

COTTON WEEKLY RESEARCH REPORT02nd May 2022**Domestic market summary**

Domestic Market Scenario: Despite the removal of import duty on cotton till the new season, the cotton prices had slightly fluctuated during the week however, remained on the higher note. Indian mills are not interested to buy cotton at higher rate but short supply has forced them to buy limited quantities daily. So, despite higher MCX, liquidity in the market is good. Indian textile ministry has clarified that there is no proposal to put ban on cotton or yarn export but rumors has given chance to speculators. Cotton Fiber (Shanker-6) prices remained stable during the week.

Weekly Price Outlook:

The average price of Kapas in Andhra Pradesh is likely to hover around Rs.12,800-13,500/Qtl.

Major Market Highlights:

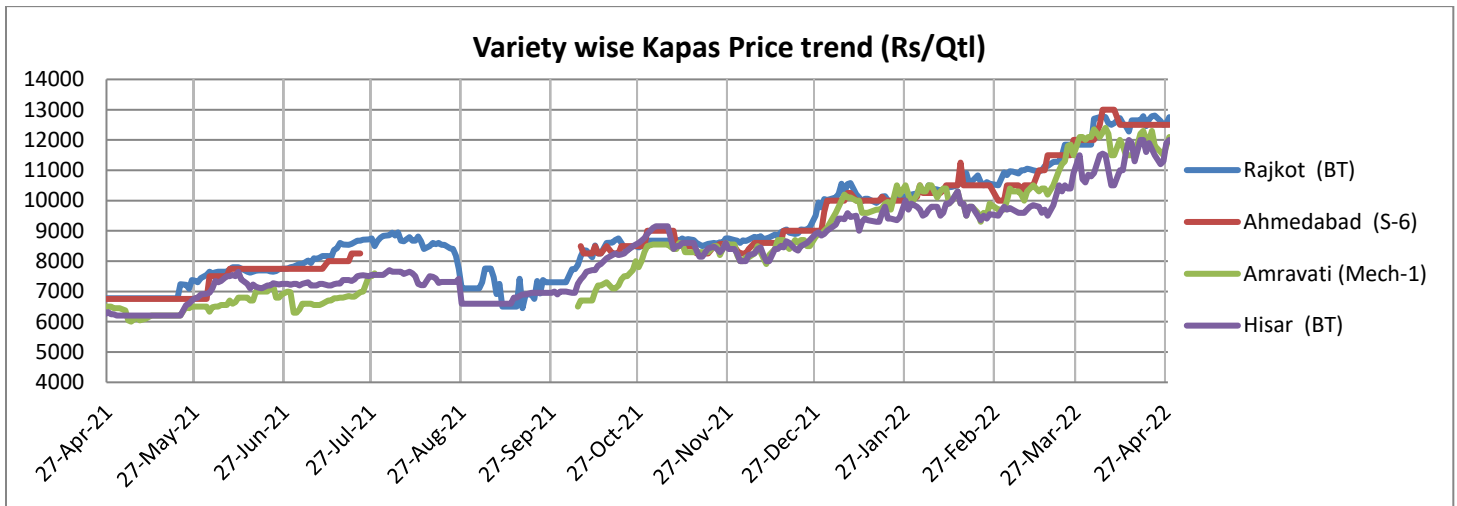
- The Cotlook Index stood higher (154.50 cents/lbs) compared to the ICE Cotton Futures that stood at 141.41 cents/lbs.
- Indian rupee consolidated from Rs. 76.70 to 76.25 per USD.

Market Highlights:

- Telangana government is targeting to increase the area under cotton by 55–65 percent to about 28–30 lakh hectares as compared to last year's 18 lakh hectares even as the cottonseed industry pegged the growth in cotton acreage at 15 per cent in the upcoming Kharif season. As per USDA report, the all-cotton planted area for India in the coming season 2022-23 is estimated at 12.2 million acres, higher 9 percent from last year.
- 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, Agriwatch expects the area under cotton cultivation is expected to increase by 5-10 percent in the coming 2022-23 season as cotton prices were stronger in the 2021-22 season.

