

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.45,480/bale on Wednesday. ICE cotton futures closed red on Tuesday.

News: The raw cotton prices in the domestic market have currently dropped by around 10 percent across India and by around 20 percent in the International Market. As the domestic cotton season is towards its closure the cotton demand has fallen particularly for yarn, mill consumption has also reduced.

The area under cotton cultivation in Tamil Nadu has increased by more than 40 percent this year compared to last year. Farmers in Trichy Tiruvarur, Nagappattinam and Thanjavur have raised the cotton crop on about 84,000 acres in 2022-23 season, higher from 50,000 acres during 2021-22 season.

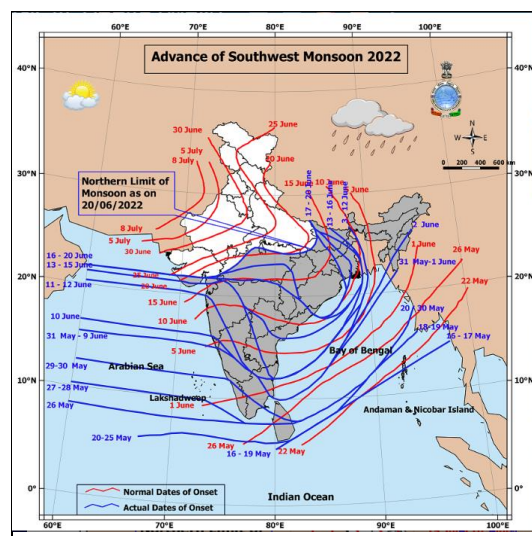
MCX Cotton market has revised upward today, Cotton MXCTNC1 contract was trading higher at 52410, market has broken a previous high of 50325. RSI has moved upward indicating strong buying strength. MACD indicates bullish Crossover. As per Agriwatch, the market has moved upward in anticipation of lower monsoon as of now in India, the slower progress of monsoon and the uneven rainfall may affect the Cotton sowing in India. Also, there is a slack demand for yarn in the market.

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.

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.

Weather Forecast:

Thunderstorm accompanied with lightening is very likely at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, Muzaffarabad, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh & Delhi, Uttar Pradesh, Rajasthan, Vidarbha, Chhattisgarh, Bihar, Jharkhand, Marathwada, Coastal Andhra Pradesh & Yanam, Tamil Nadu, Pondicherry, Karaikal, and Kerala & Mahe. Heavy rainfall at isolated places over Uttarakhand, Himachal Pradesh, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Assam & Meghalaya, Konkan 7 Goa, Coastal Karnataka, Kerala & Mahe and heavy rainfall at isolated places over Haryana, Chandigarh & Delhi, Vidarbha, Chhattisgarh, Bihar, Jharkhand, Sub-Himalayan West Bengal, Sikkim, Odisha, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Gujarat region, Madhya Maharashtra, Interior Karnataka, Tamil Nādu Pondicherry, Karaikal.



International Fundamentals:

The ICE cotton Futures was lower by 23 points at 100.12 cents/lb. The Cotlook A index was at 140.20 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	29-Jun-22	28-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	11155	11105	50
	Rajkot	B.T. Cotton	11735	11700	35
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	10990	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	10250	10500	-250
	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	Closed	12600	-
	Jamner	Medium Staple	NA	11300	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	11073	11088	-15
	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	29-Jun-22	28-Jun-22	
Punjab	Bhatinda	J-34	9200	9000	200
	Abohar	J-34	9300	9000	300
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8500	8400	100
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	29-Jun-22	28-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	338	436	-98
	Rajkot	B.T. Cotton	170	150	20
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	22	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	357	425	-68
	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	Closed	4000	-
	Jamner	Medium Staple	NA	22	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	73	48	25
	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	29-Jun-22	28-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	29-Jun-22	28-Jun-22	
Gujarat	Rajkot	Rs. /10 Kg.	1440	1440	Unch
Delhi	New Delhi	Rs. /10 Kg.	1430	1430	Unch
Telangana	Hyderabad	Rs. /10 Kg.	1450	1450	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1440	1440	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	29-Jun-22	28-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2816	2840	-24
Maharashtra	Akola	Rs./Qtl	2792	2829	-37

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

Index	Unit	29-Jun-22	28-Jun-22	Change
CCIndex(328)	RMB/Ton	18341	18325	16
CCIndex(527)	RMB/Ton	17198	17189	9
CCIndex(229)	RMB/Ton	18857	18856	1

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

China Foreign Cotton (FCE) Index :

Index	Unit	29-Jun-22	28-Jun-22	Change
FC Index (S)	Cents/lb	140.73	141.33	-0.60
FC Index (M)	Cents/lb	139.12	139.72	-0.60
FC Index (L)	Cents/lb	137.54	138.14	-0.60

Cotlook Index:

Cotlook Indices	Unit	29-Jun-22	28-Jun-22	Change
A-Index	Cents/Pound	136	142.2	-6.20

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		28-Jun-22	28-Jun-22	Bales
Southeast	cents/lb.	111.39	113.64	0
North Delta	cents/lb.	110.39	112.64	0
South Delta	cents/lb.	110.39	112.64	0

East TX-OK	cents/lb.	103.39	105.64	0
West Texas	cents/lb.	103.39	104.89	0
Desert SW	cents/lb.	101.39	103.64	0
SJ Valley	cents/lb.	101.89	110.79	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 Tuesday, Jun 28 th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Jul-22	220628	103.00	103.00	100.12	100.12	-0.23	174	227	-139
Oct-22	220628	103.00	107.94	98.52	101.39	-1.76	95	227	-5
Dec-22	220628	92.10	99.05	91.20	93.48	-0.57	29,678	117,748	-487
Mar-23	220628	88.45	94.52	87.06	89.40	-0.12	7,726	27,873	+947
May-23	220628	86.00	92.13	85.09	87.02	-0.11	2,268	9,667	+321
Jul-23	220628	83.75	89.83	82.80	84.81	-0.03	1,639	8,120	+148
Total Volume and Open Interest							42,543	176,514	+1,276

Source: MRCI

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