

**COTTON WEEKLY RESEARCH REPORT**16<sup>th</sup> Aug 2022**Domestic market summary**

**Domestic Market Scenario:** Indian cotton market remained steady to firm. New Cotton arrivals are slow in Northern India due to supply crunch new crop market advanced to Rs. 9300 per maund from Rs. 8011 per maund. All India cotton sowing area crossed 123 lakh hectares so far. Monsoon is well in India till date hope for same up to harvesting. Agriwatch expects cotton fiber prices to range between Rs. 86,500 – Rs. 96,500 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. 79.66 per USD.
- The Cotlook Index stood higher (114.40 cents/lbs) compared to the ICE Cotton Futures that stood at 101.58 cents/lbs.

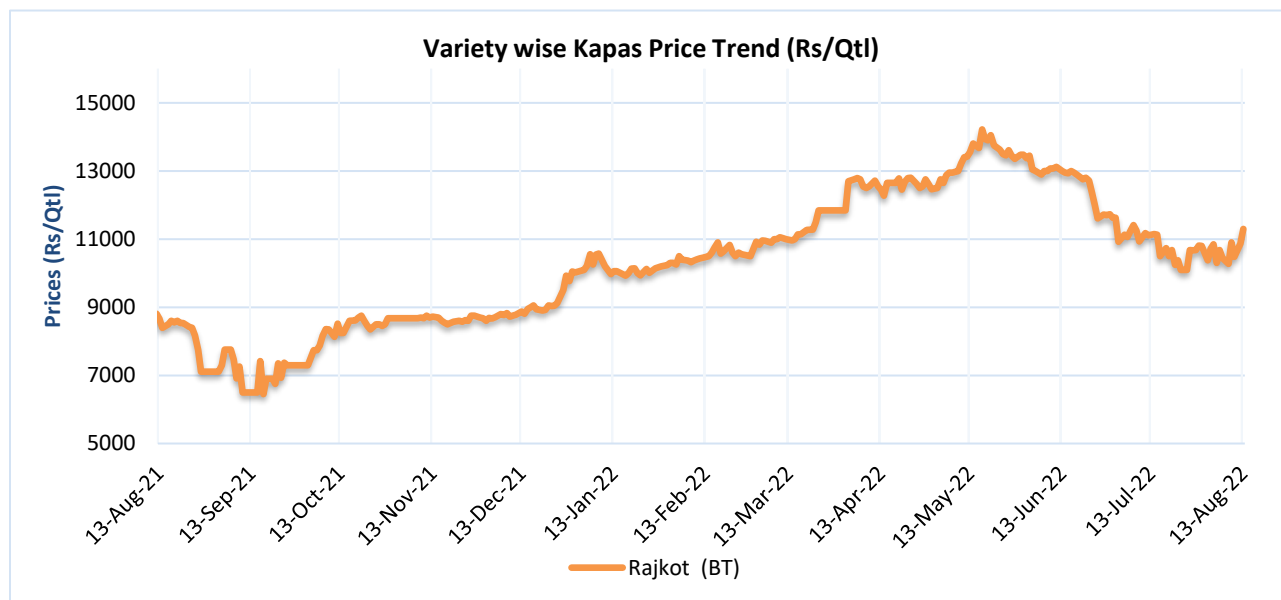
**Market Highlights:**

- As of 10<sup>th</sup> 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.
- 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 1<sup>st</sup> week of September 2022).
- According to the data released by Agriculture Ministry, as of 05<sup>th</sup> 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

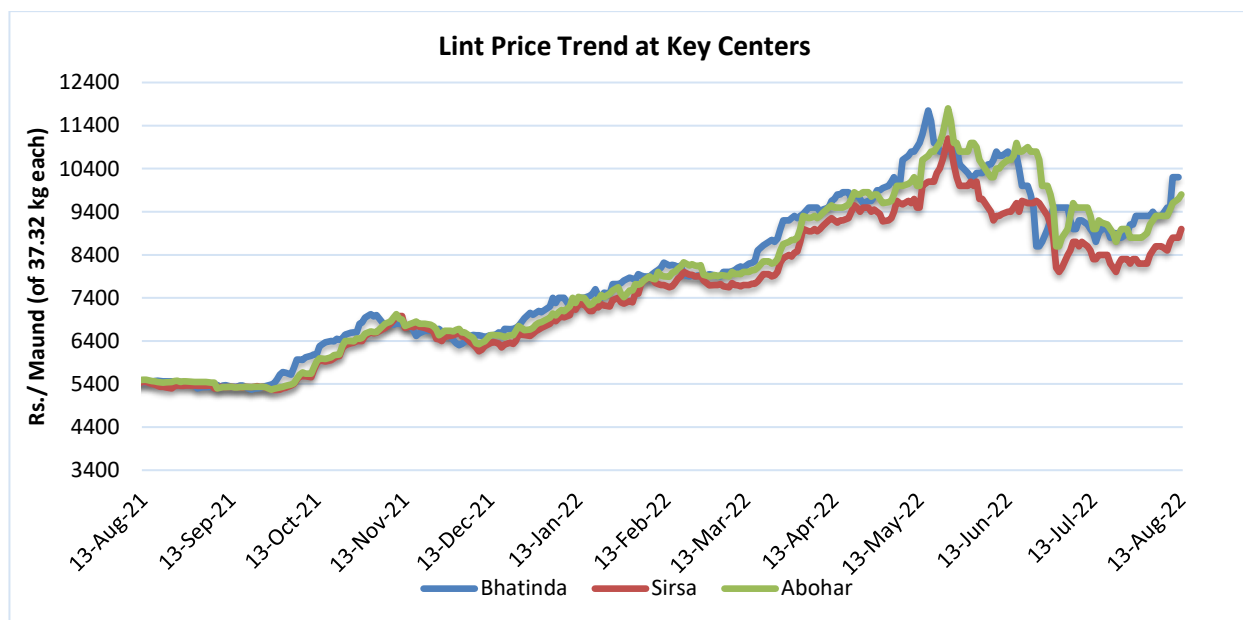
### Kapas (Raw Cotton) Weekly Price Scenario