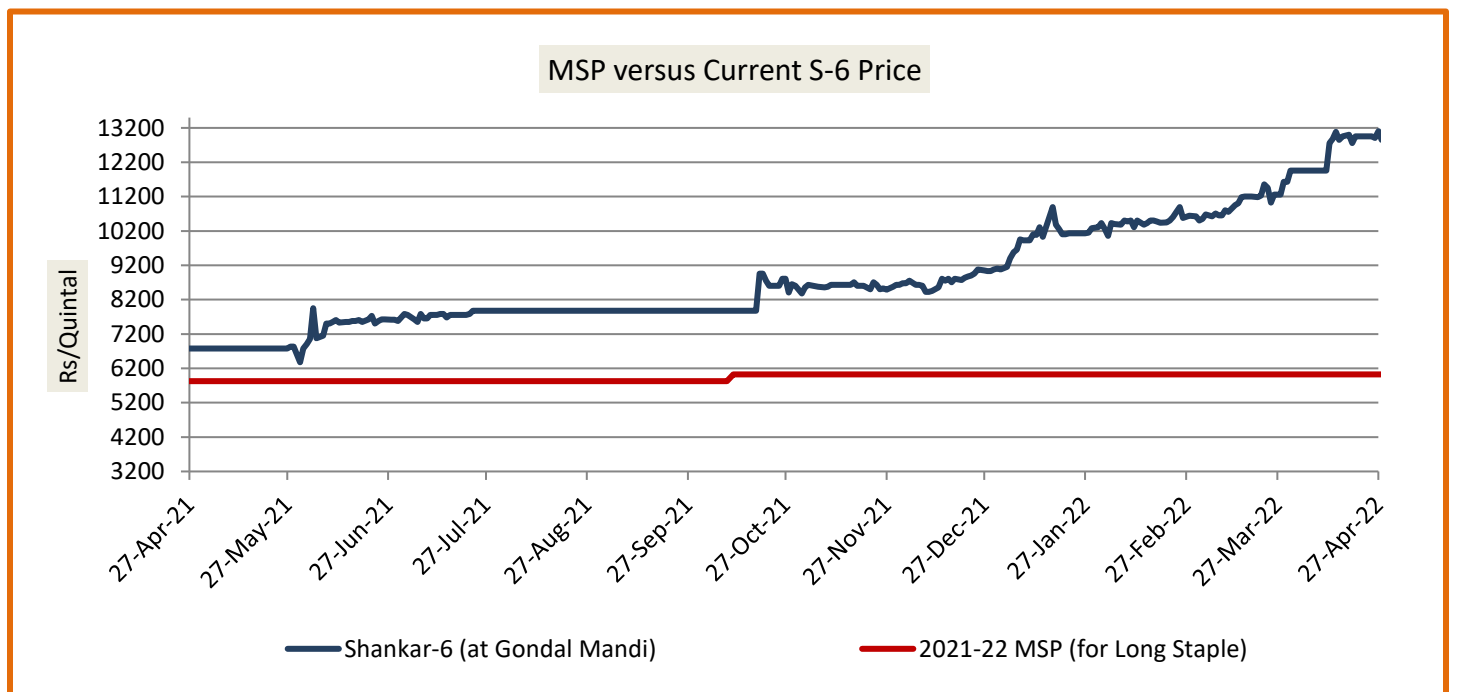
Domestic Cotton Prices Scenario**Kapas (Raw Cotton) Weekly Price Scenario**

Weekly Price Review: Weekly Kapas average prices at Rajkot stood slightly higher at Rs. 12657/Qtl compared to previous week's Rs. 12576/Qtl, whereas at Hisar prices stood slightly lower at Rs. 11583/Qtl compared to previous week price of Rs. 11800/Qtl. For Amravati and Ahmedabad prices were at Rs. 11833/Qtl and Rs. 12500/Qtl respectively.



Spot Price versus MSP

Average Kapas prices at Gondal market stood slightly lower at Rs. 12520/Qtl from the previous week of Rs. 12955/q.

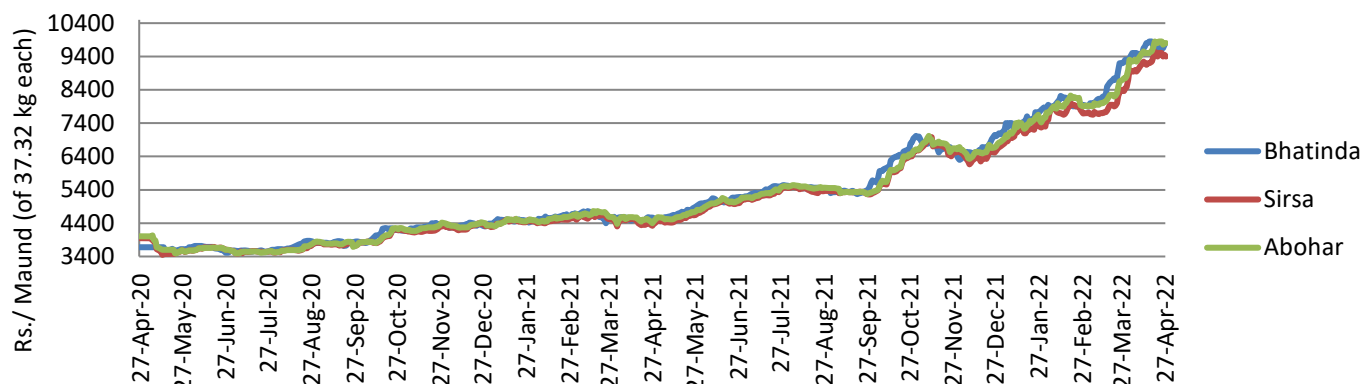


Source: Agriwatch

Lint price Outlook

The average price stood slightly lower at Rs. 9695/maund this week compared to Rs.9816/maund previous week in Abohar, in Bhatinda prices were at Rs.9700/maund, and slightly lower in Sirsa at Rs.9305/maund from Rs.9475/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 stable at Rs.93800/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

