

COTTON WEEKLY RESEARCH REPORT
25th Apr 2022**Domestic market summary**

Domestic Market Scenario: Cotton prices remained stable during the week under review. Indian government has given relief to spinners by withdrawing raw cotton import duty till the new season. Cotton sowing has begun in Punjab and Rajasthan for the 2022-23 season.

Weekly Price Outlook:

The average price of Kapas in Andhra Pradesh is likely to hover around Rs.12,400-12,800/Qtl.

Major Market Highlights:

- The Cotlook Index stood higher (149.40 cents/lbs) compared to the ICE Cotton Futures that stood at 135.29 cents/lbs.

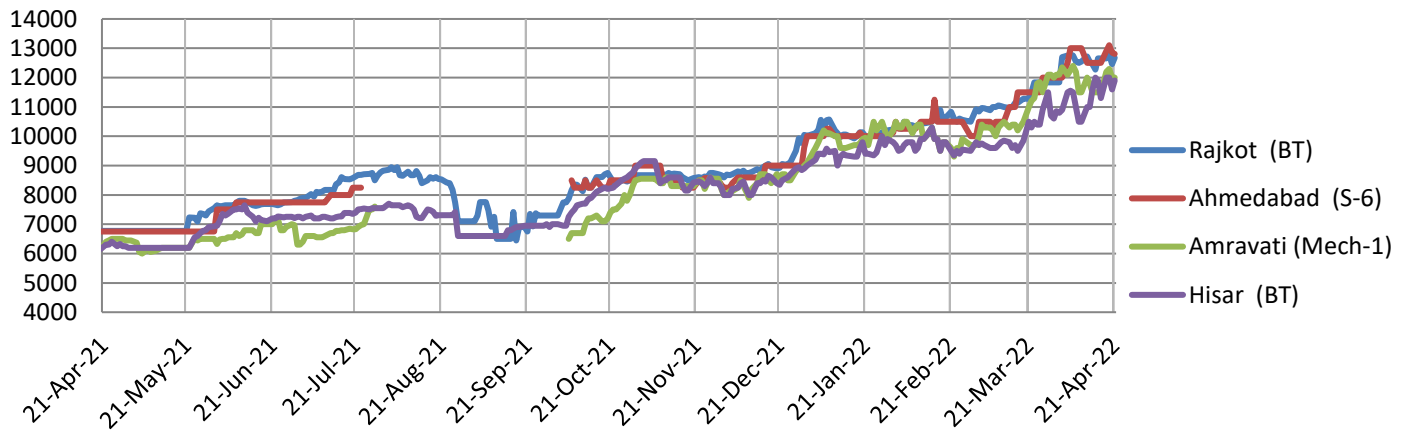
Market Highlights:

- Cotton sowing in Punjab has begun for the 2022-23 season. As per the market sources, till 19th April 2022, cotton was sown on around 2,500 hectares in Punjab. During 2021-22 season cotton was sown on over 3.03 lakh hectares in Punjab. Agriwatch expects area under cotton cultivation to increase in Punjab by around 2-3 percent in the 2022-23 season.
- According to the Gujarat Trade Association, Gujarat Cotton production has decreased from 1.18 crore bales in 2017-18 to 90 lakh bales in 2020-21. In the 2021-22 cotton production is expected to fall to 80 lakh bales. The area under cotton cultivation has decreased from 26.42 lakh hectares in 2017-18 to 22.50 lakh hectares in 2021-22 season. However, As per Agriwatch, the area is expected to increase by 4-5 percent in the coming 2022-23 season as cotton prices were stronger in the 2021-22 season.

Domestic Cotton Prices Scenario**Kapas (Raw Cotton) Weekly Price Scenario**

Weekly Price Review: Weekly Kapas average prices at Rajkot stood slightly higher at Rs. 12576/Qtl compared to previous week's Rs. 12553/Qtl, whereas at Hisar prices stood at Rs. 11800/Qtl compared to previous week price of Rs. 10933/Qtl. For Amravati and Ahmedabad prices were at Rs. 11833/Qtl and Rs. 12727/Qtl respectively.

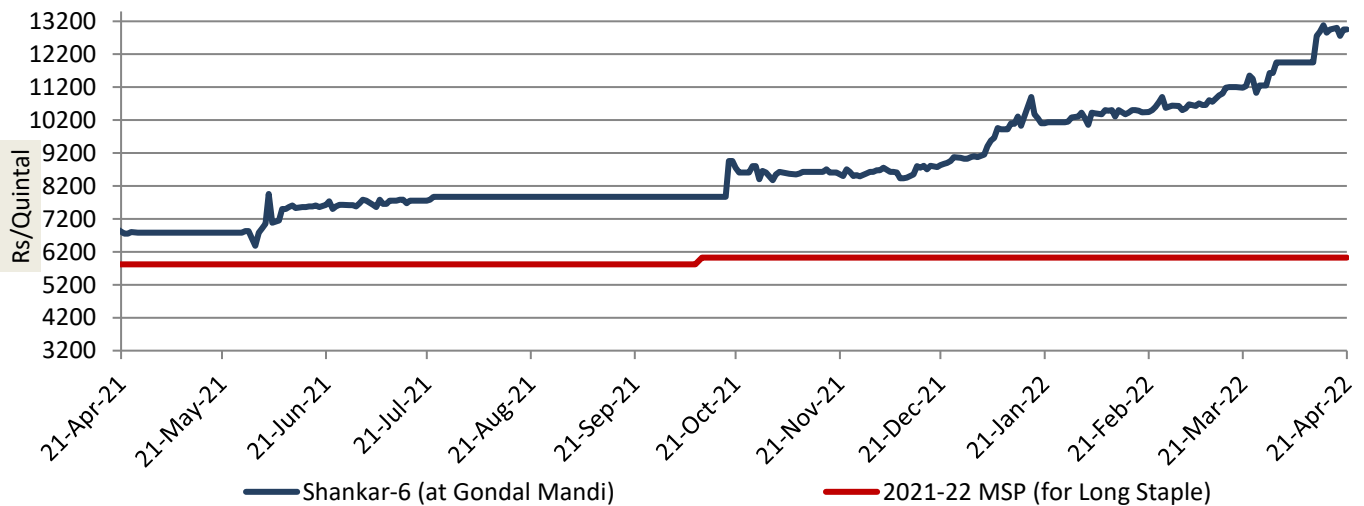
Variety wise Kapas Price trend (Rs/Qtl)



Spot Price versus MSP

Average Kapas prices at Gondal market stood slightly higher at Rs. 12955/Qtl from the previous week of Rs. 12913/q.