**Weekly Price Review:** Weekly Kapas average prices at Rajkot stood slightly higher at Rs. 10767/Qtl compared to previous week's Rs. 10560/Qtl.



### Lint price Outlook

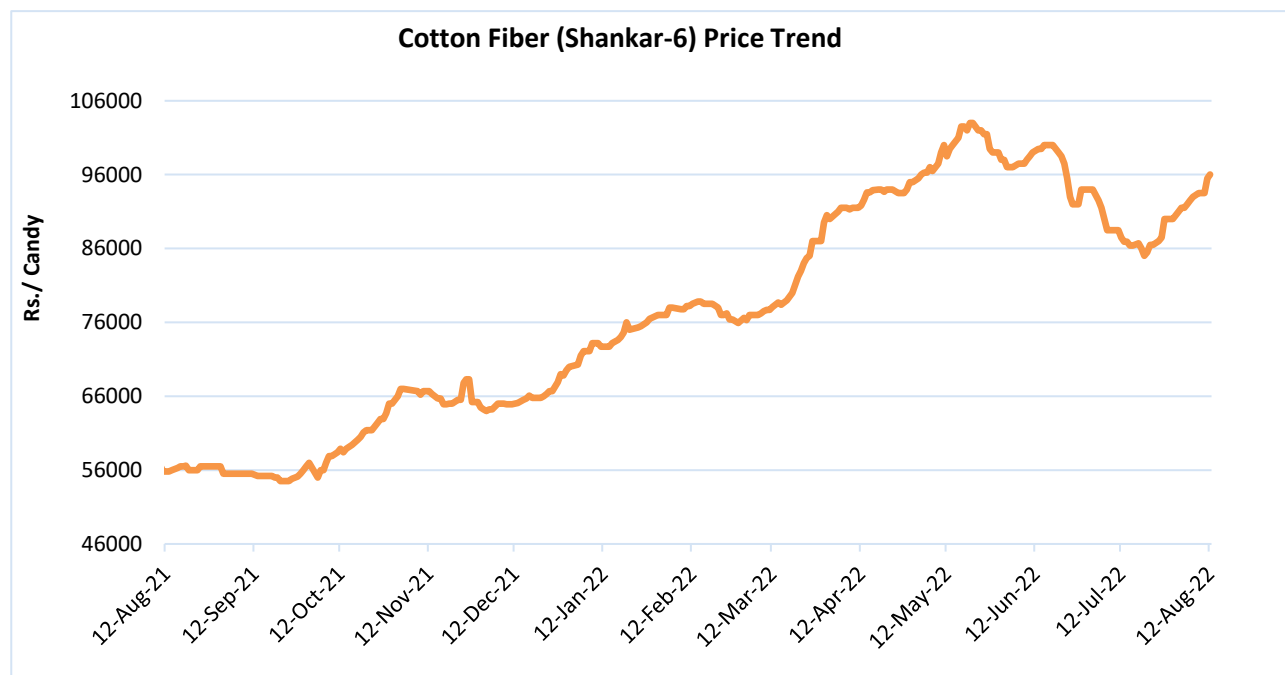
The average price stood slightly higher at Rs. 10050/maund this week compared to Rs.9525/maund previous week in Abohar, in Bhatinda prices were at Rs.9625/maund, and slightly higher in Sirsa at Rs.9250/maund from Rs.8733/maund previous week.



