

COTTON WEEKLY RESEARCH REPORT08th Aug 2022**Domestic market summary**

Domestic Market Scenario: Indian cotton market remained steady to firm. Indian cotton sowing has now crossed 121.12 lakh hectares. In Central India monsoon has taken a break and which is conducive for the cotton crop at the moment. Agriwatch expects cotton fiber prices to range between Rs. 86,500 – Rs. 94,500 per candy. (1 candy= 170 kgs)

Weekly Price Outlook:

The average price of Kapas in Andhra Pradesh is likely to hover around Rs.8000-10,000/Qtl.

Major Market Highlights:

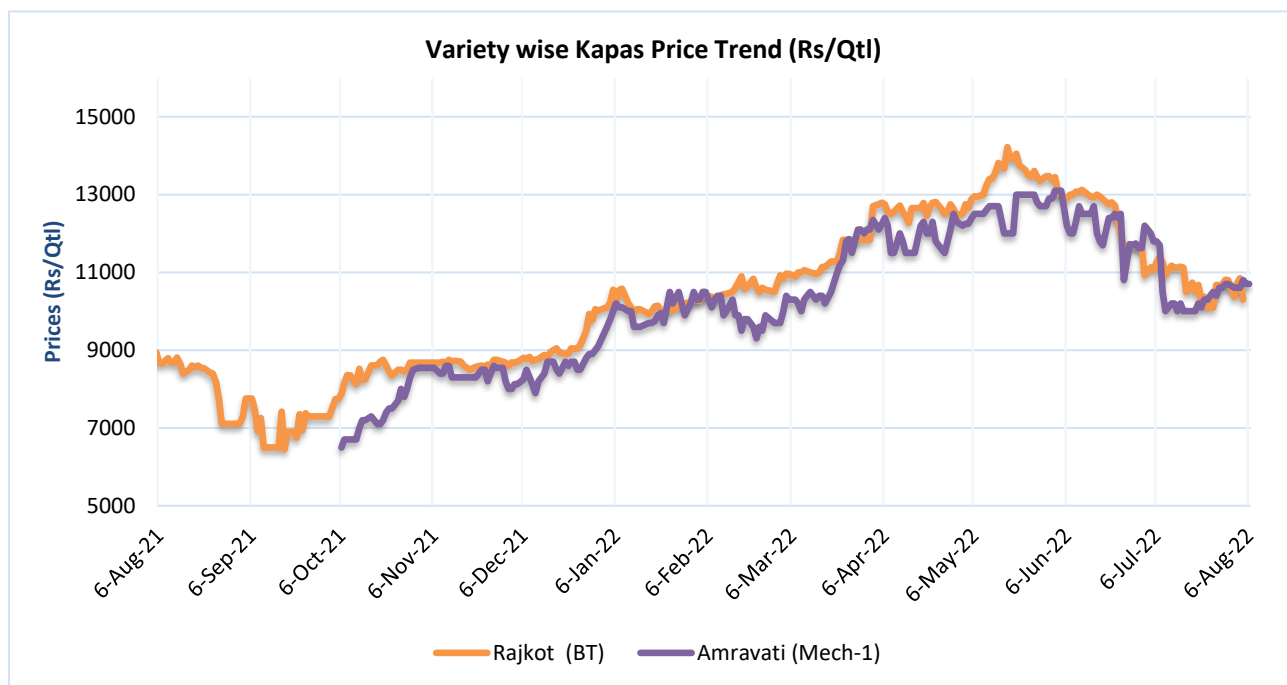
- Indian rupee consolidated from Rs. 79.20 per USD.
- The Cotlook Index stood higher (131.40 cents/lbs) compared to the ICE Cotton Futures that stood at 90.18 cents/lbs.

Market Highlights:

- 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-average rainfall in last week which poses a threat to the cotton crop. Although no major damage report 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 Haryana for the 2022-23 season.
- According to the data released by Agriculture Ministry, as of 05th Aug 2022, Cotton sowing has been reported at 121.12 lakh hectares which was 113.50 lakh hectares in the previous 2021-22 season. As per AgriWatch Cotton sowing is progressing slowly and has been affected due to excessive rains in parts of southern India.