MSP versus Current S-6 Price

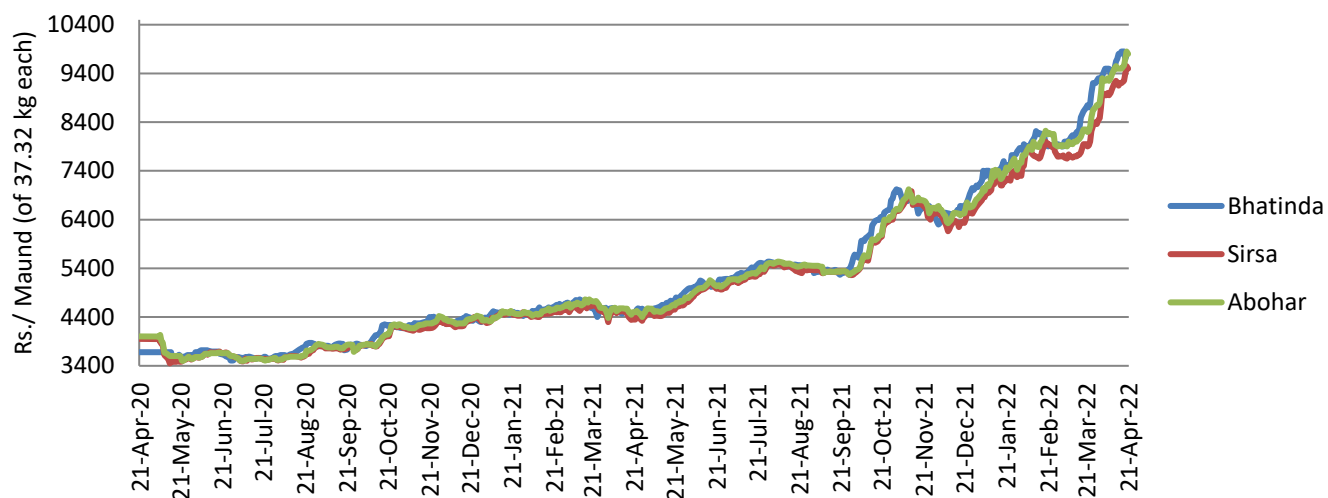


Source: Agriwatch

Lint price Outlook

The average price stood slightly higher at Rs. 9816/maund this week compared to Rs.9543/maund previous week in Abohar, in Bhatinda prices were at Rs.9783/maund, and slightly higher in Sirsa at Rs.9475/maund from Rs.9543/maund previous week.

Lint Price Trend at Key Centers

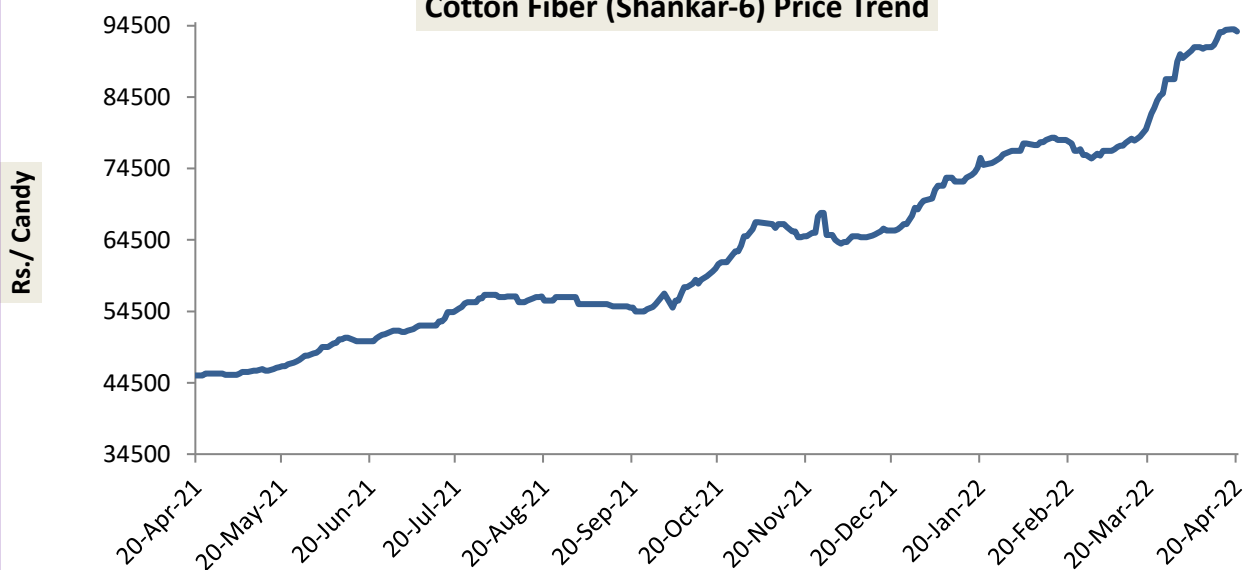


Source: Agriwatch

Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality were higher at Rs.93800/candy as compared to previous week price of Rs.91700/candy and is likely to remain on a stronger note on the back of firm global outlook amid tight supply.