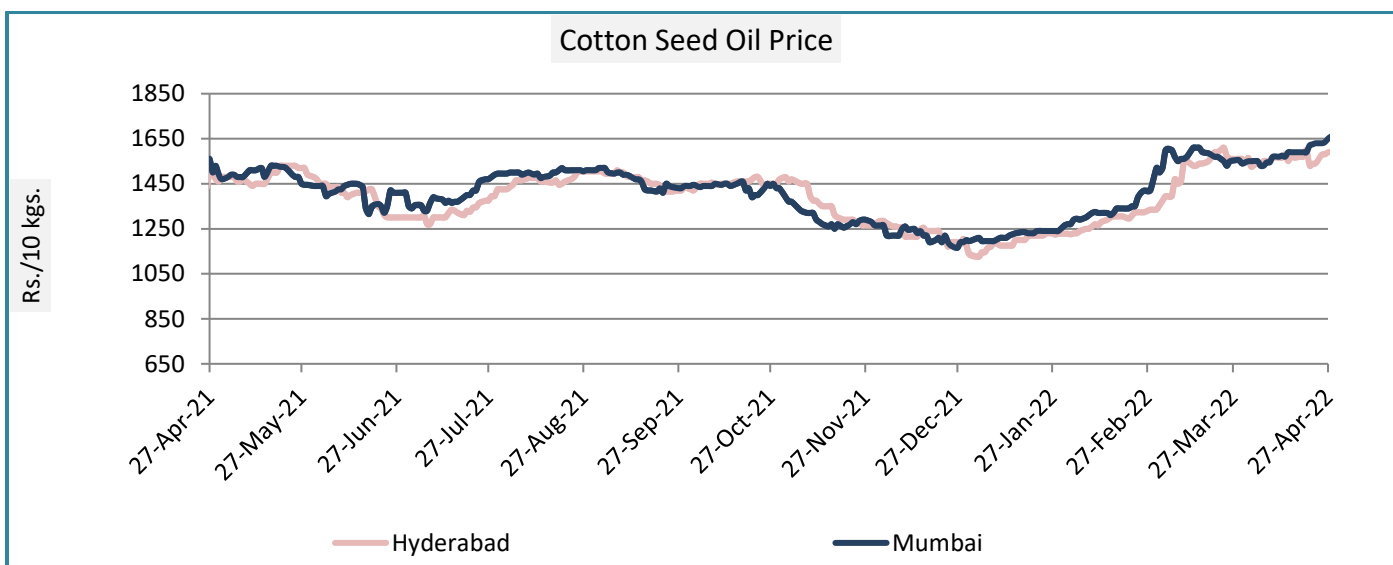
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have slightly increased across the major centers during the week ending on 27th Apr'22 due to slight improvement in the demand as compared to the previous week.

	Weekly Average Price as on (Rs/10 kg.)		% Change
	27-Apr-22	20-Apr-22	
New Delhi	-	-	-
Rajkot	1628	1590	2.41
Hyderabad	1605	1578	1.71
Mumbai	1650	1608	2.61

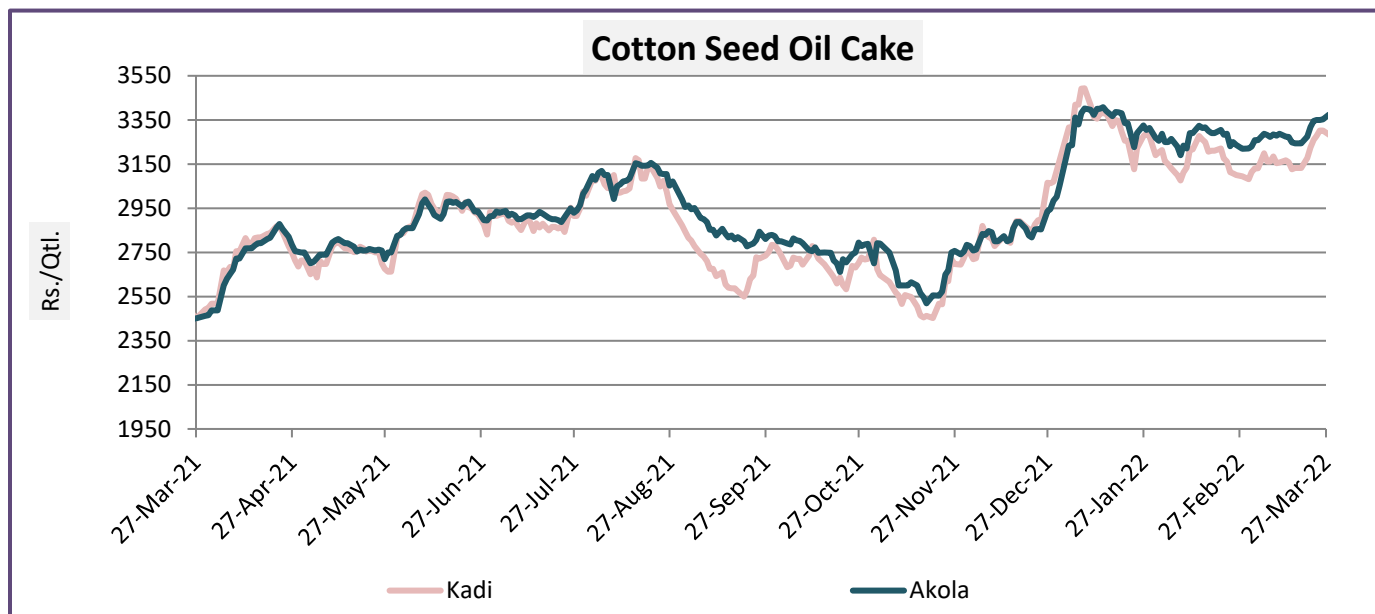
Source: Agriwatch



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. 3028 per quintal from Rs. 3125 per quintal and in Akola prices were at Rs. 3130 per quintal from Rs. 3239 per quintal the previous week.