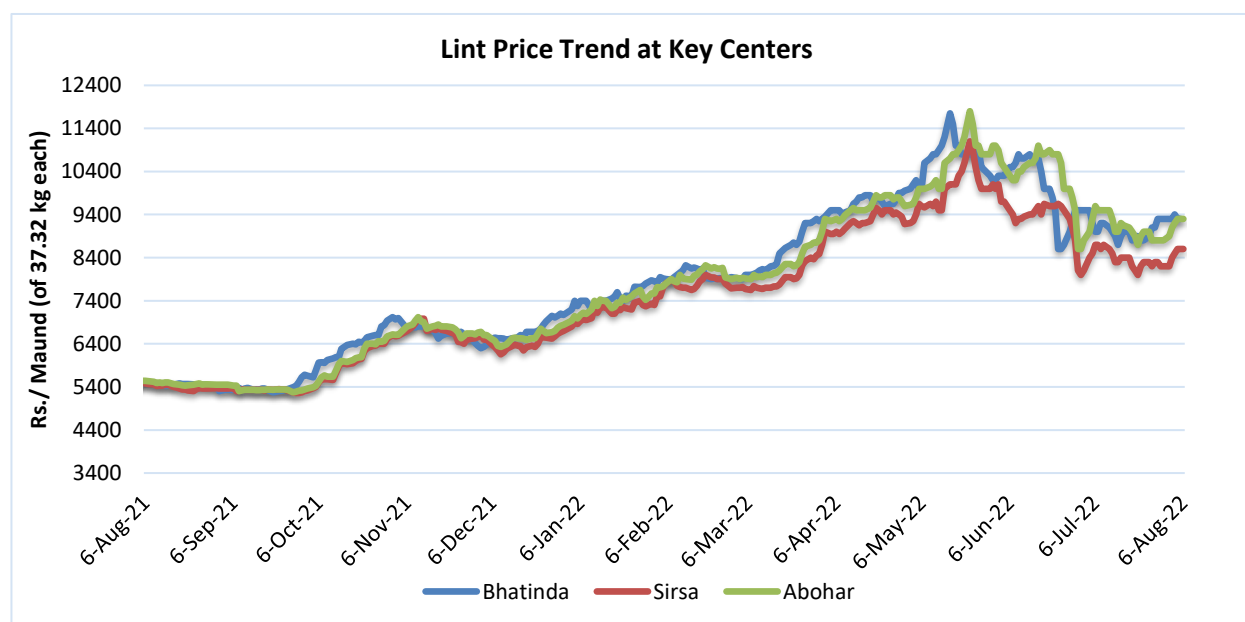
Domestic Cotton Prices Scenario**Kapas (Raw Cotton) Weekly Price Scenario**

Weekly Price Review: Weekly Kapas average prices at Rajkot stood slightly lower at Rs. 10560/Qtl compared to previous week's Rs. 10623/Qtl, whereas in Amravati prices were at Rs. 10666 per Qtl.



Lint price Outlook

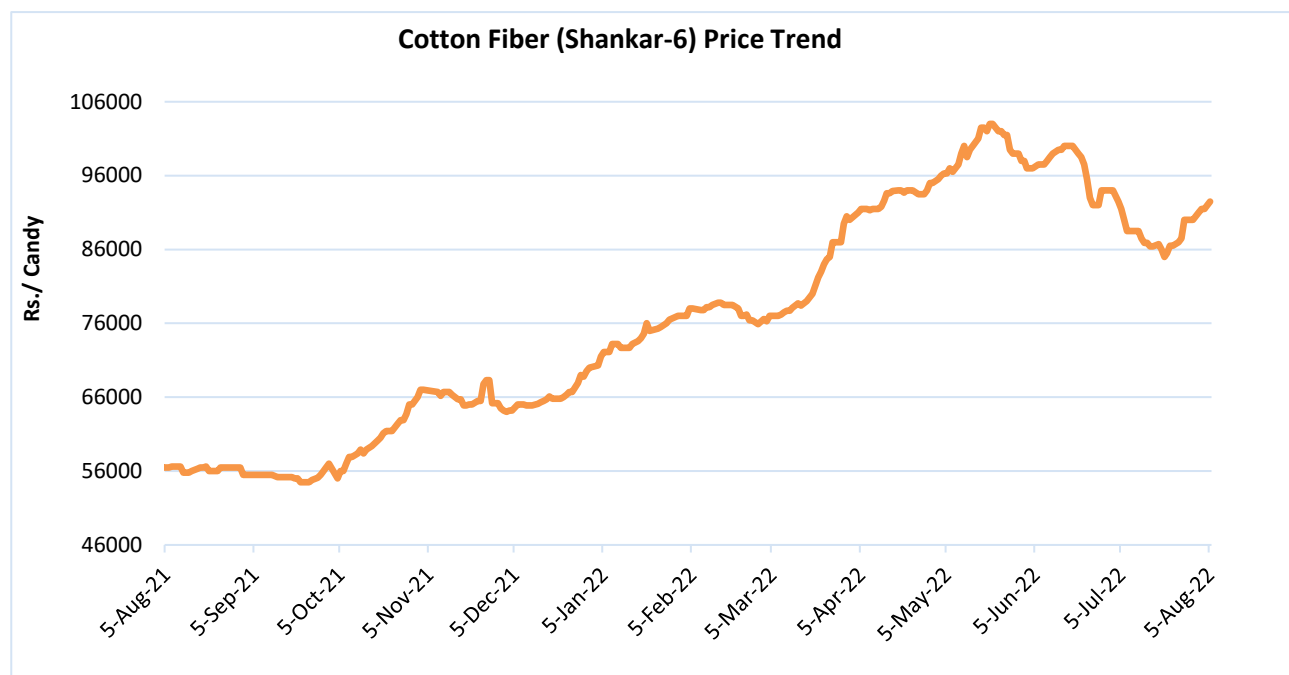
The average price stood slightly higher at Rs. 9525/maund this week compared to Rs.9100/maund previous week in Abohar, in Bhatinda prices were at Rs.9316/maund, and slightly higher in Sirsa at Rs.8733/maund from Rs.8416/maund previous week.



