

**Domestic Fundamentals:**

**Market Outlook:**

*The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.45,170/bale on Monday. ICE cotton futures closed red on Friday.*

**News:** *MCX Cotton market has revised upward today in anticipation of lower monsoon as of now in India. As per the sources, monsoon progress is slower in India which may affect the sowing further.*

*The government is planning to roll out a second production linked incentives scheme for the labor-intensive textile and garment sector.*

*With lack of supply, cotton has not gone down significantly but sentiment is damaged so, there is a good liquidity despite lower supply. Some mills have also sold their inventory to lower the production due to lower demand in yarn.*

*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.*

*Indian sowing figures are yet lower than last year specially in North India. But still a lot of time for rest of India and trader believes that all India Cotton Sowing will Increase.*

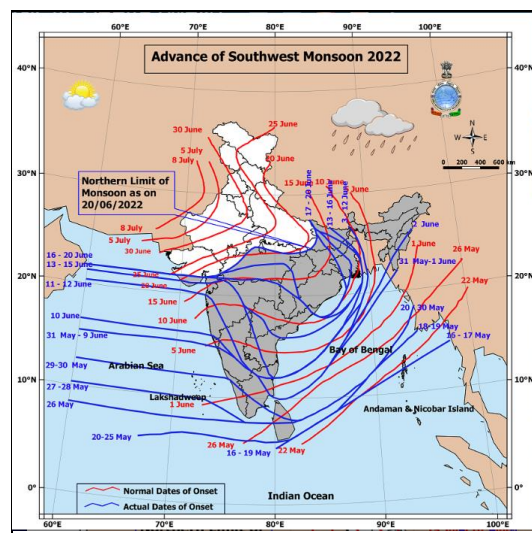
*According to the Agriwatch Sources, some districts of Punjab (Bhatinda, Faridkot, Mansa), Haryana (Sirsa, Hisar) and few border areas (Shri Ganganagar) of Rajasthan has reported Pink Bollworm infestation in Cotton crop. White fly attack was also observed in areas where the crop was sown early and has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

**Weather Forecast:**

Thunderstorm accompanied with lightening is very likely at isolated places Himachal Pradesh, and with lightening at isolated places over Uttarakhand, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, West Bengal & Sikkim, Odisha, Marathwada, Coastal Andhra Pradesh & Yanam, Telangana, Kerala & Mahe. Heavy rainfall at isolated places over Sub- Himalayan West Bengal & Sikkim, Arunachal Pradesh, Assam & Meghalaya, Bihar, Uttarakhand, East Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, Konkan & Goa, Nagaland, Manipur, Mizoram, Tripura, Coastal Karnataka, Coastal Andhra Pradesh & Yanam, 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	27-Jun-22	25-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	10000	-
	Gondal	Shankar-6	11155	11905	-750
	Rajkot	B.T. Cotton	11720	11605	115
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11275	11400	-125
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-

	Adampur	B.T. Cotton	10300	10100	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	12600	12500	100
	Jamner	Medium Staple	11500	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11339	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-Jun-22	25-Jun-22	
Punjab	Bhatinda	J-34	8700	8600	100
	Abohar	J-34	8800	8600	200
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8100	8000	100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	27-Jun-22	25-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	3400	-
	Gondal	Shankar-6	510	420	90
	Rajkot	B.T. Cotton	425	300	125
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5	6	-1
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	510	510	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	-
	Amravati	Mech-1	4000	5000	-1000
Maharashtra	Jamner	Medium Staple	26	NA	-
	Hathras	B.T. Cotton	NA	NA	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	3	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	27-Jun-22	25-Jun-22	Change
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	27-Jun-22	25-Jun-22	Change
Gujarat	Rajkot	Rs. /10 Kg.	1425	1410	15
Delhi	New Delhi	Rs. /10 Kg.	1415	1400	15
Telangana	Hyderabad	Rs. /10 Kg.	1430	1400	30
Maharashtra	Mumbai	Rs. /10 Kg.	1420	1400	20

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	27-Jun-22	25-Jun-22	Change
Gujarat	Mahesana (Kadi)	Rs./Qtl	2882	2869	13
Maharashtra	Akola	Rs./Qtl	2901	2896	5

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

Index	Unit	27-Jun-22	25-Jun-22	Change
CCIndex(328)	RMB/Ton	18603	Closed	-
CCIndex(527)	RMB/Ton	17391	Closed	-
CCIndex(229)	RMB/Ton	19127	Closed	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

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

Index	Unit	27-Jun-22	25-Jun-22	Change
FC Index (S)	Cents/lb	145.33	Closed	-
FC Index (M)	Cents/lb	143.72	Closed	-
FC Index (L)	Cents/lb	142.14	Closed	-

**Cotlook Index:**

Cotlook Indices	Unit	25-Jun-22	23-Jun-22	Change
A-Index	Cents/Pound	0	156.5	<b>-156.50</b>

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		24-Jun-22	24-Jun-22	Bales
Southeast	cents/lb.	117.15	119.4	0
North Delta	cents/lb.	116.15	118.4	0
South Delta	cents/lb.	116.15	118.4	0
East TX-OK	cents/lb.	109.15	111.4	0
West Texas	cents/lb.	109.15	110.65	0
Desert SW	cents/lb.	107.15	109.4	0
SJ Valley	cents/lb.	107.65	116.55	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 25-Jun-2022**

				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	20200	180	18980
Equivalent	40 Kgs	21648	193	20341

**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	<b>-32.56</b>	6,298	5,981	-4,264
<a href="#">Oct-22</a>	220624	109.28	110.10	104.86	107.15	<b>-1.86</b>	173	297	+26
<a href="#">Dec-22</a>	220624	101.55	102.80	97.33	98.05	<b>-3.96</b>	32,855	122,079	-4,567
<a href="#">Mar-23</a>	220624	97.47	98.06	93.01	93.52	<b>-4.21</b>	10,250	26,694	-428
<a href="#">May-23</a>	220624	95.02	95.61	90.87	91.13	<b>-4.20</b>	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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