	Weekly Average Price as on (Rs/quintal.)*		% Change
	20-Apr-22	20-Apr-22	
Kadi	3028	3125	-3.10
Akola	3130	3239	-3.36



Source: NCDEX

International Market Scenario

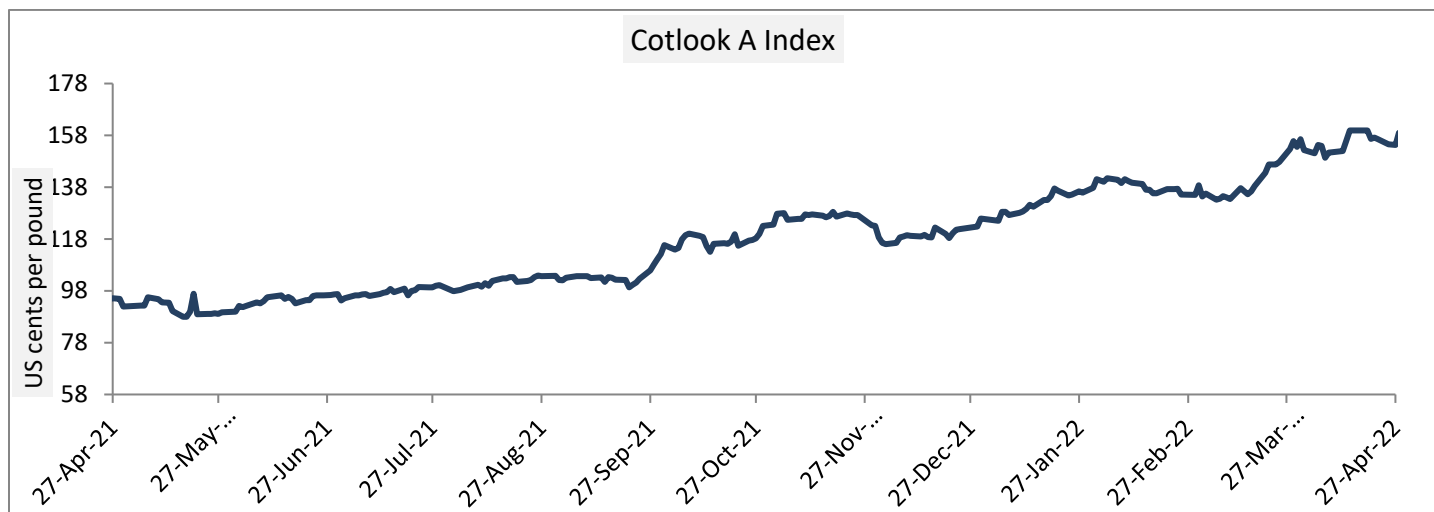
- According to the China Cotton Association, as on 15th April 2022, new cotton crop sowing progress was 72 percent in Xinjiang, which is 23.8 percentage points higher than the same period last year. Currently Cotton Crop in Marabishi, Kashgar, Yarkant, and Turpan have been in seeding stage, and the planting progress was higher than the last year in the major cotton growing areas.
- According to USDA, April month Report, the global cotton production is estimated at 120.2 million bales in 2021-22 season as compared to 119.9 million bales in February 2022. India's cotton crop was unchanged at 26.50 million bales. India allowed duty-free imports of cotton until Sept. 30 as prices in the local market jumped to a record high because of a drop in the production.
- According to the U.S. Crop progress report, as on 24th April 2022, U.S cotton planting stands at 12 percent which is same as that of previous season of 12 percent. U.S. cotton planting was higher from past 5 years average of 1 percent.

Cotlook A Index

Cotlook A Index was high this week. The Cotlook A Index was at 155.61 cents/lb lower as compared to the previous week (159.43 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
	27-Apr-22	20-Apr-22	
Prices	155.61	159.43	-2.64
Prices in US cents per Pound			