Source: Agriwatch

Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly higher and is currently at Rs.91700/candy and is likely to remain range bound in the coming week amid tight supply.



Source: Cotton Association of India (CAI)

Cotton Seed Oil and Cotton Seed Oil Cake

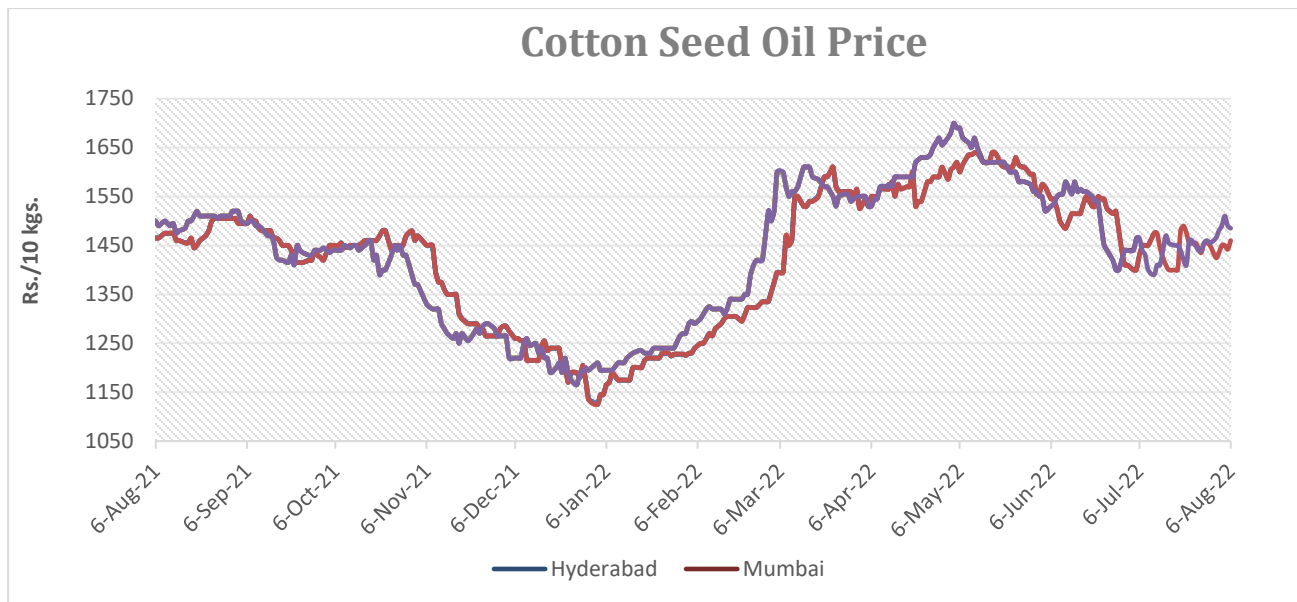
Cotton Seed Oil weekly

Price Scenario

Cottonseed oil prices have slightly increased across the major centers during the week ending on 06th Aug'22.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	06-Aug-22	30-Jul-22	
Rajkot	1472	1473	0.09
Hyderabad	1465	1457	0.55
Mumbai	1484	1468	1.10

