

**Domestic Fundamentals:****Market Outlook:**

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.45,350/bale on Thursday. ICE cotton futures closed green on Wednesday.

**News:** As of 29<sup>th</sup> June 2022, Andhra Pradesh cotton sowing has reached 0.60 lakh hectares for the 2022-23 season which is slightly higher as compared to the previous season sowing of 0.39 lakh hectares. Whereas, Telangana Cotton sowing has reached 22,75,551 acres under cotton lower as compared to previous season 24,88,377 acres.

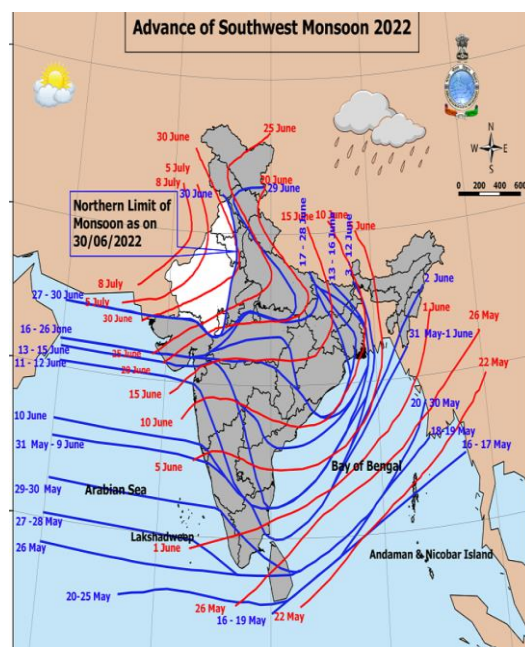
The raw cotton prices in the domestic market have currently dropped by around 10 percent across India and by around 20 percent in the International Market. As the domestic cotton season is towards its closure the cotton demand has fallen particularly for yarn, mill consumption has also reduced.

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.

**Weather Forecast:**

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

**International Fundamentals:**

The ICE cotton Futures was higher by 416 points at 104.28 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 19<sup>th</sup> 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	30-Jun-22	29-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	11555	11155	400
	Rajkot	B.T. Cotton	11625	11735	-110
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	10980	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	10500	10250	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	12800	Closed	-
	Jamner	Medium Staple	NA	11200	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	11108	11073	35
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11000	NA	-
Commodity	Lint		Prices (Rs./Maunder)		Change
State	Centre	Variety	30-Jun-22	29-Jun-22	
Punjab	Bhatinda	J-34	9500	9200	300
	Abohar	J-34	9600	9300	300

	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8700	8500	200
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	30-Jun-22	29-Jun-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	240	338	-98
	Rajkot	B.T. Cotton	325	170	155
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	1	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1360	357	1003
	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	3000	Closed	-
	Jamner	Medium Staple	NA	29	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	143	73	70
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	7	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	30-Jun-22	29-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	30-Jun-22	29-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	30-Jun-22	29-Jun-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2798	2816	-18
Maharashtra	Akola	Rs./Qtl	2808	2792	16

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

Index	Unit	30-Jun-22	29-Jun-22	Change
CCIndex(328)	RMB/Ton	18369	18341	28
CCIndex(527)	RMB/Ton	17201	17198	3
CCIndex(229)	RMB/Ton	18885	18857	28

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

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

Index	Unit	30-Jun-22	29-Jun-22	Change
FC Index (S)	Cents/lb	144.62	140.73	3.89
FC Index (M)	Cents/lb	143.12	139.12	4.00
FC Index (L)	Cents/lb	141.54	137.54	4.00

**Cotlook Index:**

Cotlook Indices	Unit	29-Jun-22	28-Jun-22	Change
A-Index	Cents/Pound	136	142	-6.00

**USDA Cotton Spot Rates:**

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		29-Jun-22	29-Jun-22	Bales
Southeast	cents/lb.	114.98	117.23	0
North Delta	cents/lb.	113.98	116.23	0
South Delta	cents/lb.	113.98	116.23	0
East TX-OK	cents/lb.	106.98	109.23	0
West Texas	cents/lb.	106.98	108.48	792
Desert SW	cents/lb.	104.98	107.23	0

SJ Valley

cents/lb.

105.48

114.38

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 29-Jun-2022****(in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	37.32Kgs	20200	180	18180
<b>Equivalent</b>	40 Kgs	21648	193	19484

**Daily Futures Price Listing Wednesday, Jun 29<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>	220629	103.00	105.00	103.00	104.28	+4.16	7	220	-7
<a href="#">Oct-22</a>	220629	102.01	105.27	99.99	104.98	+3.59	83	209	-18
<a href="#">Dec-22</a>	220629	93.79	97.48	93.23	97.48	+4.00	20,705	117,128	-620
<a href="#">Mar-23</a>	220629	89.88	93.40	89.16	93.40	+4.00	5,492	28,526	+653
<a href="#">May-23</a>	220629	88.09	91.02	86.74	91.02	+4.00	2,129	10,065	+398
<a href="#">Jul-23</a>	220629	85.78	88.81	84.48	88.81	+4.00	1,755	8,187	+67
Total Volume and Open Interest							32,320	177,313	+799

Source: MRCI

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