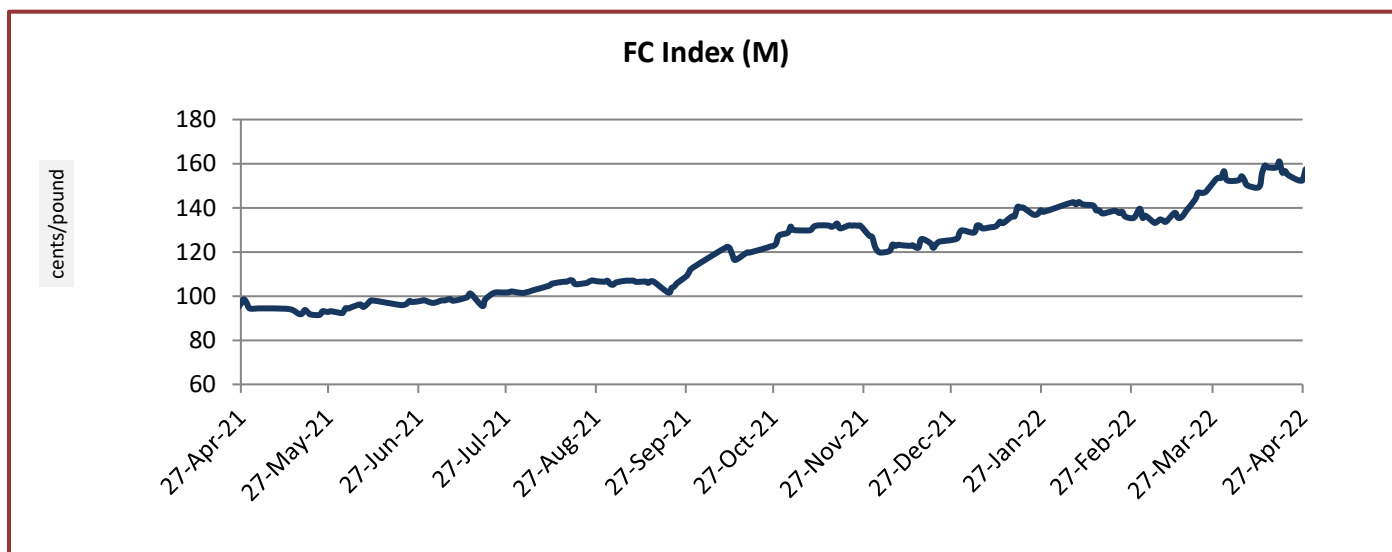
Source: Cotlook



China Cotton Index and Foreign Cotton Index

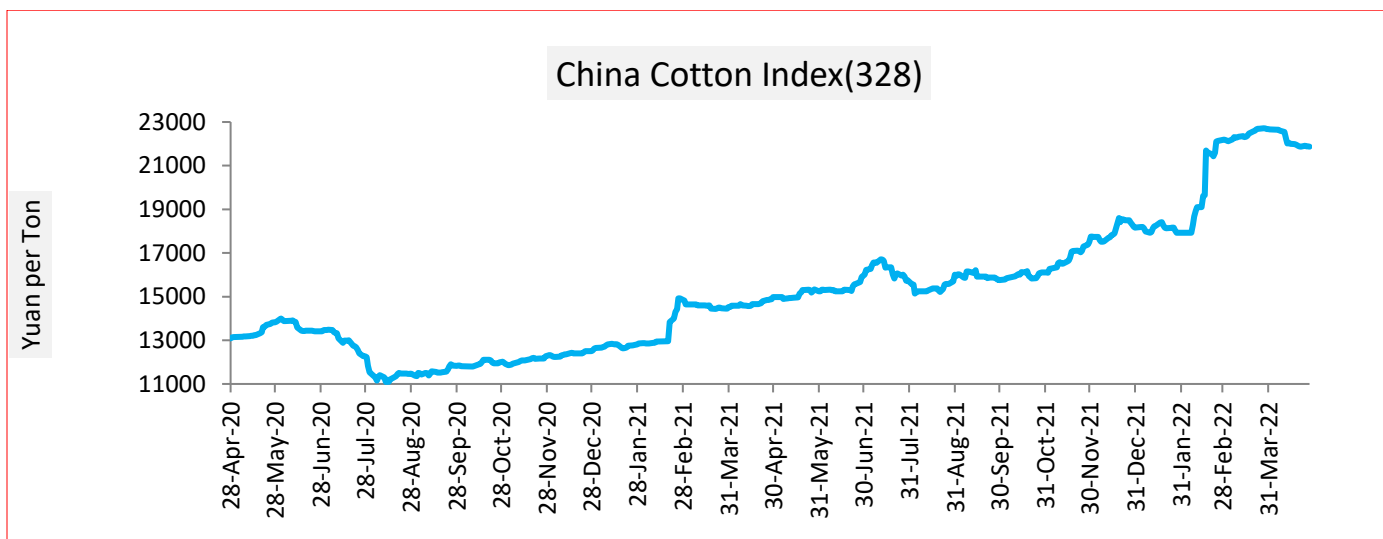
Cotton Index	Weekly Average Price as on		% Change
	27-Apr-22	20-Apr-22	
FC (S)	155.44	160.17	-2.95
FC (M)	153.85	158.56	-2.97
FC (L)	152.31	157.02	-3.00
Prices in US cents per Pound			

Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	27-Apr-22	20-Apr-22	
CCIndex(328)	22480.00	22596.80	-0.52
CCIndex(527)	20787.20	20840.60	-0.26
CCIndex(229)	22892.40	23076.40	-0.80
Prices in Yuan per ton			

Source: China Cotton Association

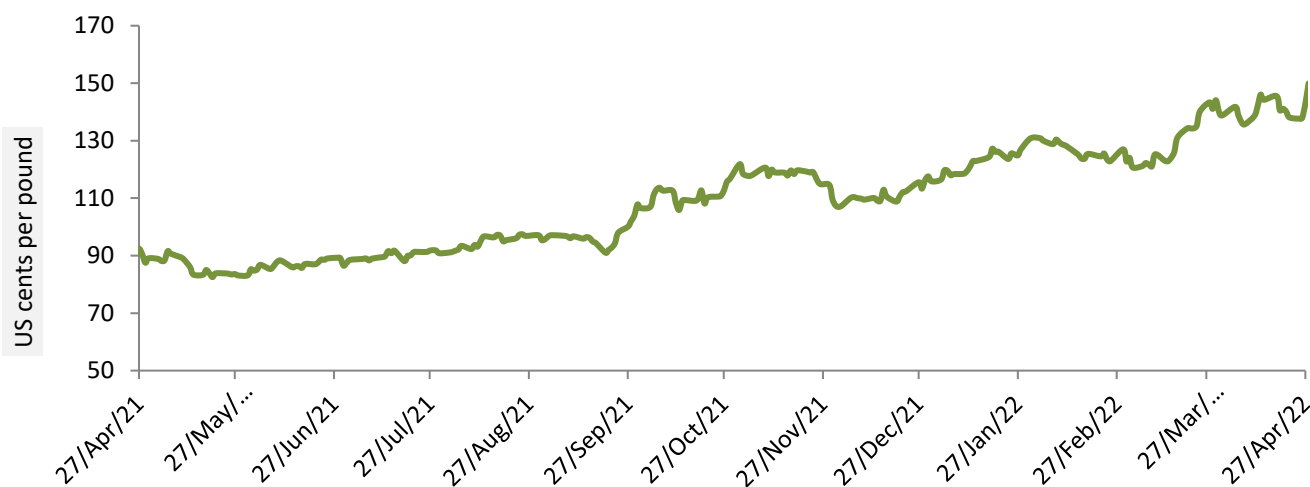


USA Spot Prices

U.S.A spot prices was at 139 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	27-Apr-22	20-Apr-22	
Prices	139.35	142.86	-2.46
Prices in US cents per Pound			