Source: Agriwatch

### Cotton Fiber price Outlook

The average cotton fiber (Shankar-6) prices of premium quality have slightly higher and is currently at Rs.94400/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

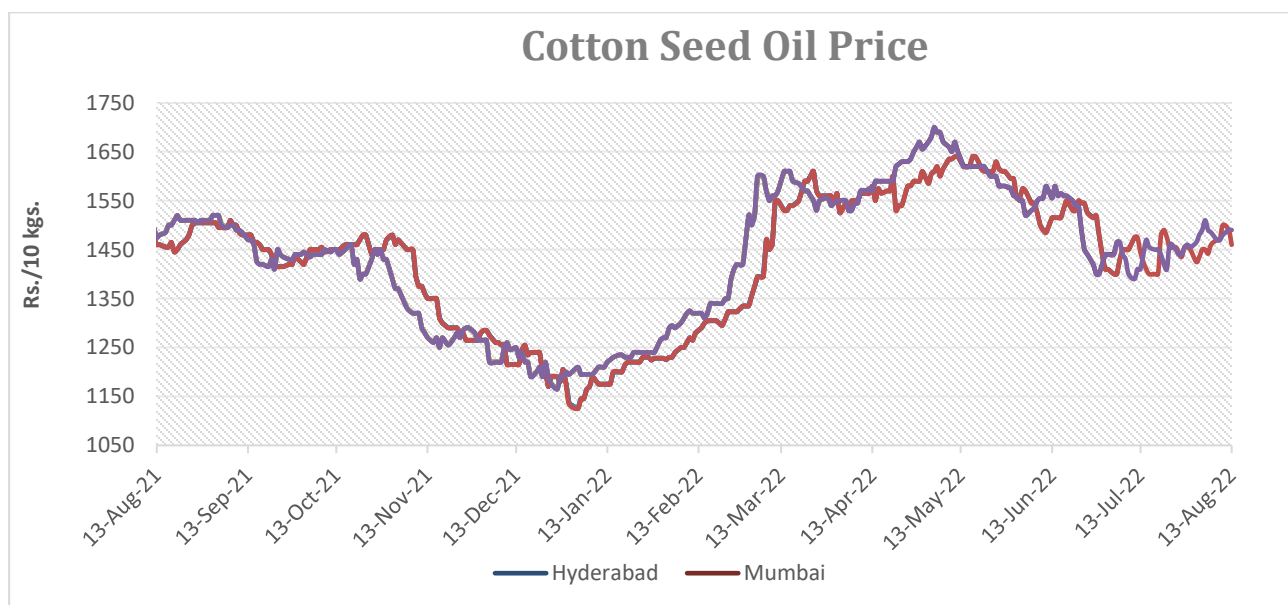
### Cotton Seed Oil weekly

#### Price Scenario

Cottonseed oil prices have slightly increased across the major centers during the week ending on 12th Aug'22.

Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	12-Aug-22	06-Aug-22	
Rajkot	1484	1472	0.78
Hyderabad	1475	1465	0.68
Mumbai	1500	1484	1.08

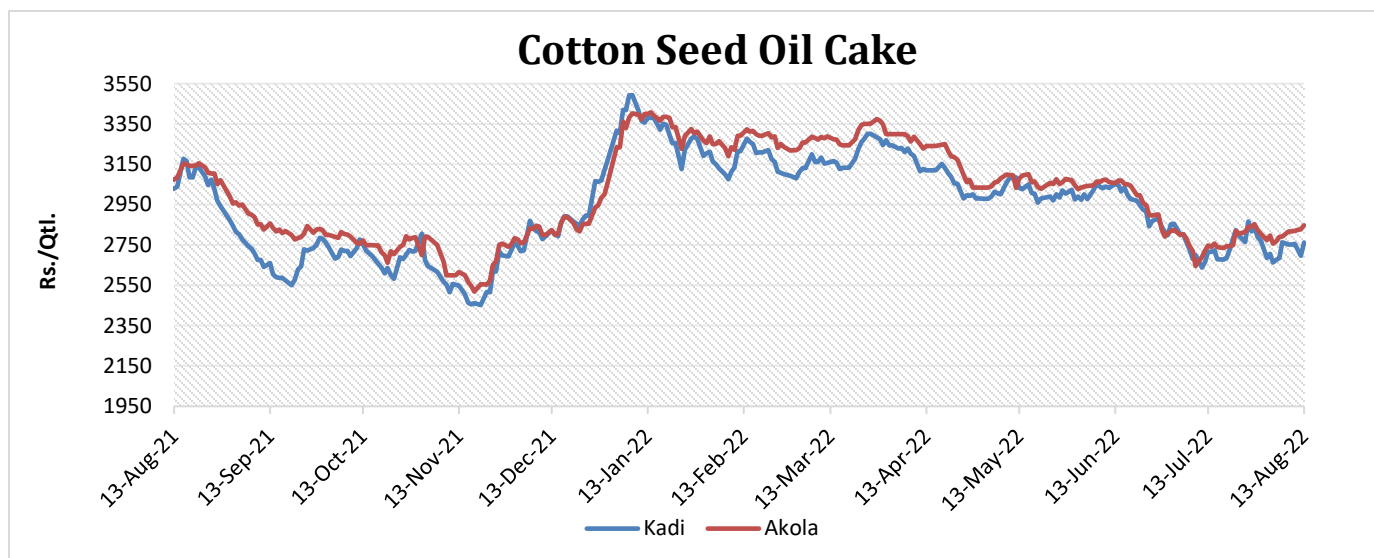
Source: Agriwatch



#### Cotton Seed Oil Cake weekly price Scenario

The average price of cottonseed oilcake in the Kadi market has increased slightly as compared to previous week. Prices in Kadi were at Rs. 2739 per quintal from Rs. 2697 per quintal and in Akola prices were at Rs. 2821 per quintal from Rs. 2780 per quintal the previous week.

