

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.45,160/bale on Monday. ICE cotton futures closed red on Monday.

News: *MCX Cotton market has revised upward today, Cotton MXCTNC1 contract was trading higher at 49390, next resistance is likely to be 50234. RSI has moved upward indicating strong buying strength and Market has taken a support of 50 DMA, and had retraced back. Also, the market had broken resistance of 9 and 18 DMA. MACD is indicating a bullish Crossover. As per Agriwatch, the market has moved upward in anticipation of lower monsoon as of now in India, the slower progress of monsoon may affect the Cotton sowing in India.*

The Indian Meteorological Department (IMD), has said that the SW Monsoon (SWM) so far has covered the entire southern part of the country along with eastern, NE state and most of the parts of Madhya Pradesh and southern Gujarat region. After a decent revival and progress of SWM, it seems that the monsoon has taken a pause and due to which the progress over the remaining part of the country mainly over the Central, NW and Western part of the country is sluggish. However, as per the latest report from the weather department it is likely that by the end of June to early July, the SWM will revive again and likely to cover the remaining part of the country.

Meanwhile, despite the fact the SWM has covered the entire southern state of the country, the distribution of rainfall is uneven especially over Maharashtra, Eastern Part of the country along with some parts of Karnataka etc. and several districts needed the rains to take up the Kharif sowing activity. So, the coming 7-10 days will remain very crucial for sowing activity. Less or uneven rains may adversely affect the sowing activity and less rains may also have an impact on early planted crops (planted after pre-monsoon showers).

As of 27th June 2022, Gujarat cotton sowing has reached 10,85,894 hectares for the 2022-23 season which is slightly lower as compared to the previous season sowing of 11,46,088 hectares.

The government in 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 gown 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 24th 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.

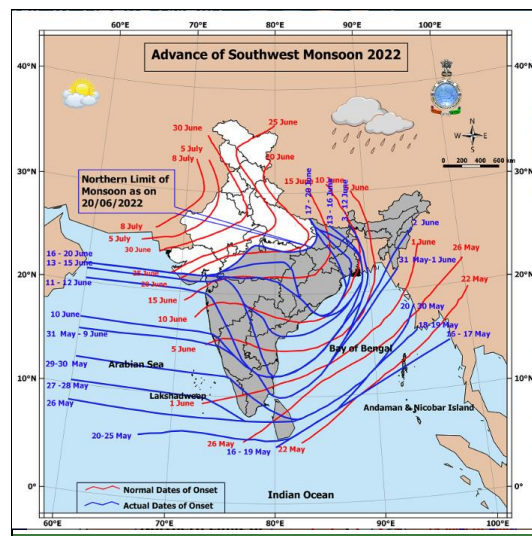
Indian sowing figures are yet lower than last year specially in North India. But still a lot of time for rest of India and trader believes that all India Cotton Sowing will Increase.

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.

Weather Forecast:

Thunderstorm accompanied with lightening is very likely at isolated places Himachal Pradesh, and with lightening at isolated places over Haryana, Chandigarh, Delhi, Himachal Pradesh, Uttarakhand, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, West Bengal & Sikkim, Odisha, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh & Yanam, Telangana, Rayalaseema, Tamil Nadu, Pondicherry, Karaikal, Lakshadweep, Kerala & Mahe. Heavy rainfall at isolated places over Sub- Himalayan West Bengal & Sikkim, Arunachal Pradesh, Assam & Meghalaya, Bihar, Uttarakhand, Himachal Pradesh, East Uttar Pradesh, Vidarbha, Chhattisgarh, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Konkan & Goa, Coastal & South Interior Karnataka, Coastal Andhra Pradesh, Telangana, Pondicherry, Karaikal, and Kerala & Mahe.



International Fundamentals:

The ICE cotton Futures was lower by 341 points at 100.35 cents/lb. The Cotlook A index was at 144.30 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 19th May 2022, U.S cotton Squaring stands at 33 percent which is higher as that of the previous season (30 percent).

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	28-Jun-22	27-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	NA	11155	-
	Rajkot	B.T. Cotton	11700	11720	-20
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	10990	11275	-285
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	10500	10300	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	12600	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	11088	11028	60
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	11339	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	28-Jun-22	27-Jun-22	
Punjab	Bhatinda	J-34	9000	8700	300
	Abohar	J-34	9000	8800	200
	Mansa	J-34	NA	NA	-

Haryana	Sirsa	J-34	8400	8100	300
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	28-Jun-22	27-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	NA	510	-
	Rajkot	B.T. Cotton	150	425	-275
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	22	5	17
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	425	510	-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	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	4000	4000	Unch
	Jamner	Medium Staple	NA	26	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	48	74	-26
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	3	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	28-Jun-22	27-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	-
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Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	28-Jun-22	27-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1440	1425	15
Delhi	New Delhi	Rs. /10 Kg.	1430	1415	15
Telangana	Hyderabad	Rs. /10 Kg.	1450	1430	20
Maharashtra	Mumbai	Rs. /10 Kg.	1440	1420	20

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	28-Jun-22	27-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2840	2882	-42
Maharashtra	Akola	Rs./Qtl	2829	2901	-72

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

Index	Unit	28-Jun-22	27-Jun-22	Change
CCIndex(328)	RMB/Ton	18325	18603	-278
CCIndex(527)	RMB/Ton	17189	17391	-202
CCIndex(229)	RMB/Ton	18856	19127	-271

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

China Foreign Cotton (FCE) Index :

Index	Unit	28-Jun-22	27-Jun-22	Change
FC Index (S)	Cents/lb	141.33	145.33	-4.00
FC Index (M)	Cents/lb	139.72	143.72	-4.00
FC Index (L)	Cents/lb	138.14	142.14	-4.00

Cotlook Index:

Cotlook Indices	Unit	28-Jun-22	23-Jun-22	Change
A-Index	Cents/Pound	142.2	156.5	-14.30

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		27-Jun-22	27-Jun-22	Bales
Southeast	cents/lb.	113.15	115.4	0
North Delta	cents/lb.	112.15	114.4	0

South Delta	cents/lb.	112.15	114.4	0
East TX-OK	cents/lb.	105.15	107.4	0
West Texas	cents/lb.	105.15	106.65	0
Desert SW	cents/lb.	103.15	105.4	0
SJ Valley	cents/lb.	103.65	112.55	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 27-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 Monday, Jun 27 th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220627	102.00	102.00	100.35	100.35	-3.41	5,807	366	-5,615
Oct-22	220627	105.92	106.17	103.15	103.15	-4.00	271	232	-65
Dec-22	220627	97.50	98.05	94.05	94.05	-4.00	32,577	118,235	-3,844
Mar-23	220627	93.14	93.78	89.52	89.52	-4.00	11,230	26,926	+232
May-23	220627	90.33	91.23	87.13	87.13	-4.00	3,156	9,346	+239
Jul-23	220627	88.05	88.96	88.96	84.84	-4.00	2,371	7,972	+2
Total Volume and Open Interest							57,321	175,238	-8,515

Source: MRCI

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