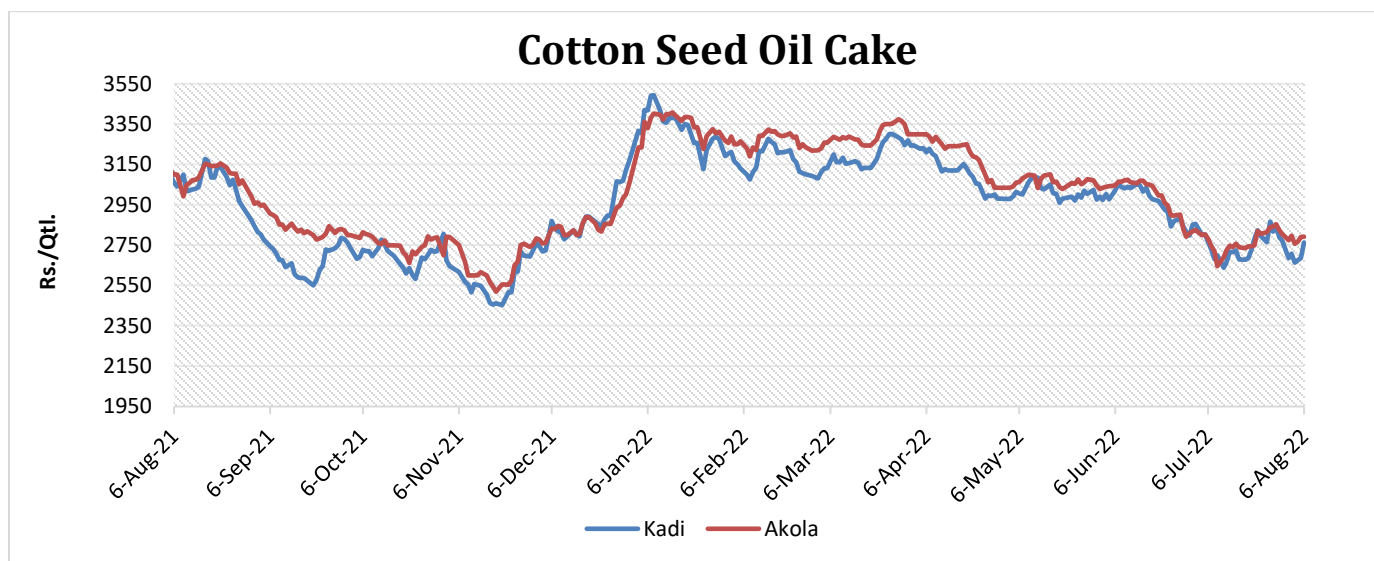
Source: Agriwatch



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. 2697 per quintal from Rs. 2808 per quintal and in Akola prices were at Rs. 2780 per quintal from Rs. 2829 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	06-Aug-22	30-Jul-22	
Kadi	2697	2808	-3.96
Akola	2780	2829	-1.74



Source: NCDEX

Stock Position

MCX Stock Position as on 04 th Aug'2022			
Commodity	Location	Unit of Measure	Eligible Quantity
Cotton Bales	YAVATMAL	Bales	2550
Cotton Bales	KADI	Bales	300
Cotton Bales	RAJKOT	Bales	550
Cotton Bales	JALNA	Bales	25
Cotton Bales	MUNDRA	Bales	-
Cotton Bales	ADILABAD	Bales	350
		Total	3775

International Market Scenario

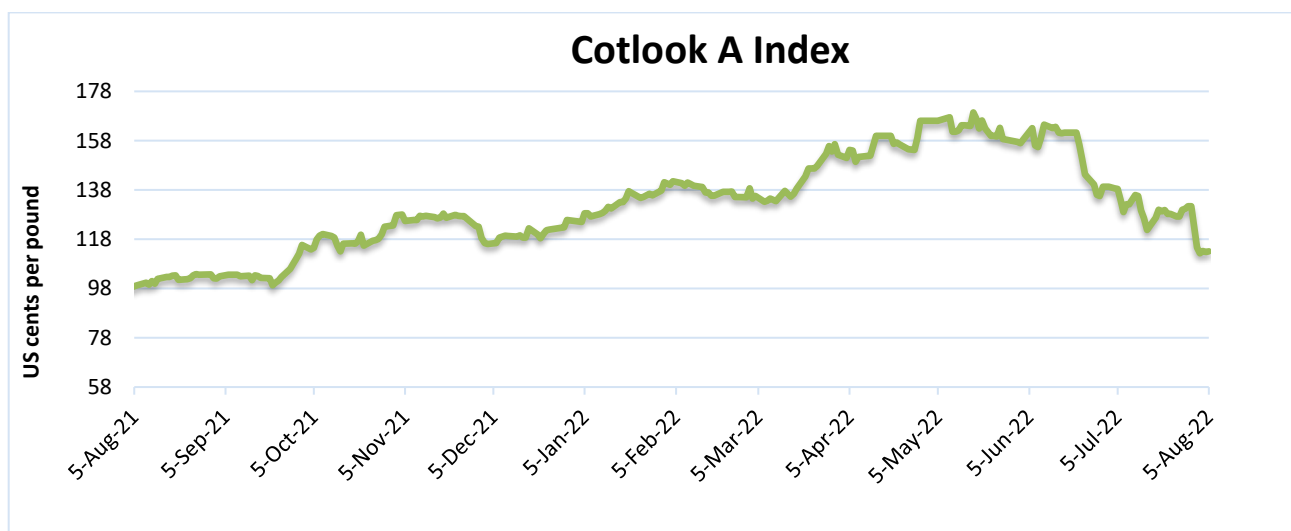
- According to the U.S. Crop progress report, as of 31st July 2022, U.S cotton Squaring stands at 89 percent which is higher than that of the previous season (81 percent). In the previous week cotton squaring was 80 percent. Overall 6 percent of the U.S Cotton Crop is in excellent condition, 34 percent in good to a fair condition which was 32 percent in the previous week.
- According to the USDA Cotton estimate for the 2021-22 season, Global cotton production is lowered by 725,000 bales due primarily to a decline in Brazil. Global use is estimated lower by 1.9 million bales, and ending stocks are up over 1.0 million bales. Further, Global trade is down with a 1.3-million-bale drop in imports and a 1.2-million-bale drop in exports. Notable decreases in imports were seen from Bangladesh, China, India, and Vietnam. Also, exports are down from Australia, India, Mali, and the United States.