Center	Weekly Average Price as on (Rs/quintal.)*		% Change
	13-Aug-22	06-Aug-22	
Kadi	2739	2697	1.57
Akola	2821	2780	1.48



Source: NCDEX

### Stock Position

MCX Stock Position as on 11 <sup>th</sup> 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
		<b>Total</b>	<b>3775</b>

### International Market Scenario

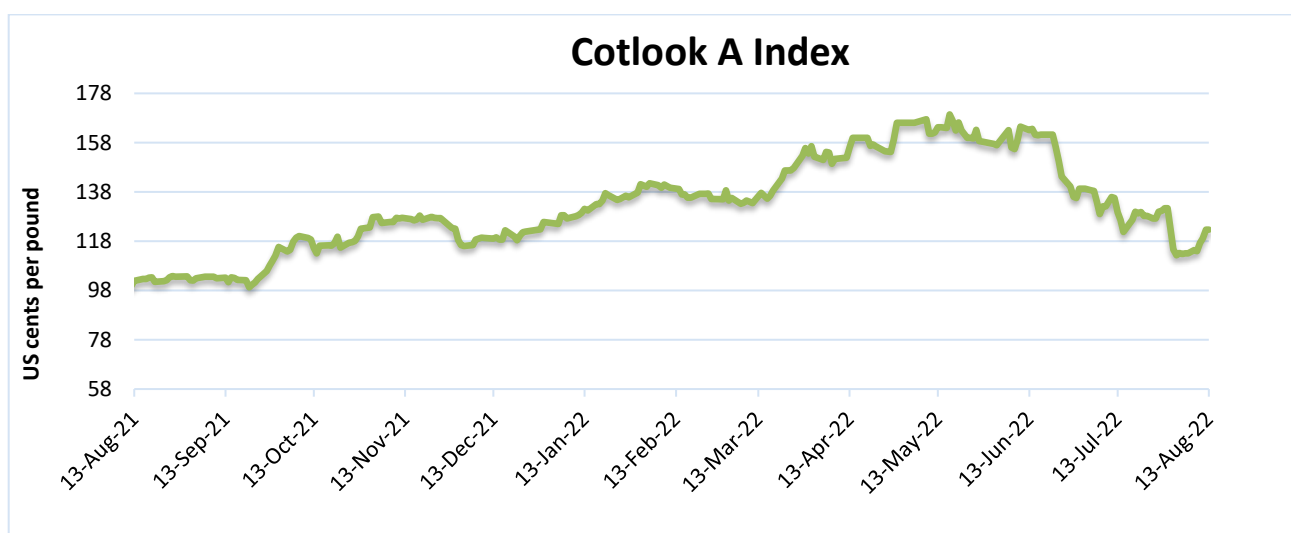
- According to the U.S. Crop progress report, as of 31<sup>st</sup> July 2022, U.S cotton Squaring stands at 89 percent which is higher than that of the previous season (81 percent). In the previous week cotton squaring was 80 percent. Overall 6 percent of the U.S Cotton Crop is in excellent condition, 34 percent in good to a fair condition which was 32 percent in the previous week.
- USDA WASDE has reduced US crop from 15.5 million bales to 12.57 million bales with very high abandonment which leaves very small quantity of cotton remaining for sale in 2022/23. So, NY future has jumped limit up after WASDE report. World production is cut by 3.07 million bales while consumption is cut by 0.8 million bales. World export also reduced by 1.8 million bales. Now ending stock for 2022/23 will be near 82.77 million bales.

### Cotlook A Index

Cotlook A Index was higher this week. The Cotlook A Index was at 119.22 cents/lb lower as compared to the previous week (113.22 cents/lb).

Cotlook A Index	Weekly Average Price change as on		% Change
	13-Aug-22	06-Aug-22	
Prices	119.22	113.22	5.18
Prices in US cents per Pound			