Cotton Fiber (Shankar-6) Price Trend



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

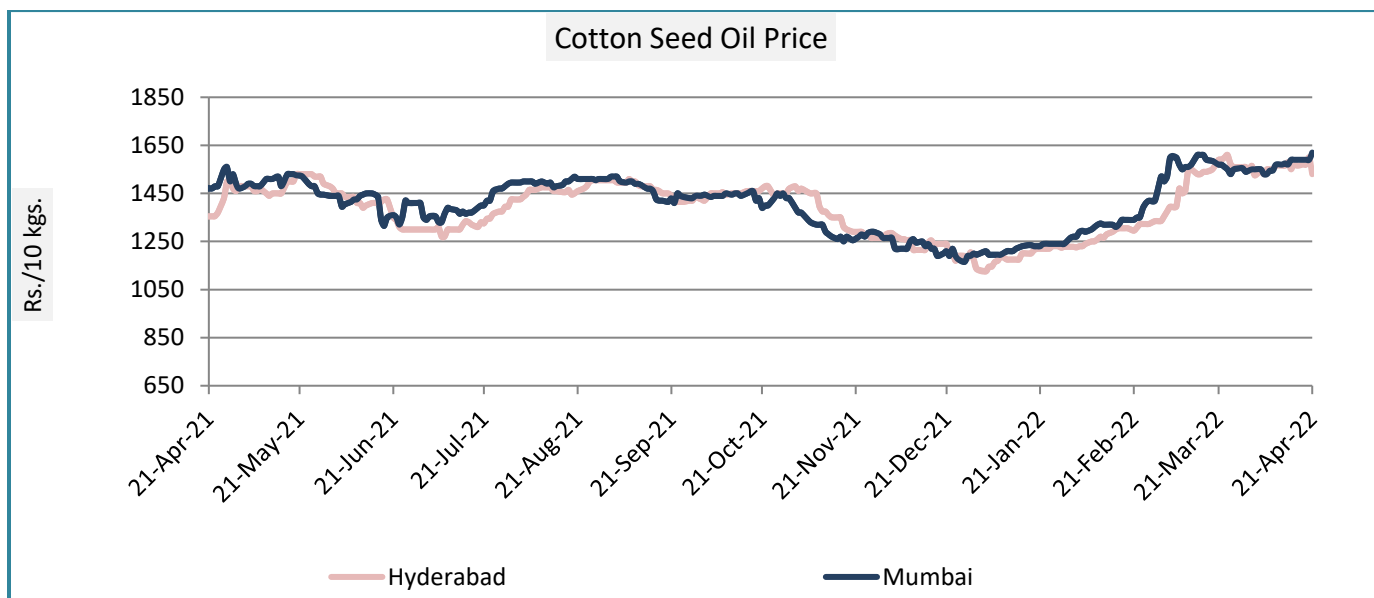
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have slightly increased across the major centers during the week ending on 20th Apr'22 due to slight improvement in the demand as compared to the previous week.

	Weekly Average Price as on (Rs/10 kg.)		% Change
	20-Apr-22	13-Apr-22	
New Delhi	-	-	-
Rajkot	1590	1574	7.72
Hyderabad	1578	1565	0.98
Mumbai	1608	1541	1.68

Source: Agriwatch

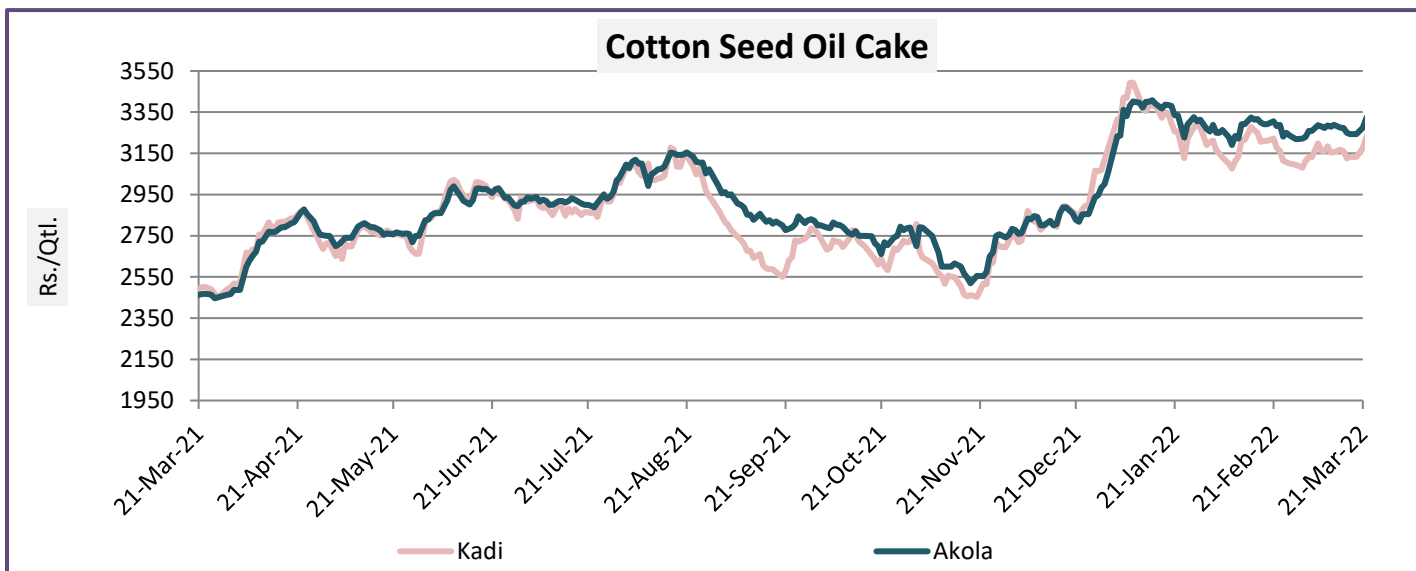


Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has decreased slightly as compared to previous week. Prices in Kadi were at Rs. 3125 per quintal from Rs. 3146 per quintal and in Akola prices were at Rs. 3239 per quintal from Rs. 3260 per quintal the previous week.

