

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was higher at Rs.47,310/bale on Tuesday. ICE cotton futures closed green on Monday.

News: According to Agriwatch Sources, New Cotton arrivals are very slow in Northern India. Also, due to supply crunch new crop market advanced to Rs. 9300 per maund from Rs. 8011 per maund. All India cotton sowing area has crossed 123 lakh hectares so far. Monsoon is well in India till date hope for same up to harvesting.

As of 10th Aug 2022, Telangana Cotton sowing has reached 4759870 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 5022915 acres. Average rainfall for the period from 01.06.2022 to 10.08.2022 has reached 806 mm higher as compared to the previous season of 559 mm.

In Rajasthan, Cotton Sowing gained by nearly 7.99 percent to 647.1 thousand hectares as against 599.22 thousand hectares in 2021. As per Agriwatch, for the coming week heavy rains may be witnessed across the key cotton-growing regions such as Maharashtra, Marathwada, Vidarbha, Telangana, and Madhya Pradesh. These rains will further likely to affect the cotton crop in the coming week.

As per AgriWatch sources, the Cotton crop has been affected in the northern states of Punjab, Haryana and Rajasthan due to excessive rains in July month. The cotton crop has been affected in terms of yield and pest incidence as a result of that the cotton crop arrivals are expected to come late in the 2022-23 season (it is expected to come from 1st week of September 2022).

According to the data released by Agriculture Ministry, as of 05th August 2022, Cotton sowing has been reported at 121.125 lakh hectares which was 113.505 lakh hectares in the previous 2021-22 season.

Cotton farmers from Haryana are expecting a crop loss due to heavy rains in the past week. The Hisar district of Haryana has received above the average rainfall which poses a threat to the cotton crop. Although no major damage has been received so far but water-logged fields may further result in pest attack and yield losses. The Agriculture Department has asked the farmers to drain out the standing water from the cotton fields and also alerted the farmers to keep observation on the crop about attack by any pest. Overall, around 18-19 lakh acres of area is estimated to be in under cotton cultivation in the state for the 2022-23 season.

As of 25th July 2022, Gujarat Cotton sowing has reached 25,04,390 hectares for the 2022-23 season which is higher compared to the previous season's sowing of 22,22,372 hectares.

Cotton Crop has been damaged due to excessive rains in Gujarat, Maharashtra, and Telangana. Also, If rains continue to hit the state for the next few days more crop is likely to get damaged. Cotton sowing in Maharashtra is expected to cross 4.2 million hectares. In Gujarat, it would be around 2.7 million hectares. Overall, the cotton acreage in the north is expected to be around 1.5 million hectares and the same for southern states is likely to remain at around 3.5-4.0 million hectares. Agriwatch expects area under cotton cultivation to be 137 lakh hectares in the 2022-23 season.

Weather Forecast:

Heavy rainfall at isolated places over South-West Rajasthan, Saurashtra & Kutch and with lightning at isolated places over East Rajasthan, Gujarat region, Ghat areas of Madhya Maharashtra, Tamil Nadu, Pondicherry & Karikal. Thunderstorms accompanied with gusty winds are likely at isolated places over West Rajasthan and Jharkhand, West Bengal, Odisha, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura and Andhra Pradesh, Kerala & Mahe.

International Fundamentals:

The ICE cotton Futures was higher by 500 points at 119.44 cents/lb. The Cotlook A index was stable at 112.75 cents/lb. The AWP for cotton was 88.15 cents/lb.

The USDA WASDE Global 2022/23 production is forecast 3.1 million bales lower this month, and consumption is 800,000 bales lower, resulting in a decrease in projected ending stocks of 1.5 million bales. In addition to the U.S. crop change, world production is reduced an additional 100,000 bales as extreme heat in Uzbekistan reduced yield prospects there.

World trade is 1.8 million bales lower this month, with reductions in U.S. exports and imports by China as the largest changes. Projected imports are also lower this month for India, Pakistan, Vietnam, Turkey, and Bangladesh. Consumption in 2022-23 season is projected lower than a month ago in the United States, Pakistan, Vietnam, Turkey, and Bangladesh.