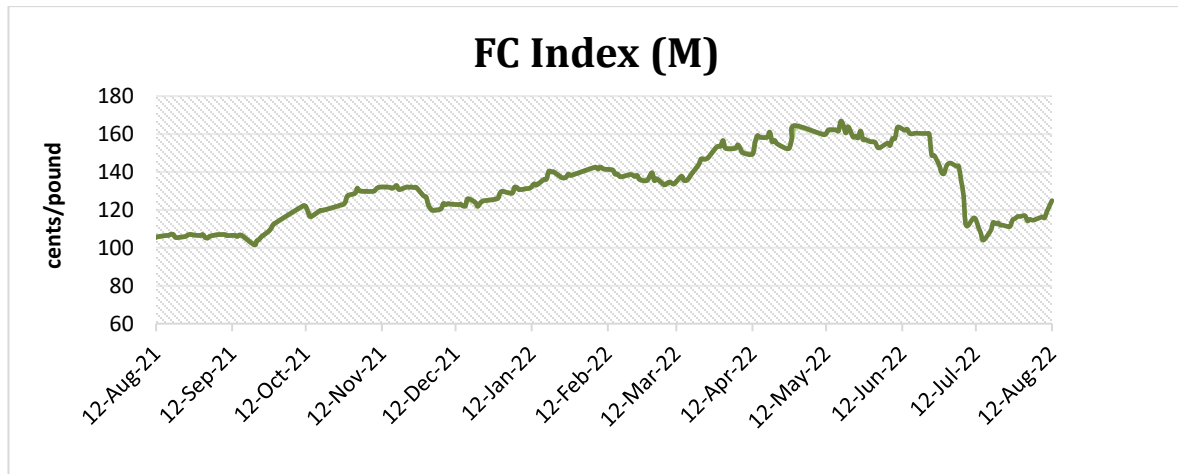
Source: Cotlook



### China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	13-Aug-22	06-Aug-22	
FC (S)	120.39	116.64	3.21
FC (M)	117.13	115.34	1.55
FC (L)	115.92	113.89	1.79
Prices in US cents per Pound			

Source: China Cotton Association



Cotton Index	Weekly Average Price as on		% Change
	13-Aug-22	06-Aug-22	
CCIndex(328)	15646.00	15736.00	-0.57
CCIndex(527)	14399.33	14476.40	-0.53
CCIndex(229)	16053.33	16129.40	-0.47
Prices in Yuan per ton			

Source: China Cotton Association

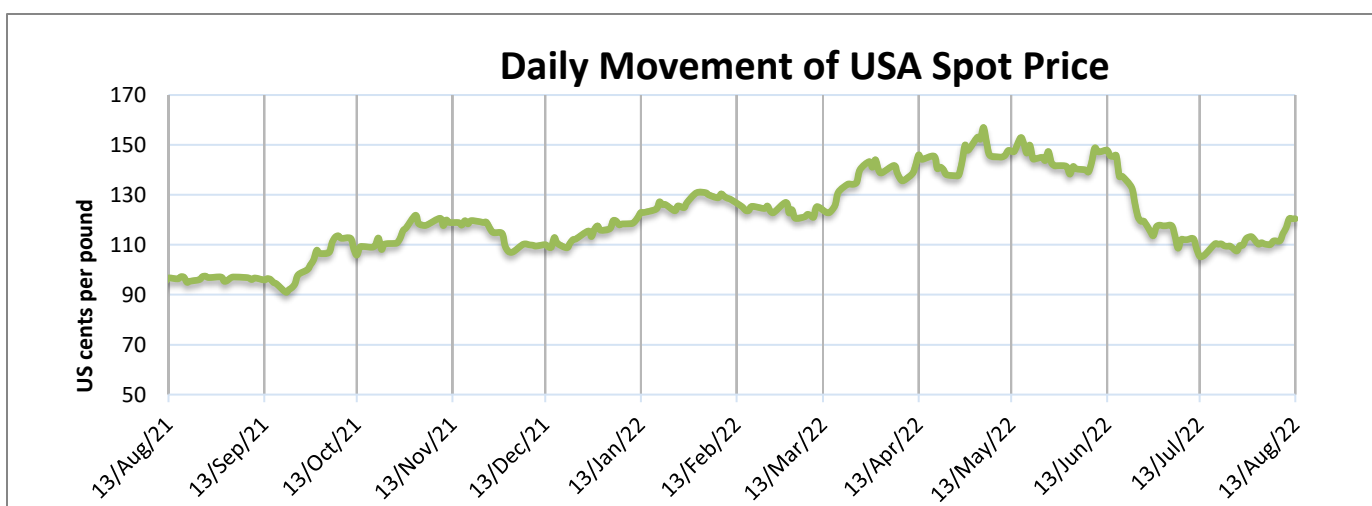


## USA Spot Prices

U.S.A spot prices was at 119.21 cents per pound last week.

USA Spot Prices	Monthly Average Price as on		% Change
	13-Aug-22	06-Aug-22	
Prices	119.21	110.82	5.90
Prices in US cents per Pound			

Source: USDA



## Pakistan Spot Prices

The Karachi spot price had decreased at Rs.17610/q same as the previous week.