	Weekly Average Price as on (Rs/quintal.)*		% Change
	20-Apr-22	13-Apr-22	
Kadi	3125	3146	-1.23

Akola	3239	3260	-0.63
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Source: NCDEX

International Market Scenario

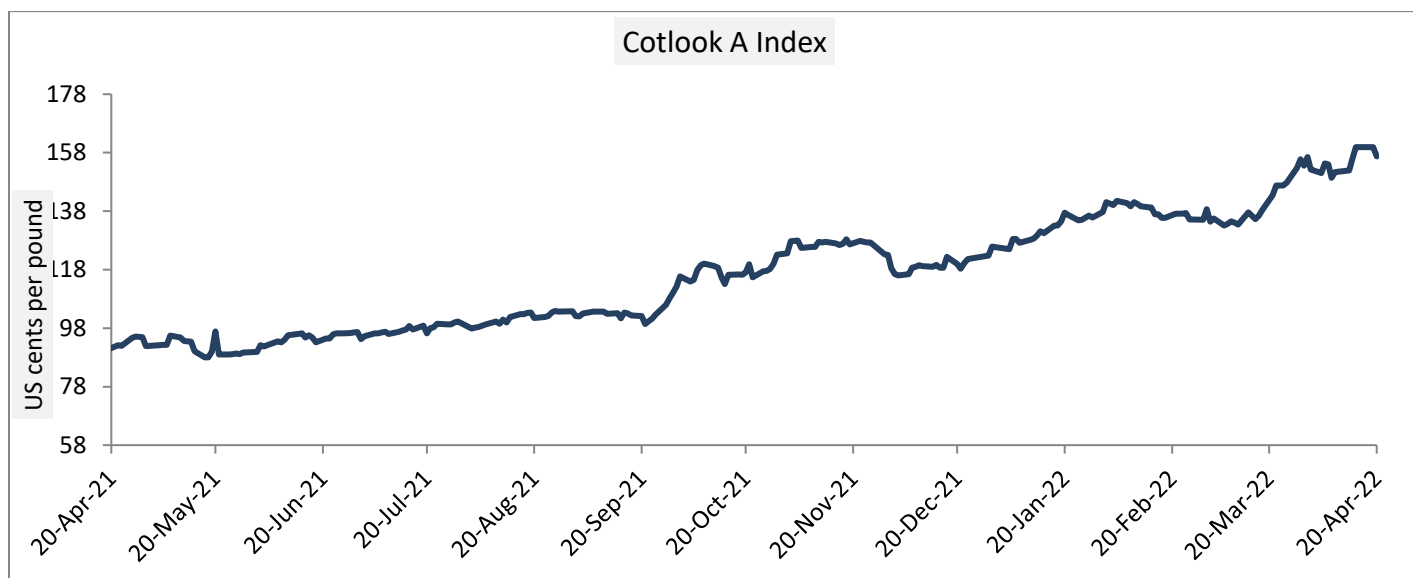
- According to the U.S. Crop progress report, as on 18th April 2022, U.S cotton planting stands at 10 percent which 1 percent lower from previous season of 11 percent. U.S. cotton planting was higher from past 5 years average of 9 percent.
- The All-Pakistan Textile Mills Association (APTMA), has asked the government to fix the cotton support price at Rs. 8,000 per maund to help farmers to increase cotton production for the coming 2022-23 season. As per the APTMA, Cotton support price was based on an international New York Future cotton price of Grade 3 of \$1.25/lb.

Cotlook A Index

Cotlook A Index was high this week. The Cotlook A Index was at 159.43 cents/lb higher as compared to the previous week (152.15 cents/lb), possibly led by the lowering of production in the US and World by USDA. All other markets also seem to have taken a cue from the same.

Cotlook A Index	Weekly Average Price change as on		% Change
	20-Apr-22	13-Apr-22	
Prices	159.43	152.15	4.79
Prices in US cents per Pound			