Source: USDA

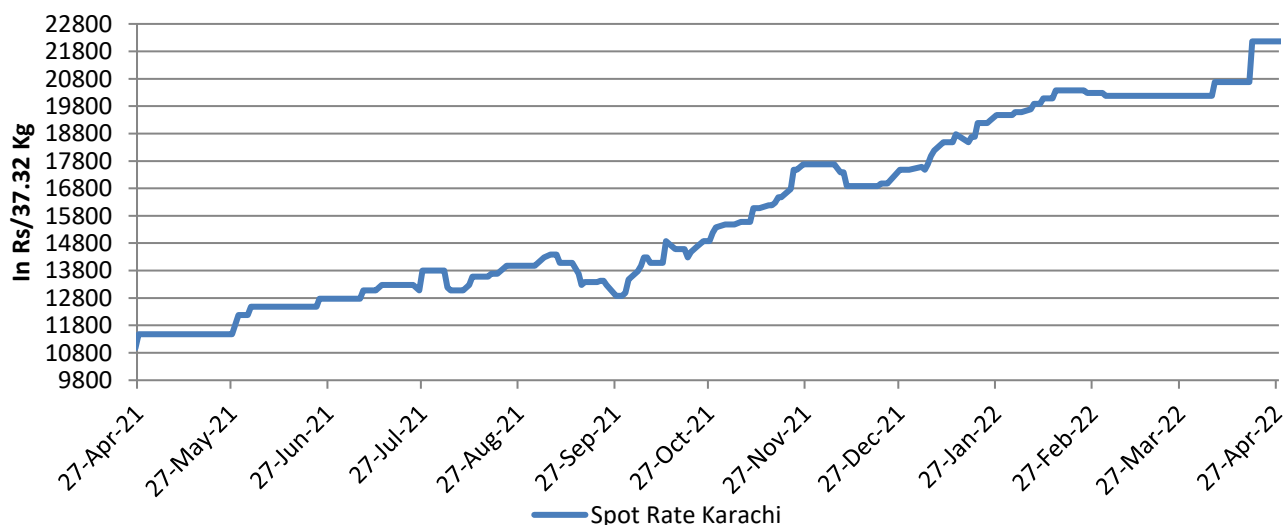
Daily Movement of USA Spot Price


Pakistan Spot Prices

The Karachi spot price had slightly increased at Rs.22270/q same as the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	27-Apr-22	20-Apr-22	
Prices	22270	22163	0.48
Prices in Rs per 37.32 Kg			

Source: Fibre2fashion.com

Spot Rate Karachi


Commodity: Cotton

Exchange: MCX

Contract: May

Expiry: May. 30, 2021

Cotton – Technical Outlook

Technical Chart:

Cotton 29mm Futures, India, W, MCX - O 45500 H 45830 L 45390 C 45530

MA (9, close, 0) - 42675.5556

Volume (20) - n/a 6.781K

MA (18, close, 0) - 39707.7778

MA (50, close, 0) - 32340.0000

MA (9, close, 0) - 42675.5556



Technical Commentary:

- Currently RSI is in the overbought zone, so we are anticipating some prices corrections and profit booking in the coming week but overall up trend will be followed.
- Volume remains low in the market, which indicates weak buying strength.
- MACD indicating Bullish momentum.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cotton	MCX	May	45210	45290	45680	45840	45960
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	May	Sell	45620	45000	44800	45692

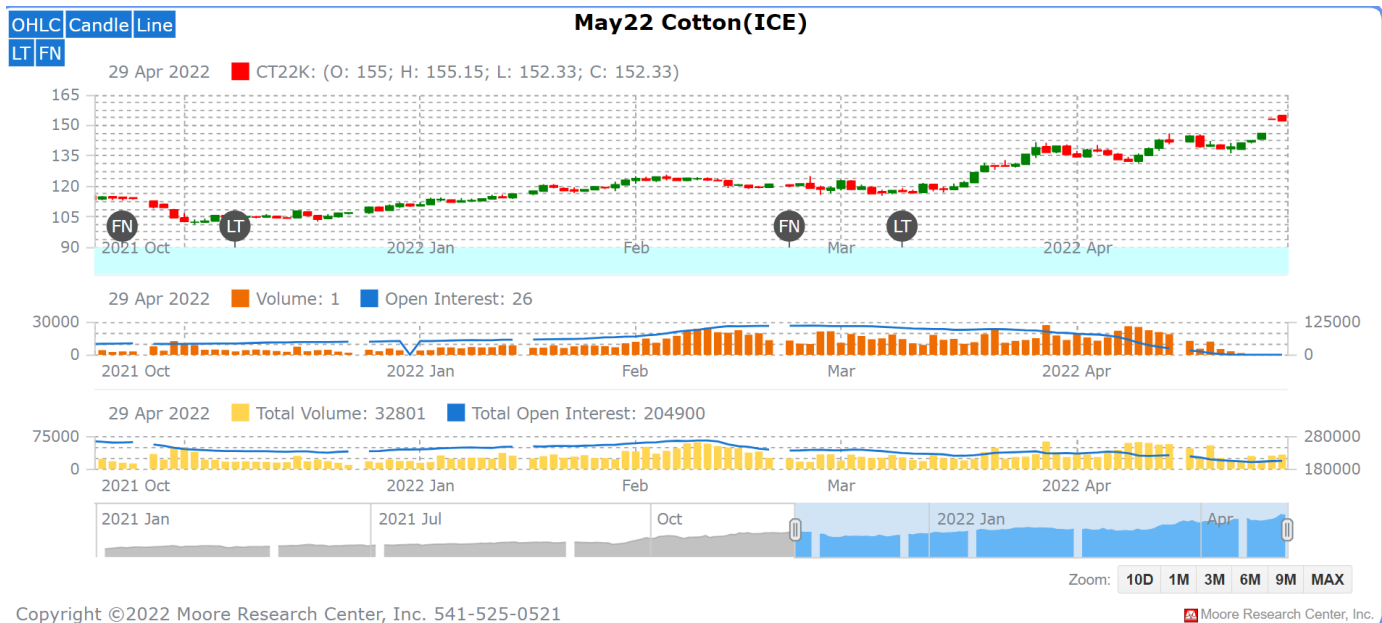
* Do not carryforward the position the next day.