Cotlook A Index

Cotlook A Index was lower this week. The Cotlook A Index was at 113.22 cents/lb lower as compared to the previous week (130.78 cents/lb).

Cotlook A Index	Weekly Average Price change as on		% Change
	06-Aug-22	30-Jul-22	
Prices	113.22	130.78	-13.43
Prices in US cents per Pound			

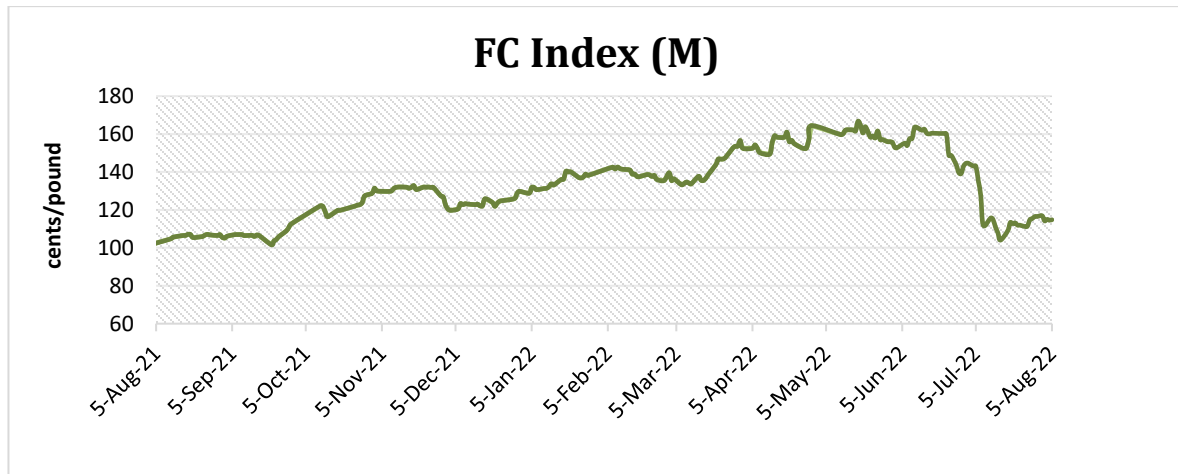
Source: Cotlook



China Cotton Index and Foreign Cotton Index

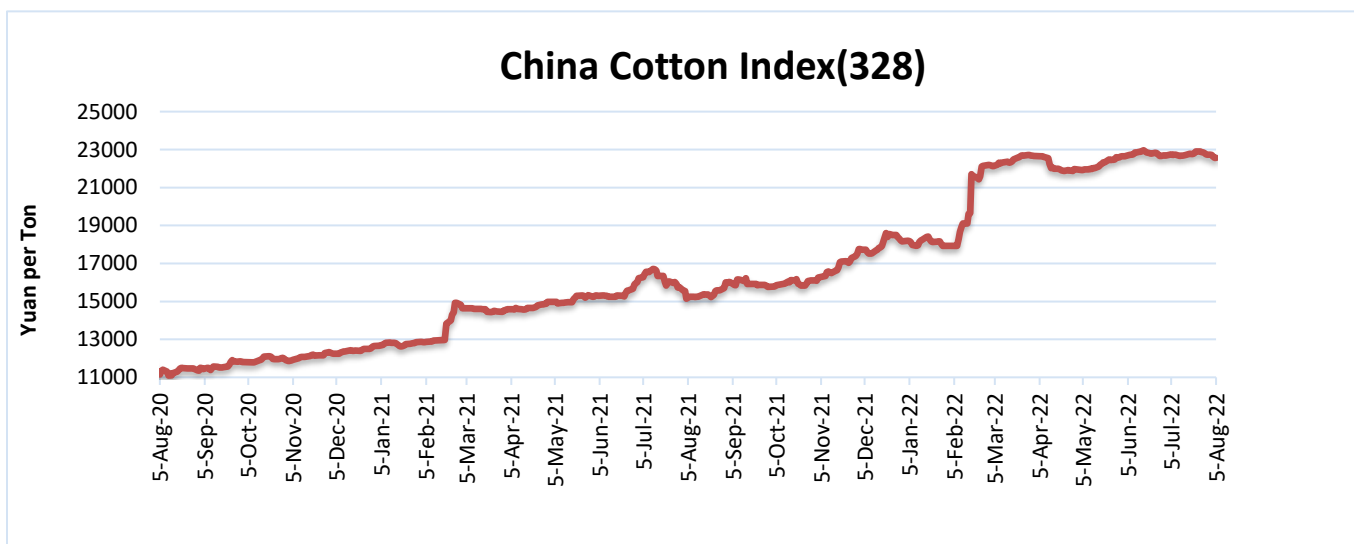
Cotton Index	Weekly Average Price as on		% Change
	06-Aug-22	30-Jul-22	
FC (S)	116.64	114.21	2.12
FC (M)	115.34	112.97	2.10
FC (L)	113.89	111.99	1.70
Prices in US cents per Pound			

Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	06-Aug-22	30-Jul-22	
CCIndex(328)	15736.00	16028.33	-1.82
CCIndex(527)	14476.40	14638.00	-1.10
CCIndex(229)	16129.40	16071.75	0.36
Prices in Yuan per ton			

Source: China Cotton Association

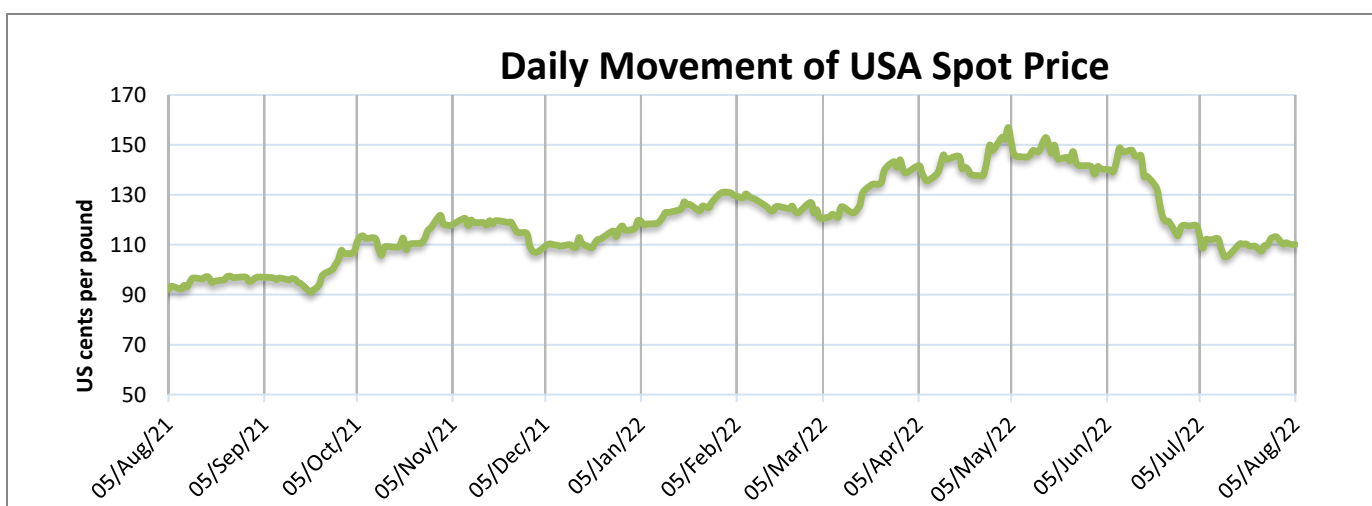


USA Spot Prices

U.S.A spot prices was at 110.82 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	06-Aug-22	30-Jul-22	
Prices	110.82	110.51	0.28
Prices in US cents per Pound			

Source: USDA



Pakistan Spot Prices

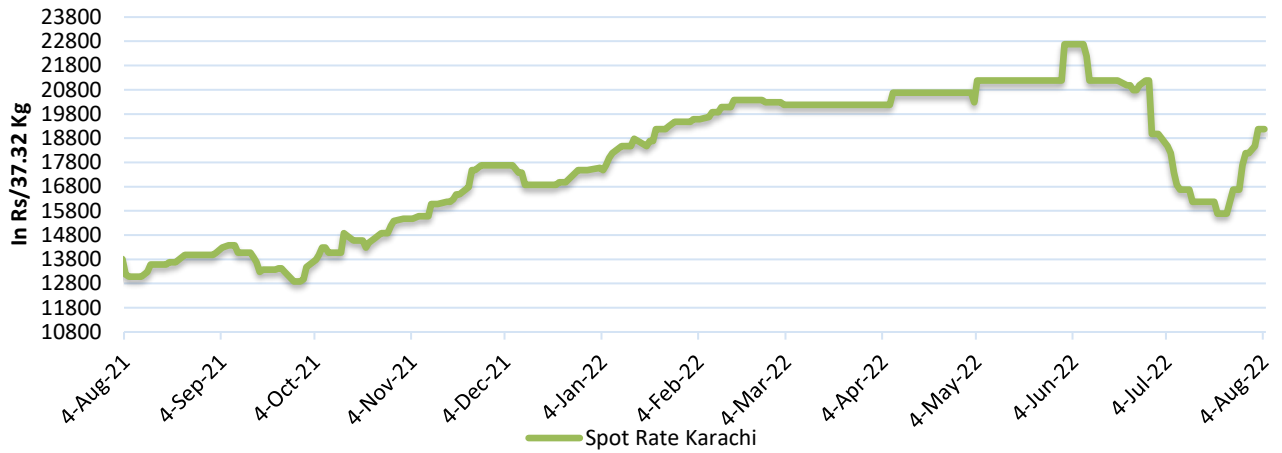
The Karachi spot price had increased at Rs.18893/q same as the previous week.