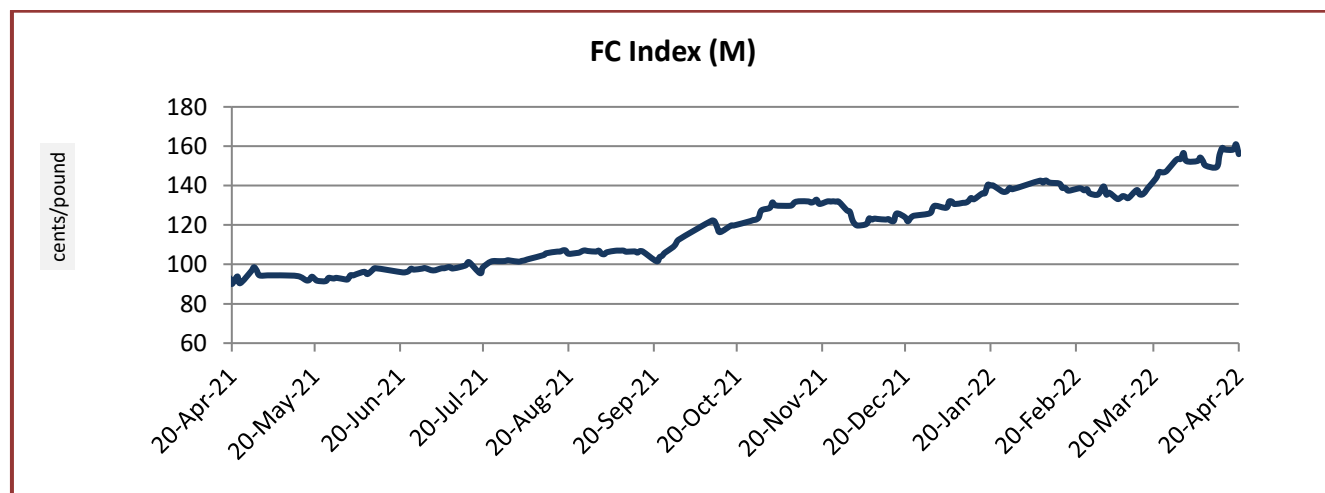
Source: Cotlook



China Cotton Index and Foreign Cotton Index

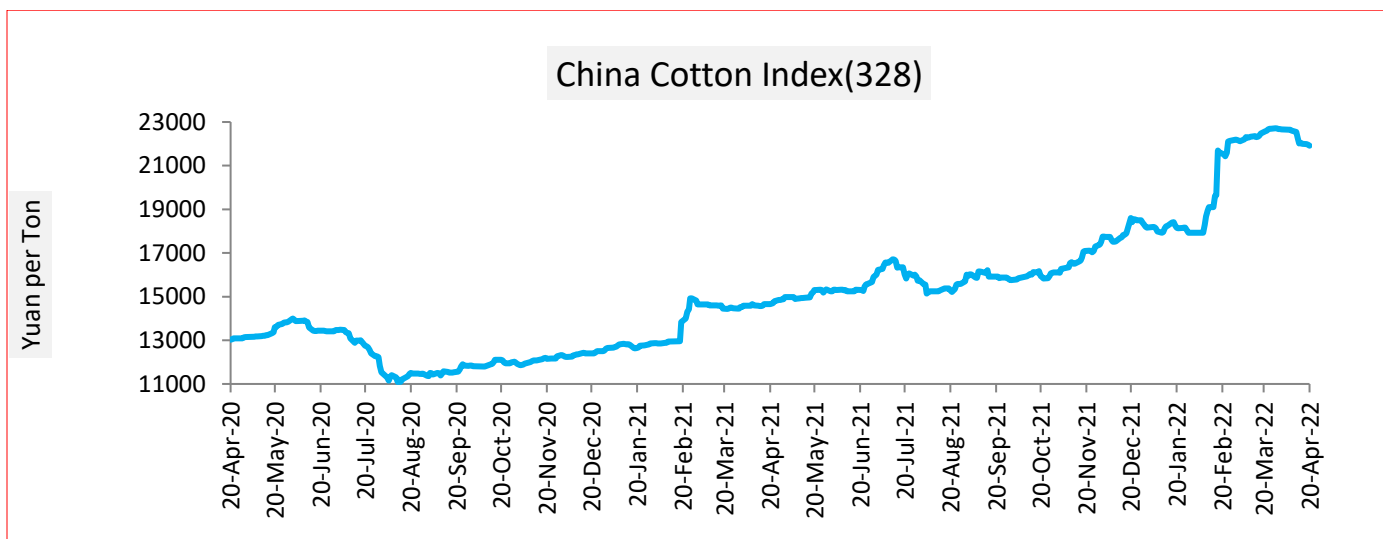
Cotton Index	Weekly Average Price as on		% Change
	20-Apr-22	13-Apr-22	
FC (S)	160.17	153.47	4.36
FC (M)	158.56	151.89	4.39
FC (L)	157.02	150.36	4.43
Prices in US cents per Pound			

Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	20-Apr-22	13-Apr-22	
CCIndex(328)	22596.80	22750.00	-0.67
CCIndex(527)	20840.60	20930.20	-0.43
CCIndex(229)	23076.40	23163.40	-0.38
Prices in Yuan per ton			

Source: China Cotton Association

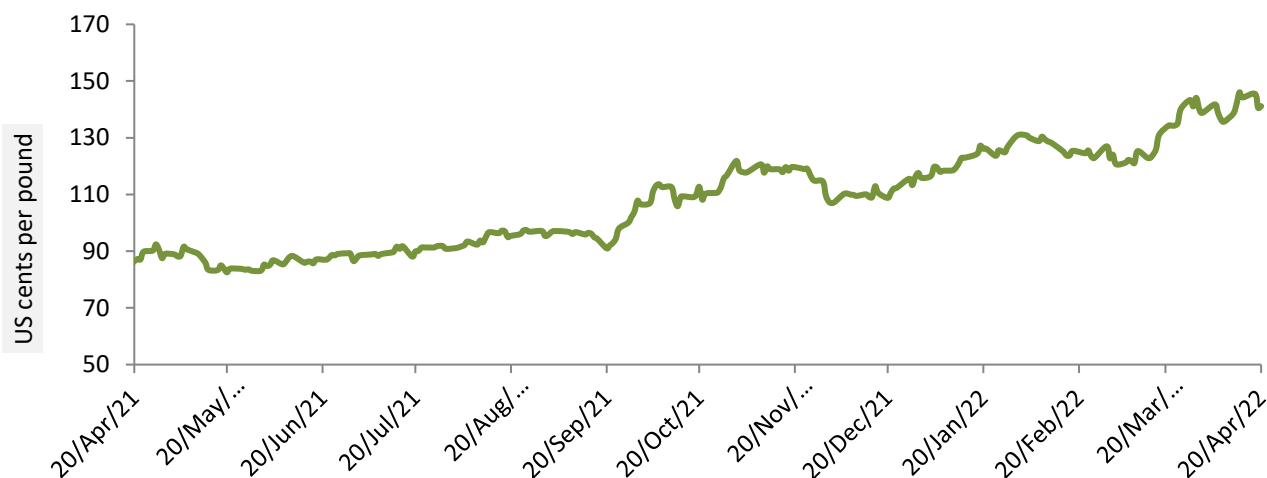


USA Spot Prices

U.S.A spot prices was at 142 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	20-Apr-22	13-Apr-22	
Prices	142.86	139.69	2.27
Prices in US cents per Pound			