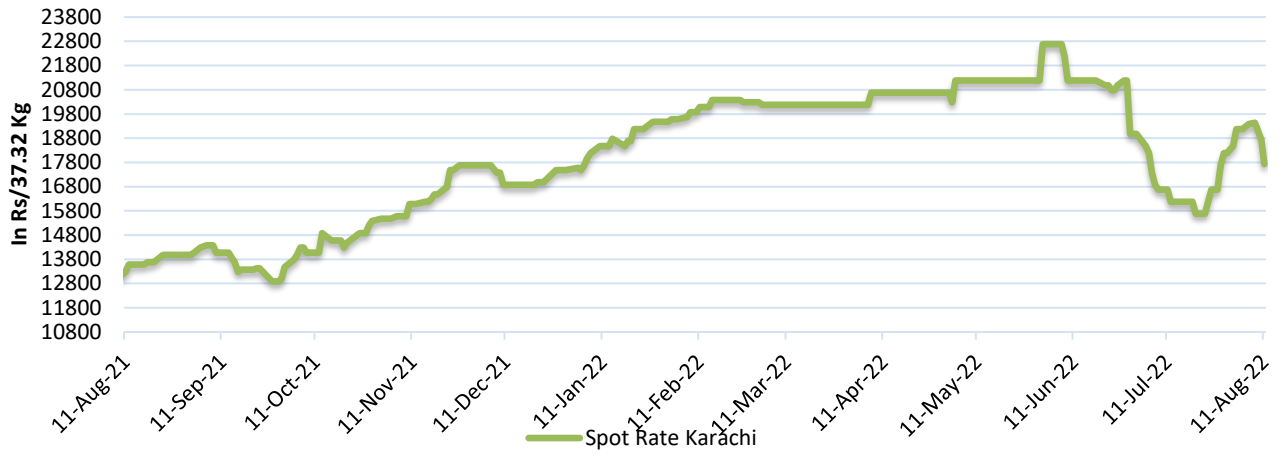
Karachi Spot Prices	Weekly Average Price as on		% Change
	13-Aug-22	06-Aug-22	
Prices	17610	18893	-6.79
Prices in Rs per 37.32 Kg			

Source: Fibre2fashion.com





### Spot Rate Karachi



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

### Cotton – Technical Outlook

#### Technical Chart:

COTTON 1st(MXCTNC1)2022/08/14 - Weekly B:49560.00 A:49560.00  
 O 49560.00 H 49560.00 L 49560.00 C 49560.00 ↑ V 185 T 195,777 I 1,089 +970 +2.00%  
 SMA(9) 44986 (18) 45976 (50) 38569 (100) 30326



#### 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	49140	49220	49560	49770	49890
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton	MCX	Aug	Buy	49550	49650	49740	49480

\* Do not carryforward the position the next day.

Commodity: Cotton seed oilcake

Exchange: MCX

Contract: Aug

Expiry: Aug. 30, 2021

### Cottonseed Oilcake

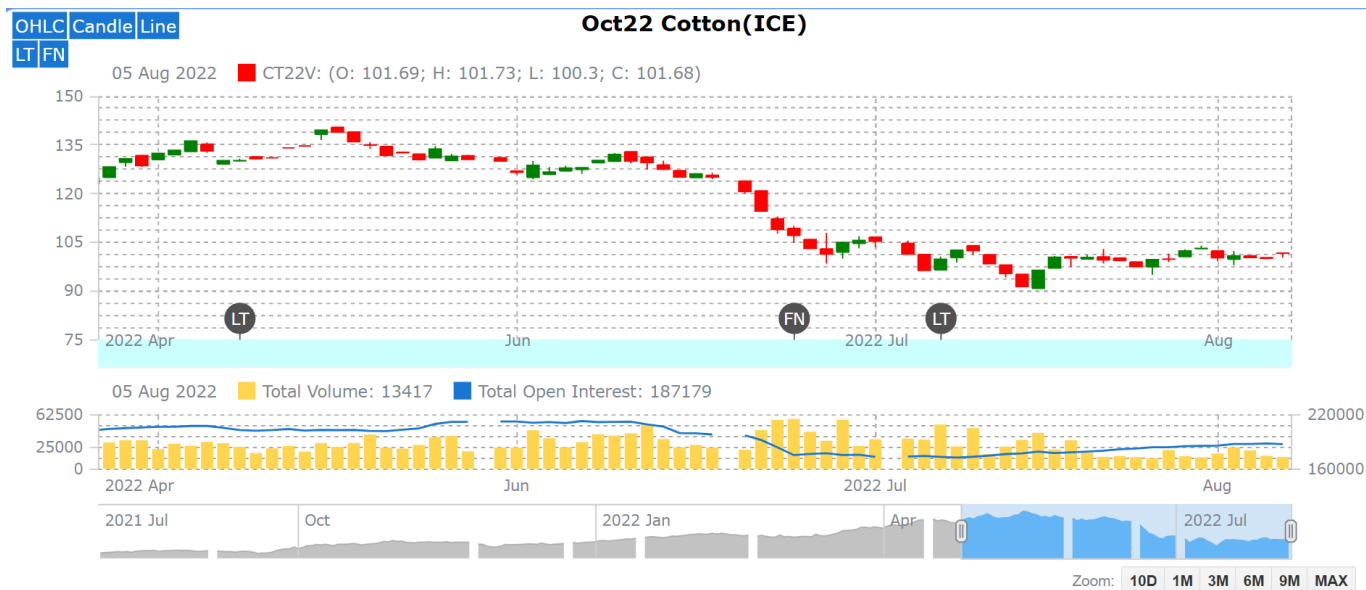
#### Technical Chart:



#### Technical Commentary:

- As evident from the above chart overall upward 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	2646	2716	2836	2876	3036
Intraday Trade Call			Call	Entry	T1	T2	SL
Cottonseed oilcake	NCDEX	Aug	Buy	2826	2926	2946	2756



### 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

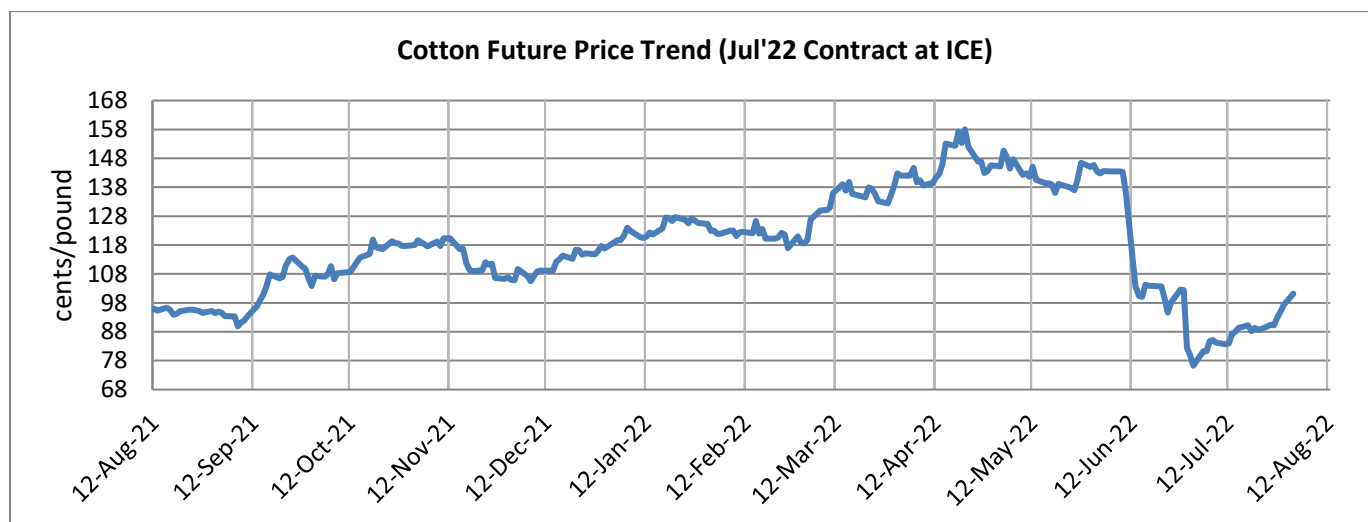
Support 1	Support 2	Resistance 1	Resistance 2
90	78	108	116

Figures in US cents/pound

## Cotton Future Prices at ICE

Cotton Prices in Future Contract on ICE						Prices in cents/Lb	
Contracts	12-Aug-22	13-Jul-22	14-May-22	13-Feb-22	12-Aug-21	% Change over a month	% Change over previous year
Jul-22	101.15	79.78	134.70	117.89	90.36	26.79	11.94
Oct-22	94.45	95.41	127.99	107.58	93.77	-1.01	0.73
Dec-22	108.59	87.71	122.82	103.54	93.32	23.81	16.36
Mar-23	105.64	83.83	117.21	122.93	91.10	26.02	15.96
May-23	103.87	81.86	145.20	120.61	91.79	26.89	13.16

## Future Price Trend (Active Contract):



Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	08th Aug'22 to 12th Aug'22	01st Aug'22 to 06th Aug'22	
Gujarat	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	12105	11555	550
	Rajkot	B.T. Cotton	10634	10561	73
	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	NA	10666	-
	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	10236	11129	-893
Karnataka	Bijapur	Bunny	10816	10680	136
	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	08th Aug'22 to 12th Aug'22	01st Aug'22 to 06th Aug'22	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	9250	8733	517
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	08th Aug'22 to 12th Aug'22	01st Aug'22 to 06th Aug'22	
<b>Gujarat</b>	Ahmedabad	Shankar-6	NA	NA	-
	Gondal	Shankar-6	170	397	-227
	Rajkot	B.T. Cotton	180	475	-295
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
<b>Haryana</b>	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	-
<b>Rajasthan</b>	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
<b>Madhya Pradesh</b>	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
<b>Maharashtra</b>	Amravati	Mech-1	NA	21500	-
	Jamner	Medium Staple	NA	290	-
<b>Uttar Pradesh</b>	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
<b>Telangana</b>	Adilabad	Un-Ginned	NA	NA	-
<b>Andhra Pradesh</b>	Adoni	Un-Ginned	459	608	-149
<b>Karnataka</b>	Bijapur	Bunny	387	730	-343
	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	08th Aug'22 to 12th Aug'22	01st Aug'22 to 06th Aug'22	
<b>Punjab</b>	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
<b>Haryana</b>	Sirsa	J-34	NA	NA	-

<b>Rajasthan</b>	Sri-Ganganagar	J-34	NA	NA	-
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**Week on Week Price: Scenario of Cotton:**