Karachi Spot Prices	Weekly Average Price as on		% Change
	06-Aug-22	30-Jul-22	
Prices	18893	18640	1.36
Prices in Rs per 37.32 Kg			

Source: Fibre2fashion.com



Spot Rate Karachi



Commodity: Cotton
Exchange: MCX
Contract: Aug
Expiry: Aug. 30, 2021

Cotton – Technical Outlook

Technical Chart:



Technical Commentary:

- As depicted in the above chart, market had then retraced back after taken a support of 4000 level.
- Market has moved upward indicating some buying strength.
- Momentum indicator MACD is diverging.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cotton	MCX	Aug	47030	47110	47450	47660	47780
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Aug	Buy	47440	47540	47630	47370

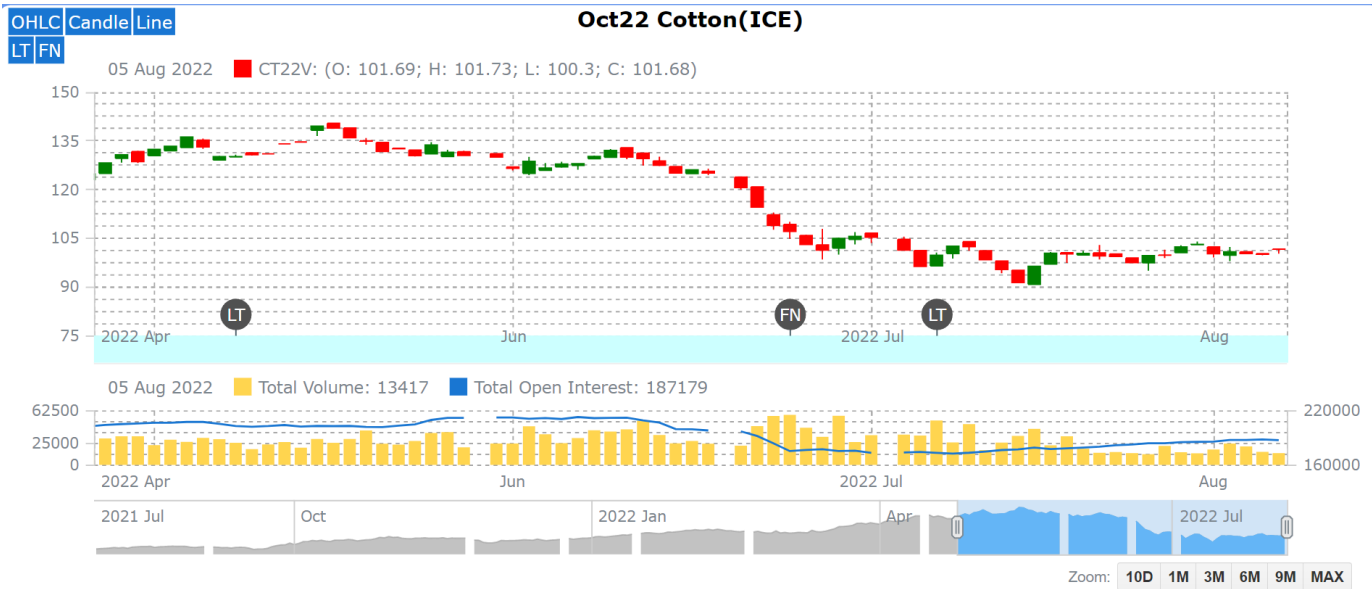
* Do not carryforward the position the next day.

Commodity: Cotton seed oilcake
Exchange: MCX
Contract: Aug
Expiry: Aug. 30, 2021
Cottonseed Oilcake
Technical Chart:

Technical Commentary:

- As evident from the above chart overall downward trend was followed in the last week.
- Currently market is trading below 50 DMA.
- RSI indicating weak buying strength.
- Market is expected to remain elevated in the coming week.

