

## Domestic Fundamentals:

### Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.45,890/bale on Saturday. ICE cotton futures closed red on Friday.

**News:** Cotton Sowing across India has reached at 31.83 lakh hectares till 24<sup>th</sup> June 2022 as compared to previous season 37.34 lakh hectares around the corresponding date. Agriwatch expects sowing to progress further with the progress of monsoon.

According to the Agriwatch Sources, some districts of Punjab (Bhatinda, Faridkot, Mansa), Haryana (Sirsa, Hisar) and few border areas (Shri Ganganagar) of Rajasthan has reported Pink Bollworm infestation in Cotton crop. White fly attack was also observed in areas where the crop was sown early and has reached the flowering stage.

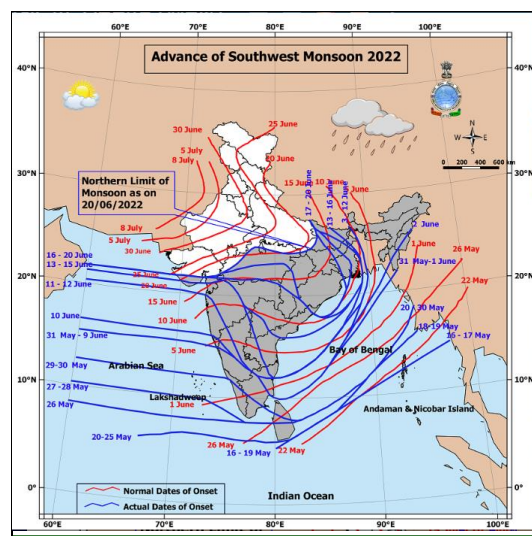
Cotton Association of India is bullish about the sowing progress for the 2022-23 season. Despite the decline in cotton acreages in northern states, the area under cotton crop is expected to grow by 8-12 percent to about 135 lakh hectares in the 2021-22 season across India. Major increase in area is expected from southern and central India.

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 is very likely at isolated places Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, Gangetic West Bengal, Odisha, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh & Yanam, Telangana, Karnataka, Tamil Nadu, Pondicherry, Karaikal, Kerala & Mahe, and, Lakshadweep. Heavy rainfall at isolated places over Bihar, Sub- Himalayan West Bengal & Sikkim, Konkan & Goa, Uttarakhand, Uttar Pradesh, Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, Odisha, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Gujarat region, Madhya Maharashtra, Coastal && South Interior Karnataka, Kerala & Mahe.



### International Fundamentals:

The ICE cotton Futures was lower by 700 points at 136.32 cents/lb. The Cotlook A index was at 156.50 cents/lb. The AWP for cotton was at 135.95 cents/lb.

The area under cotton cultivation in Brazil is estimated to be 15 percent higher at 1.58 million hectares in the 2022 season. With the increase area, production is estimated to reach 2.82 million tonnes. Yield is expected to grow by 3.8 percent at 1,785 kg/ha in the 2022 season.

According to the U.S. Crop progress report, as on 19<sup>th</sup> May 2022, U.S cotton planting stands at 96 percent which is same as that of the previous season. Also, U.S. cotton planting was around 1 percent higher from previous week.

## 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	25-Jun-22	24-Jun-22	
Gujarat	Ahmedabad	Shankar-6	10000	11500	-1500
	Gondal	Shankar-6	11905	12205	-300
	Rajkot	B.T. Cotton	11605	12000	-395
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11400	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	10100	10500	-400
	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	12500	Unch
	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	#N/A	11029	-
	Hubli	D.C.H.	#N/A	NA	-

	Hubli	B.T. Cotton	#N/A	NA	-
	Raichur	H-44 Cotton	#N/A	11100	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	25-Jun-22	24-Jun-22	
Punjab	Bhatinda	J-34	8600	8600	Unch
	Abohar	J-34	8600	8600	Unch
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8000	8100	-100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	25-Jun-22	24-Jun-22	
Gujarat	Ahmedabad	Shankar-6	3400	3400	Unch
	Gondal	Shankar-6	420	160	260
	Rajkot	B.T. Cotton	300	500	-200
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	6	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	510	816	-306
	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	5000	5000	Unch
	Jamner	Medium Staple	NA	34	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	#N/A	184	-
	Hubli	D.C.H.	#N/A	NA	-
	Hubli	B.T. Cotton	#N/A	NA	-
	Raichur	H-44 Cotton	#N/A	4	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	25-Jun-22	24-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	25-Jun-22	24-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1410	1420	-10
Delhi	New Delhi	Rs. /10 Kg.	1400	1400	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1400	1400	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1400	1400	Unch

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	25-Jun-22	24-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2869	2842	27
Maharashtra	Akola	Rs./Qtl	2896	2898	-2

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

Index	Unit	25-Jun-22	24-Jun-22	Change
CCIndex(328)	RMB/Ton	Closed	19347	-
CCIndex(527)	RMB/Ton	Closed	18187	-
CCIndex(229)	RMB/Ton	Closed	19856	-

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

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

Index	Unit	25-Jun-22	24-Jun-22	Change
FC Index (S)	Cents/lb	Closed	150.35	-
FC Index (M)	Cents/lb	Closed	148.74	-
FC Index (L)	Cents/lb	Closed	147.15	-

**Cotlook Index:**

Cotlook Indices	Unit	23-Jun-22	24-Jun-22	Change
A-Index	Cents/Pound	156.5	0	156.50

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		23-Jun-22	23-Jun-22	Bales
Southeast	cents/lb.	119.01	121.26	0
North Delta	cents/lb.	118.01	120.26	0
South Delta	cents/lb.	118.01	120.26	0



East TX-OK	cents/lb.	111.01	113.26	0
West Texas	cents/lb.	111.01	112.51	1230
Desert SW	cents/lb.	109.01	111.26	0
SJ Valley	cents/lb.	109.51	118.41	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 23-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 24 <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>	220624	132.25	132.25	100.00	103.76	-32.56	6,298	5,981	-4,264
<a href="#">Oct-22</a>	220624	109.28	110.10	104.86	107.15	-1.86	173	297	+26
<a href="#">Dec-22</a>	220624	101.55	102.80	97.33	98.05	-3.96	32,855	122,079	-4,567
<a href="#">Mar-23</a>	220624	97.47	98.06	93.01	93.52	-4.21	10,250	26,694	-428
<a href="#">May-23</a>	220624	95.02	95.61	90.87	91.13	-4.20	3,530	9,107	+463
<a href="#">Jul-23</a>	220624	91.84	93.22	88.71	88.84	-4.17	2,256	7,970	+570
Total Volume and Open Interest							56,234	183,753	-8,108

Source: MRCI

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