Source: USDA

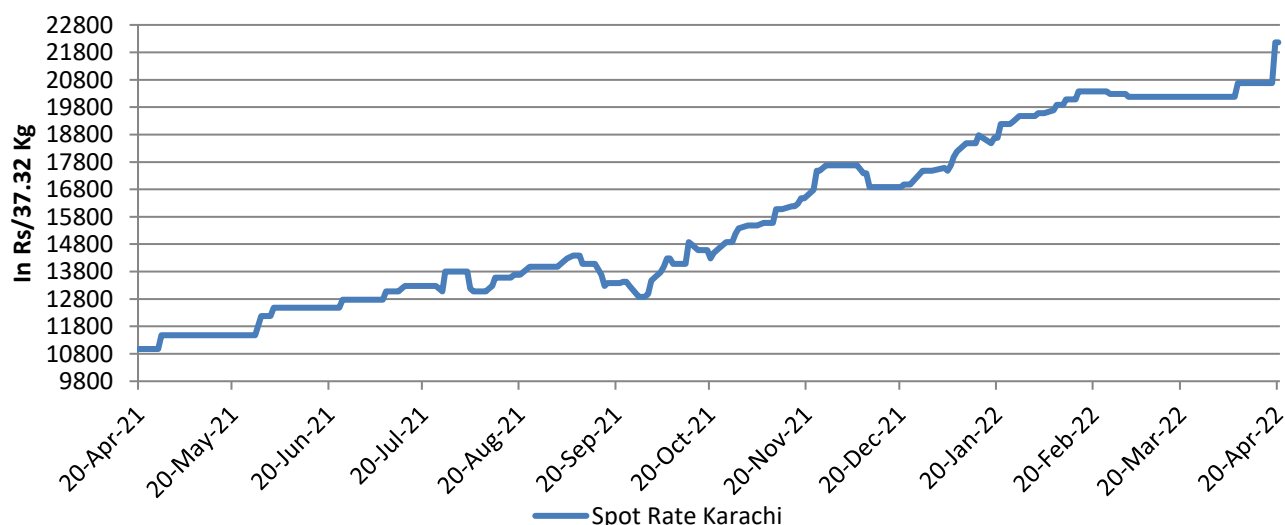
Daily Movement of USA Spot Price


Pakistan Spot Prices

The Karachi spot price had slightly increased at Rs.22163/q same as the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	20-Apr-22	06-Apr-22	
Prices	22163	21273	4.18
Prices in Rs per 37.32 Kg			

Source: Fibre2fashion.com

Spot Rate Karachi


Commodity: Cotton
Exchange: MCX
Contract: Apr
Expiry: Apr. 30, 2021
Cotton – Technical Outlook
Technical Chart:

Technical Commentary:

- According to the above chart, prices are likely to correct towards the upper wedge line.
- RSI is in overbought zone and there is negative divergence between RSI and prices indicating possible correction in prices.
- Momentum indicator MACD has made bearish crossover further indicating easing in prices from current levels.
- Overall, prices are expected to correct from the current level in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cotton	MCX	Apr	43620	43700	44040	44250	44370
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Apr	Buy	44030	44130	44220	43960

* Do not carryforward the position the next day.

Commodity: Cotton seed oilcake

Exchange: MCX

Contract: Apr

Expiry: Apr. 30, 2021

Cottonseed Oilcake

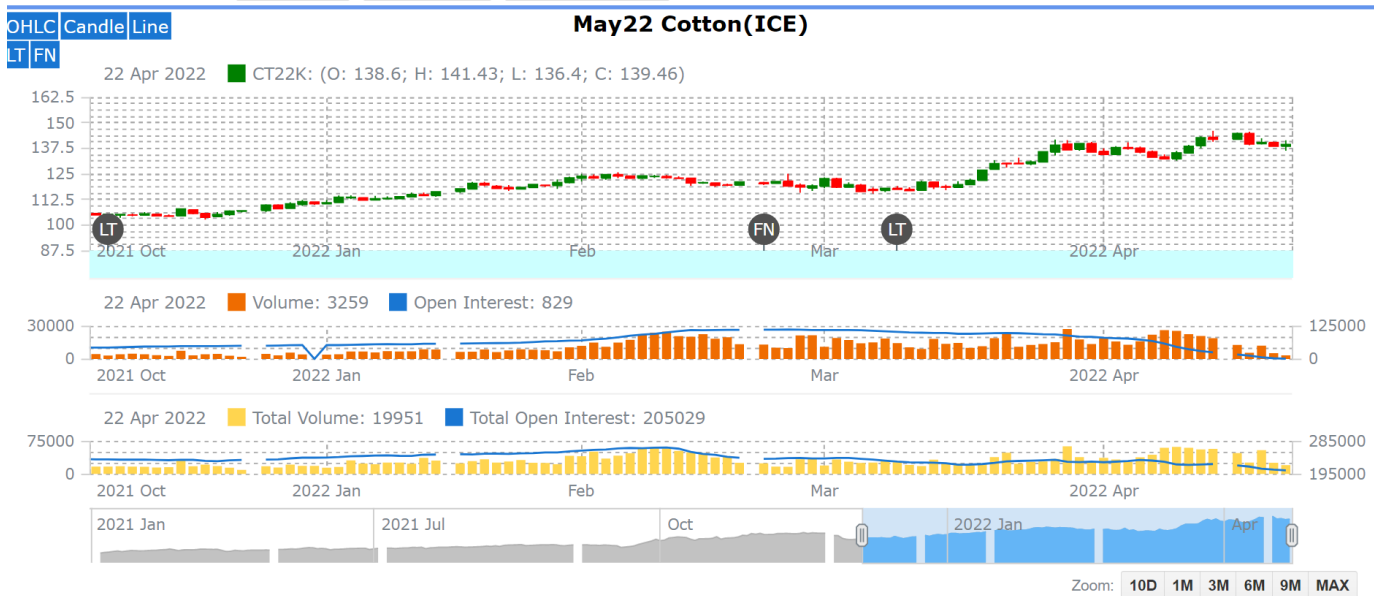
Technical Chart:



Technical Commentary:

- Currently trading at 50 DMA which can be categorized as support, prices may correct to 100 DMA in the coming week.
- RSI indicating weak buying strength.
- Market is expected to remain weak, Volume has decreased over the last week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Apr	2759	2809	2875	3102	3050
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Apr	Sell	2885	2850	2825	2906



Technical Analysis of Cotton Future (May'22Contract) at ICE

- The May'22' contract closed high by the end of the week.
- Total volume increased & Open Interest decreased compared to last week, correction in prices may be seen.
- We expect cotton prices to remain firm in the coming week.