Commodity: Cotton seed oilcake
Exchange: MCX
Contract: May
Expiry: May. 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 but market may take trendline support (2660).
- Volume has decreased over the last week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	May	2655	2705	2791	3102	2946
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	May	Sell	2781	2746	2721	2802



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	150-162

Expected Support and Resistance

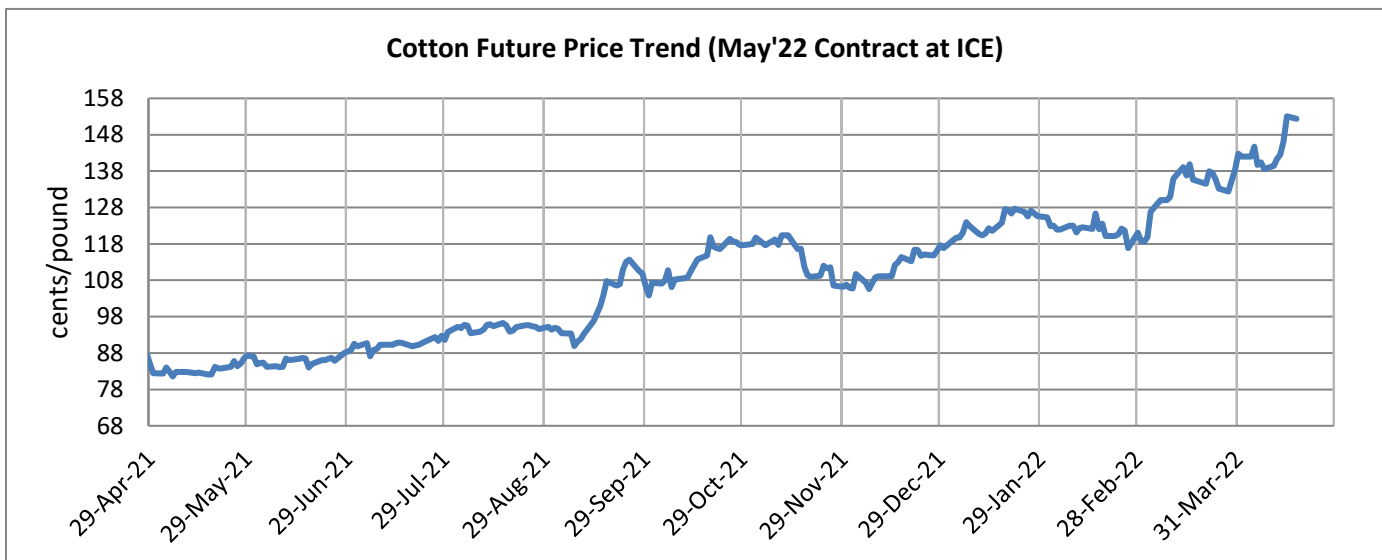
Support 1	Support 2	Resistance 1	Resistance 2
146	138	155	164

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	29-Apr-22	30-Mar-22 (1 month ago)	29-Jan-21 (3 months ago)	30-Oct-21 (6 months ago)	29-Apr-21 (a year ago)	% Change over a month	% Change over previous year
May-22	152.33	139.84	123.76	114.85	85.89	8.93	77.35
Jul-22	145.63	136.20	120.84	111.22	86.54	6.92	68.28
Oct-22	128.66	118.64	117.87	109.67	85.44	8.45	50.29
Dec-22	122.07	112.44	106.26	107.74	83.84	8.56	45.60
Mar-23	117.53	107.45	99.73	97.87	82.97	9.38	41.65

Future Price Trend (Active Contract):



Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	21st Apr'22 to 27th Apr'22	14th Apr'22 to 20th Apr'22	
Gujarat	Ahmedabad	Shankar-6	12500	12500	Unch
	Gondal	Shankar-6	12521	12955	-434
	Rajkot	B.T. Cotton	12658	12628	30
	Patan	B.T. Cotton	11993	11827	166
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	11163	11137	27
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11583	11760	-177
	Fatehabad	B.T. Cotton	11200	10960	240
	Jind	B.T. Cotton	NA	10300	-
	Uchana	B.T. Cotton	NA	9500	-
	Dabwali	B.T. Cotton	NA	11525	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	11780	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	11833	12167	-333
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	10500	10500	Unch
Karnataka	Bijapur	Bunny	12615	12532	83
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	11800	10233	1567
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	21st Apr'22 to 27th Apr'22	14th Apr'22 to 20th Apr'22	
Punjab	Bhatinda	J-34	9700	9783	-83
	Abohar	J-34	9696	9817	-121
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9305	9460	-155
Rajasthan	Sri-Ganganagar	J-34	NA	8970	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	21st Apr'22 to 27th Apr'22	14th Apr'22 to 20th Apr'22	
Gujarat	Ahmedabad	Shankar-6	102000	74800	27200
	Gondal	Shankar-6	5286	13853	-8567
	Rajkot	B.T. Cotton	12762	10280	2482
	Patan	B.T. Cotton	14060	11166	2894
	Kadi	B.T. Cotton	NA	4000	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	84	268	-184
Haryana	Bhiwani	B.T. Cotton	NA	NA	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	6715	6120	595
	Fatehabad	B.T. Cotton	NA	435	-
	Jind	B.T. Cotton	NA	2210	-
	Uchana	B.T. Cotton	NA	1000	-
	Dabwali	B.T. Cotton	NA	1250	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	900	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	65000	46000	19000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	138	205	-67
Karnataka	Bijapur	Bunny	3727	3233	494
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	36	18	18
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	21st Apr'22 to 27th Apr'22	14th Apr'22 to 20th Apr'22	
Punjab	Bhatinda	J-34	850	3145	-2295
	Abohar	J-34	544	1037	-493
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	2380	3740	-1360
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	30-Apr-22	23-Apr-22	31-Mar-22	30-Apr-21
Gujarat	Ahmedabad	Shankar-6	12500	12500	Closed	Closed
	Gondal	Shankar-6	12605	12455	Closed	5500
	Rajkot	B.T. Cotton	12460	12805	Closed	5530
	Patan	B.T. Cotton	11800	11805	Closed	5515
	Kadi	B.T. Cotton	NA	0	12500	5550
	Deesa	B.T. Cotton	NA	NA	NA	NA
	Dhrol	B.T. Cotton	NA	11380	Closed	NR
Haryana	Bhiwani	B.T. Cotton	NA	NA	NA	5600
	Bhiwani	Desi	NA	NA	NA	NA
	Adampur	B.T. Cotton	12500	11500	10850	5350
	Fatehabad	B.T. Cotton	NA	NA	11400	5350
	Jind	B.T. Cotton	NA	NA	11500	5700
	Uchana	B.T. Cotton	NA	NA	11100	5385
	Dabwali	B.T. Cotton	NA	NA	11000	NR
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	11900	Closed
	Rawatsar	B.T. Cotton	NA	NA	11200	Closed
Madhya Pradesh	Khandwa	Mech-1	NA	NA	0	5491
	Khargaon	Mech-1	NA	NA	0	5427
Maharashtra	Amravati	Mech-1	12300	11800	12100	5300
	Jamner	Medium Staple	NA	11455	NA	NA
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	NA	NA
	Hathras	Desi	NA	NA	NA	NA
Telangana	Adilabad	Un-Ginned	NA	NA	10355	5400
Karnataka	Bijapur	Bunny	12883	NA	12401	5929
	Hubli	D.C.H.	NA	NA	NA	NA
	Hubli	B.T. Cotton	NA	NA	NA	NA
	Raichur	H-44 Cotton	NA	NA	11000	5470
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	30-Apr-22	23-Apr-22	31-Mar-22	30-Apr-21
Punjab	Bhatinda	J-34	9900	9700	9300	4510

	Abohar	J-34	10000	9700	9300	4510
	Mansa	J-34	NA	NA	9300	4500
Haryana	Sirsa	J-34	9600	9350	9000	4420
Rajasthan	Sri-Ganganagar	J-34	NA	NA	8601	0

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	30-Apr-22	23-Apr-22	31-Mar-22	30-Apr-21
Gujarat	Ahmedabad	Shankar-6	17000	17000	Closed	Closed
	Gondal	Shankar-6	1506	942	Closed	#N/A
	Rajkot	B.T. Cotton	1600	2350	Closed	#N/A
	Patan	B.T. Cotton	1067	2810	Closed	3450
	Kadi	B.T. Cotton	NA	NA	5000	#N/A
	Deesa	B.T. Cotton	NA	NA	NA	#N/A
	Dhrol	B.T. Cotton	NA	38	Closed	#N/A
Haryana	Bhiwani	B.T. Cotton	NA	NA	NA	1200
	Bhiwani	Desi	NA	NA	NA	#N/A
	Adampur	B.T. Cotton	850	1105	1020	#N/A
	Fatehabad	B.T. Cotton	NA	NA	250	#N/A
	Jind	B.T. Cotton	NA	NA	850	#N/A
	Uchana	B.T. Cotton	NA	NA	1300	#N/A
	Dabwali	B.T. Cotton	NA	NA	500	#N/A
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	600	#N/A
	Rawatsar	B.T. Cotton	NA	NA	500	0
Madhya Pradesh	Khandwa	Mech-1	NA	NA	NA	#N/A
	Khargaon	Mech-1	NA	NA	NA	#N/A
Maharashtra	Amravati	Mech-1	14000	9000	16000	#N/A
	Jamner	Medium Staple	NA	36	NA	#N/A
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	NA	#N/A
	Hathras	Desi	NA	NA	NA	#N/A
Telangana	Adilabad	Un-Ginned	NA	NA	1035.5	NA
Karnataka	Bijapur	Bunny	195	NA	469	NA
	Hubli	D.C.H.	NA	NA	NA	NA
	Hubli	B.T. Cotton	NA	NA	NA	NA
	Raichur	H-44 Cotton	NA	NA	5	NA
Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)

State	Centre	Variety	30-Apr-22	23-Apr-22	31-Mar-22	30-Apr-21
Punjab	Bhatinda	J-34	51	340	2550	85
	Abohar	J-34	34	119	255	0
	Mansa	J-34	NA	NA	255	0
	Sirsa	J-34	510	340	680	170
	Sri-Ganganagar	J-34	NA	NA	300	0

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				21st Apr'22 to 27th Apr'22	14th Apr'22 to 20th Apr'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	58500	59200	-700
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	59200	59900	-700
J-34(202)	26mm	3.5 - 4.9	23	88966	89950	-984
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	91833	92200	-367
Shankar-6(105)	29mm	3.5 – 4.9	28	93750	93800	-50
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	99466	100850	-1384
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	113333	114167	-834

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