According to the U.S. Crop progress report, as on 07th Aug 2022, U.S cotton Squaring stands at 95 percent, a bit ahead of the 93 percent 5 years average. Bolls setting were at 69 percent, ahead of the 64 percent 5 years average. Cotton Crop condition took a noteable drop, mostly in Texas, Oklahoma and Tennessee.

DOMESTIC PRICES AND ARRIVALS**Cotton arrivals have decreased in the market as the season is close to its end.****Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	16-Aug-22	13-Aug-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	11300	-
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NA	NA	-
	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	10600	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	0	NA	-
Andhra Pradesh	Adoni	Un-Ginned	11897	11839	58
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12000	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	16-Aug-22	13-Aug-22	

Punjab	Bhatinda	J-34	10700	10200	500
	Abohar	J-34	10500	10200	300
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9700	9500	200
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	16-Aug-22	13-Aug-22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	Closed	9500	-
	Rajkot	B.T. Cotton	Closed	20	-
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NA	NA	-
	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	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	324	354	-30
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	16-Aug-22	13-Aug-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	16-Aug-22	13-Aug-22	
Gujarat	Rajkot	Rs. /10 Kg.	Closed	1495	-
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1490	1485	5
Maharashtra	Mumbai	Rs. /10 Kg.	1520	1510	10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	16-Aug-22	13-Aug-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2787	2761	26
Maharashtra	Akola	Rs./Qtl	2882	2848	34

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

Index	Unit	12-Aug-22	11-Aug-22	Change
CCIndex(328)	RMB/Ton	15672	15659	13
CCIndex(527)	RMB/Ton	14413	14396	17
CCIndex(229)	RMB/Ton	16107	16093	14

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

China Foreign Cotton (FCE) Index :

Index	Unit	12-Aug-22	10-Aug-22	Change
FC Index (S)	Cents/lb	126.21	120.61	5.60
FC Index (M)	Cents/lb	124.9	119.3	5.60
FC Index (L)	Cents/lb	123.69	118.09	5.60

Cotlook Index:

Cotlook Indices	Unit	12-Aug-22	10-Aug-22	Change
A-Index	Cents/Pound	122.75	117.2	5.55

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		11-Aug-22	11-Aug-22	Bales
Southeast	cents/lb.	120.44	122.69	0
North Delta	cents/lb.	119.44	121.69	0
South Delta	cents/lb.	119.44	121.69	0
East TX-OK	cents/lb.	111.44	113.69	397
West Texas	cents/lb.	111.44	112.94	0
Desert SW	cents/lb.	110.44	112.69	0
SJ Valley	cents/lb.	110.94	119.84	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

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				13-Aug-22	12-Aug-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	65500	65000	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	66200	65700	500
J-34(202)	26mm	3.5 - 4.9	23	91400	90900	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	93600	93100	500
Shankar-6(105)	29mm	3.5 - 4.9	28	96500	96000	500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	101500	101000	500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	95500	95000	500

Pakistan Cotton Spot rates: As on 15-Aug-2022

				(in Pakistan Rupees)
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32Kgs	18000	180	18735
Equivalent	40 Kgs	19291	193	19007

**Daily Futures Price Listing Monday, Aug 15th, 2022**

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Oct-22	220815	116.06	119.44	116.06	119.44	+5.00	20	117	-3
Dec-22	220815	111.53	113.59	111.53	113.59	+5.00	20,403	106,271	+330
Mar-22	220815	109.17	110.64	108.98	110.64	+5.00	6,123	36,785	-134
May-23	220815	106.63	108.87	106.86	108.87	+5.00	2,751	16,033	+41
Jul-23	220815	103.63	106.15	103.63	103.63	+5.00	1,806	10,699	+144
Oct-23	220815	98.27	98.27	98.27	98.27	+3.82			
Total Volume and Open Interest							32,828	188,209	+131

Source: MRCI

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