Expected Price Range During Coming month

Expected Trend	Expected Trading Band
Firm	140-162

Expected Support and Resistance

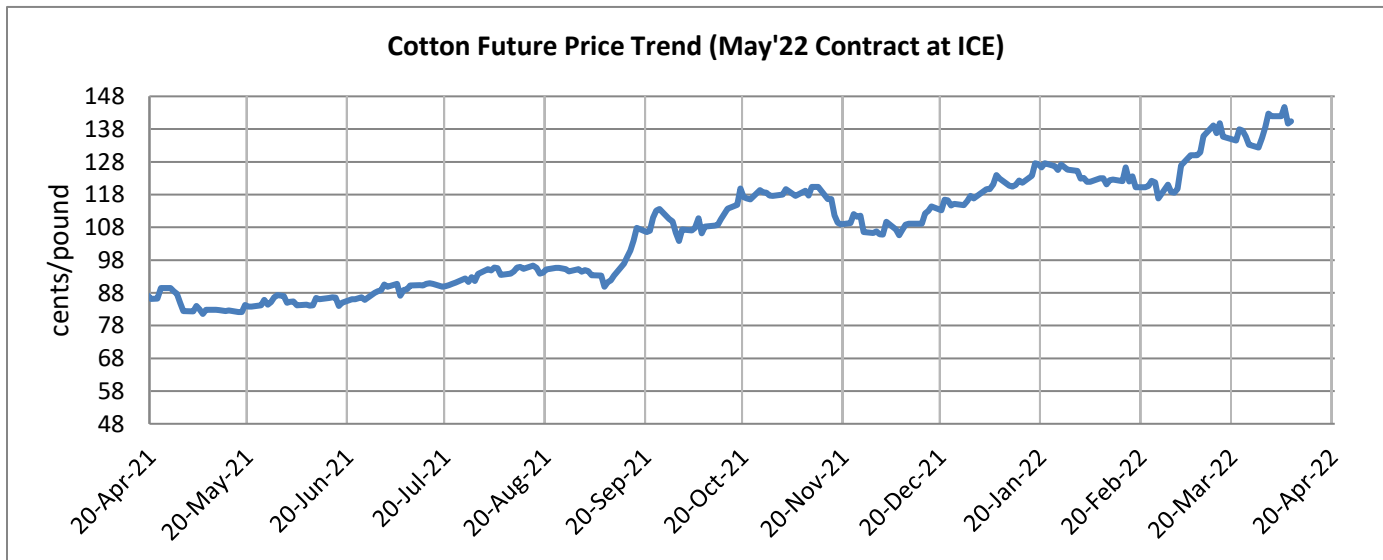
Support 1	Support 2	Resistance 1	Resistance 2
136	128	148	164

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	20-Apr-22	21-Mar-22 (1 month ago)	20-Jan-21 (3 months ago)	22-Oct-21 (6 months ago)	20-Apr-21 (a year ago)	% Change over a month	% Change over previous year
May-22	140.39	130.01	122.87	108.26	84.83	7.98	65.50
Jul-22	138.88	126.21	119.67	106.19	86.23	10.04	61.06
Oct-22	128.10	113.31	116.87	105.17	84.88	13.05	50.92
Dec-22	121.02	108.16	104.77	103.74	83.69	11.89	44.61
Mar-23	116.97	104.08	99.01	94.49	83.37	12.38	40.30

Future Price Trend (Active Contract):



Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	14th Apr'22 to 20th Apr'22	07th Apr'22 to 13th Apr'22	
Gujarat	Ahmedabad	Shankar-6	12500	12750	-250
	Gondal	Shankar-6	12955	12922	33
	Rajkot	B.T. Cotton	12628	12553	75
	Patan	B.T. Cotton	11827	12028	-201
	Kadi	B.T. Cotton	NA	12167	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11137	11584	-448
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11760	10933	827
	Fatehabad	B.T. Cotton	10960	11033	-73
	Jind	B.T. Cotton	10300	10700	-400
	Uchana	B.T. Cotton	9500	10508	-1008
	Dabwali	B.T. Cotton	11525	11417	108
Rajasthan	Hanumangarh	B.T. Cotton	NA	8893	-
	Rawatsar	B.T. Cotton	11780	11490	290
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	12167	11750	417
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	10500	10550	-50
Karnataka	Bijapur	Bunny	12532	12364	168
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	10233	11367	-1134
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	14th Apr'22 to 20th Apr'22	07th Apr'22 to 13th Apr'22	
Punjab	Bhatinda	J-34	9783	9500	283
	Abohar	J-34	9817	9543	273
	Mansa	J-34	NA	9500	-
Haryana	Sirsa	J-34	9460	9233	227

