SW	cents/lb.	125.14	127.39	0
SJ Valley	cents/lb.	125.64	134.54	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 18-Jun-2022				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	20780
Equivalent	40 Kgs	21648	193	22270

Daily Futures Price Listing Friday, Jun 17 <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>	220617	143.57	145.88	143.18	143.45	-0.08	8,173	21,899	-3,840
<a href="#">Oct-22</a>	220617	125.68	126.49	124.49	125.14	-0.99	77	296	+2
<a href="#">Dec-22</a>	220617	119.07	119.80	117.81	118.29	-0.94	14,457	126,422	+1,650
<a href="#">Mar-23</a>	220617	114.40	115.30	113.66	114.15	-0.73	3,160	24,007	+1,647
<a href="#">May-23</a>	220617	111.05	111.76	110.43	110.87	-0.61	810	7,590	+213
<a href="#">Jul-23</a>	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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