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Cottonseed oilcake	NCDEX	Aug	2490	2560	2680	2820	2880
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Aug	Buy	2670	2770	2790	2600



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

- The Oct'22' contract has showed a range bound movement in the last week.
- Total volume increased & Open Interest decreased compared to last week.
- Market is further expected to remain elevated in the coming week.

Expected Price Range During Coming month

Expected Trend	Expected Trading Band
Firm	98-120

Expected Support and Resistance

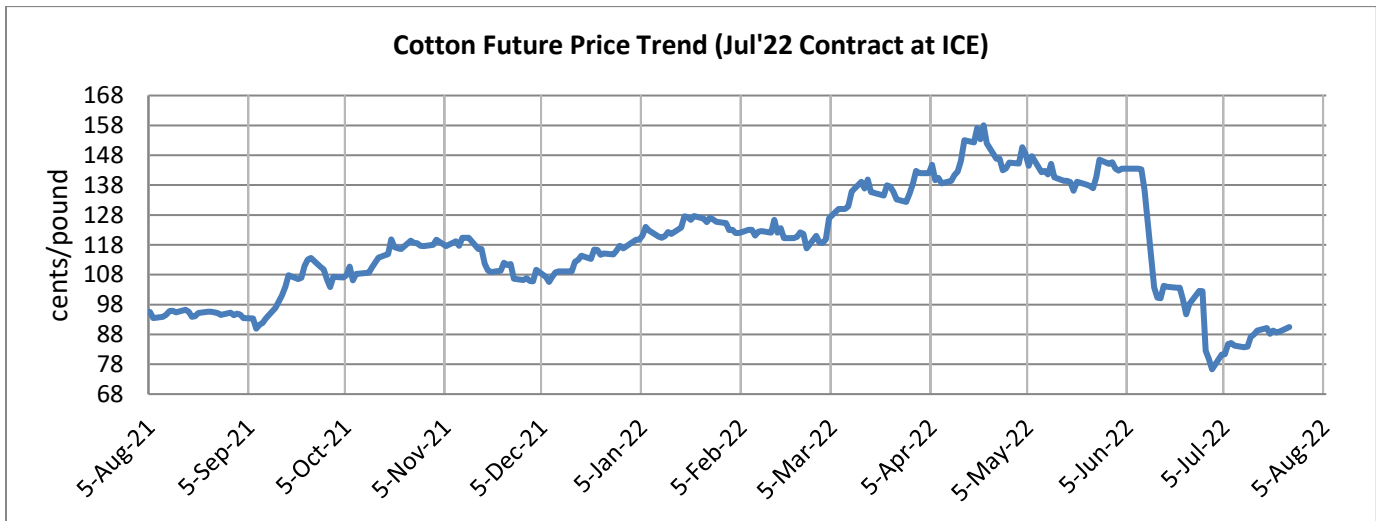
Support 1	Support 2	Resistance 1	Resistance 2
90	78	108	116

Figures in US cents/pound

Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	05-Aug-22	06-Jul-22	07-May-22	06-Feb-22	05-Aug-21	% Change over a month	% Change over previous year
Jul-22	90.43	103.68	148.76	120.96	87.87	-12.78	2.91
Oct-22	85.02	103.57	133.19	108.46	108.46	-17.91	-5.85
Dec-22	96.13	94.90	126.44	103.81	103.81	1.30	6.71
Mar-23	93.80	90.85	120.66	126.74	126.74	3.25	4.71
May-23	92.35	88.61	152.02	123.99	123.99	4.22	3.74

Future Price Trend (Active Contract):



Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	01st Aug'22 to 06th Aug'22	24th July'22 to 30th July'22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	11555	10438	1117
	Rajkot	B.T. Cotton	10561	10524	37
	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	9500	-
	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	10666	10580	86
	Jamner	Medium Staple	NA	9000	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	11129	10574	555
Karnataka	Bijapur	Bunny	10680	9409	1271
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	01st Aug'22 to 06th Aug'22	24th July'22 to 30th July'22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	8733	8417	316

Rajasthan	Sri-Ganganagar	J-34	NA	NA	-
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Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	01st Aug'22 to 06th Aug'22	24th July'22 to 30th July'22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	397	664	-267
	Rajkot	B.T. Cotton	475	370	105
	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	21500	19500	2000
	Jamner	Medium Staple	NA	290	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	608	415	193
Karnataka	Bijapur	Bunny	730	581	149
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	01st Aug'22 to 06th Aug'22	24th July'22 to 30th July'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 Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				01st Aug'22 to 06th Aug'22	24th July'22 to 30th July'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	49820	59500	-9680
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	61500	60200	1300
J-34(202)	26mm	3.5 - 4.9	23	84100	80240	3860
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	88500	84840	3660
Shankar-6(105)	29mm	3.5 - 4.9	28	91700	88900	2800
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	96000	91600	4400
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	98300	98900	-600

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