Rajasthan	Sri-Ganganagar	J-34	8970	8893	77
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Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	14th Apr'22 to 20th Apr'22	07th Apr'22 to 13th Apr'22	
Gujarat	Ahmedabad	Shankar-6	74800	124100	-49300
	Gondal	Shankar-6	13853	16338	-2485
	Rajkot	B.T. Cotton	10280	20750	-10470
	Patan	B.T. Cotton	11166	31533	-20367
	Kadi	B.T. Cotton	4000	26000	-22000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	268	793	-525
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	6120	9690	-3570
	Fatehabad	B.T. Cotton	435	1450	-1015
	Jind	B.T. Cotton	2210	3995	-1785
	Uchana	B.T. Cotton	1000	3050	-2050
	Dabwali	B.T. Cotton	1250	2600	-1350
Rajasthan	Hanumangarh	B.T. Cotton	NA	200	-
	Rawatsar	B.T. Cotton	900	4500	-3600
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	46000	85000	-39000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	205	10794	-10589
Karnataka	Bijapur	Bunny	3233	4522	-1289
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	18	35	-17
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	14th Apr'22 to 20th Apr'22	07th Apr'22 to 13th Apr'22	
Punjab	Bhatinda	J-34	3145	9520	-6375
	Abohar	J-34	1037	1700	-663
	Mansa	J-34	NA	595	-
Haryana	Sirsa	J-34	3740	4760	-1020

Rajasthan	Sri-Ganganagar	J-34	NA	70	-
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Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Apr-22	14-Apr-22	22-Mar-22	21-Apr-21
Gujarat	Ahmedabad	Shankar-6	12500	12500	11500	#N/A
	Gondal	Shankar-6	12805	12955	12130	5500
	Rajkot	B.T. Cotton	12675	12275	11500	5530
	Patan	B.T. Cotton	11960	Closed	10575	5515
	Kadi	B.T. Cotton	NA	12500	11000	5550
	Deesa	B.T. Cotton	NA	0	0	NA
	Dhrol	B.T. Cotton	NA	11190	NA	NR
Haryana	Bhiwani	B.T. Cotton	NA	0	0	5600
	Bhiwani	Desi	NA	0	0	NA
	Adampur	B.T. Cotton	11900	12000	10300	5350
	Fatehabad	B.T. Cotton	NA	11500	11000	5350
	Jind	B.T. Cotton	NA	10500	10200	5700
	Uchana	B.T. Cotton	NA	9800	10200	5385
	Dabwali	B.T. Cotton	NA	11400	10690	NR
Rajasthan	Hanumangarh	B.T. Cotton	NA	0	11200	Closed
	Rawatsar	B.T. Cotton	NA	12000	10500	Closed
Madhya Pradesh	Khandwa	Mech-1	NA	0	0	5491
	Khargaon	Mech-1	NA	0	0	5427
Maharashtra	Amravati	Mech-1	12000	Closed	11200	5300
	Jamner	Medium Staple	NA	0	0	NA
Uttar Pradesh	Hathras	B.T. Cotton	NA	0	0	NA
	Hathras	Desi	NA	0	0	NA
Telangana	Adilabad	Un-Ginned	10500	0	10000	5400
Karnataka	Bijapur	Bunny	12711	0	9962	5929
	Hubli	D.C.H.	NA	0	0	NA
	Hubli	B.T. Cotton	NA	0	0	NA
	Raichur	H-44 Cotton	11500	0	10500	5470
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	21-Apr-22	14-Apr-22	22-Mar-22	21-Apr-21
Punjab	Bhatinda	J-34	9800	9700	8700	-
	Abohar	J-34	9800	9850	8700	-

	Mansa	J-34	NA	0	8625	-
Haryana	Sirsa	J-34	9450	9550	8400	-
Rajasthan	Sri-Ganganagar	J-34	NA	8977	8084	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Apr-22	14-Apr-22	22-Mar-22	21-Apr-21
Gujarat	Ahmedabad	Shankar-6	17000	20400	34000	#N/A
	Gondal	Shankar-6	1845	3106	3364	#N/A
	Rajkot	B.T. Cotton	1600	3145	5300	#N/A
	Patan	B.T. Cotton	2145	Closed	4965	3450
	Kadi	B.T. Cotton	NA	4000	12500	#N/A
	Deesa	B.T. Cotton	NA	0	0	#N/A
	Dhrol	B.T. Cotton	NA	79	NA	#N/A
Haryana	Bhiwani	B.T. Cotton	NA	0	0	1200
	Bhiwani	Desi	NA	0	0	-
	Adampur	B.T. Cotton	1020	850	1870	-
	Fatehabad	B.T. Cotton	NA	125	700	-
	Jind	B.T. Cotton	NA	510	1360	-
	Uchana	B.T. Cotton	NA	300	1000	-
	Dabwali	B.T. Cotton	NA	500	500	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	0	700	-
	Rawatsar	B.T. Cotton	NA	200	1000	-
Madhya Pradesh	Khandwa	Mech-1	NA	0	0	-
	Khargaon	Mech-1	NA	0	0	-
Maharashtra	Amravati	Mech-1	12000	Closed	8000	-
	Jamner	Medium Staple	NA	0	0	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	0	0	-
	Hathras	Desi	NA	0	0	-
Telangana	Adilabad	Un-Ginned	138	0	6236.8	-
Karnataka	Bijapur	Bunny	712	0	12	-
	Hubli	D.C.H.	NA	0	0	-
	Hubli	B.T. Cotton	NA	0	0	-
	Raichur	H-44 Cotton	8	0	5	-
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	21-Apr-22	14-Apr-22	22-Mar-22	21-Apr-21
Punjab	Bhatinda	J-34	85	1700	3400	-
	Abohar	J-34	136	255	425	-
	Mansa	J-34	NA	0	510	-

	Sirsa	J-34	340	1020	1530	-
	Sri-Ganganagar	J-34	NA	0	400	-

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				14th Apr'22 to 20th Apr'22	07th Apr'22 to 13th Apr'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	59200	57350	1850
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	59900	58050	1850
J-34(202)	26mm	3.5 - 4.9	23	89950	87133	2817
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	92200	89467	2733
Shankar-6(105)	29mm	3.5 – 4.9	28	93800	91700	2100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	100850	98833	2017
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	114167	112750	1417

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