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	13-Aug-22	6-Aug-22	15-Jul-22	13-Aug-21
<b>Gujarat</b>	Ahmedabad	Shankar-6	NA	0	0	0
	Gondal	Shankar-6	NA	11855	10705	0
	Rajkot	B.T. Cotton	11300	10440	11125	8655
	Patan	B.T. Cotton	NA	0	0	0
	Kadi	B.T. Cotton	NA	0	0	0
	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	NA	0	0	0
<b>Haryana</b>	Bhiwani	B.T. Cotton	NA	0	0	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	NA	0	9300	7210
	Fatehabad	B.T. Cotton	NA	0	0	0
	Jind	B.T. Cotton	NA	0	0	0
	Uchana	B.T. Cotton	NA	0	0	0
	Dabwali	B.T. Cotton	NA	0	0	0
<b>Rajasthan</b>	Hanumangarh	B.T. Cotton	NA	0	0	0
	Rawatsar	B.T. Cotton	NA	0	0	0
<b>Madhya Pradesh</b>	Khandwa	Mech-1	NA	NA	0	0
	Khargaon	Mech-1	NA	NA	0	0
<b>Maharashtra</b>	Amravati	Mech-1	NA	10700	10000	0
	Jamner	Medium Staple	NA	0	9000	0
<b>Uttar Pradesh</b>	Hathras	B.T. Cotton	NA	0	0	6000
	Hathras	Desi	NA	0	0	0
<b>Telangana</b>	Adilabad	Un-Ginned	NA	0	0	0
<b>Andhra Pradesh</b>	Adoni	Un-Ginned	11839	11369	9251	8129
<b>Karnataka</b>	Bijapur	Bunny	NA	10709	9762	8209
	Hubli	D.C.H.	NA	0	0	0
	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	NA	10700	0	0
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago



State	Centre	Variety	13-Aug-22	6-Aug-22	15-Jul-22	13-Aug-21
<b>Punjab</b>	Bhatinda	J-34	10200	9300	8700	5440
	Abohar	J-34	10200	9800	8700	5440
	Mansa	J-34	NA	0	0	5440
<b>Haryana</b>	Sirsa	J-34	9500	9000	8000	5340
<b>Rajasthan</b>	Sri-Ganganagar	J-34	NA	0	0	0

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	13-Aug-22	6-Aug-22	15-Jul-22	13-Aug-21
<b>Gujarat</b>	Ahmedabad	Shankar-6	NA	0	0	0
	Gondal	Shankar-6	9500	5000	8750	6000
	Rajkot	B.T. Cotton	20	25	30	400
	Patan	B.T. Cotton	NA	0	0	0
	Kadi	B.T. Cotton	NA	0	0	0
	Deesa	B.T. Cotton	NA	0	0	0
	Dhrol	B.T. Cotton	NA	0	0	0
<b>Haryana</b>	Bhiwani	B.T. Cotton	NA	0	0	0
	Bhiwani	Desi	NA	0	0	0
	Adampur	B.T. Cotton	NA	0	0	170
	Fatehabad	B.T. Cotton	NA	0	0	0
	Jind	B.T. Cotton	NA	0	0	0
	Uchana	B.T. Cotton	NA	0	0	0
	Dabwali	B.T. Cotton	NA	0	0	0
<b>Rajasthan</b>	Hanumangarh	B.T. Cotton	NA	0	0	0
	Rawatsar	B.T. Cotton	NA	0	0	0
<b>Madhya Pradesh</b>	Khandwa	Mech-1	NA	NA	0	0
	Khargaon	Mech-1	NA	NA	0	0
<b>Maharashtra</b>	Amravati	Mech-1	NA	3000	4000	0
	Jamner	Medium Staple	NA	0	28	0
<b>Uttar Pradesh</b>	Hathras	B.T. Cotton	NA	0	0	70
	Hathras	Desi	NA	0	0	0
<b>Telangana</b>	Adilabad	Un-Ginned	NA	0	0	0
<b>Andhra Pradesh</b>	Adoni	Un-Ginned	354	254	3	80
<b>Karnataka</b>	Bijapur	Bunny	NA	137	37	110
	Hubli	D.C.H.	NA	0	0	0
	Hubli	B.T. Cotton	NA	0	0	0
	Raichur	H-44 Cotton	NA	7	0	0

Commodity	Lint		Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)	Arrivals (Quintal)
State	Centre	Variety	13-Aug-22	6-Aug-22	15-Jul-22	13-Aug-21
<b>Punjab</b>	Bhatinda	J-34	NA	0	0	0
	Abohar	J-34	NA	0	0	0
	Mansa	J-34	NA	0	0	0
<b>Haryana</b>	Sirsa	J-34	NA	0	0	0
<b>Rajasthan</b>	Sri-Ganganagar	J-34	NA	0	0	0

### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				01st Aug'22 to 06th Aug'22	01st Aug'22 to 06th Aug'22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63380	49820	13560
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64080	61500	2580
J-34(202)	26mm	3.5 - 4.9	23	89240	84100	5140
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	92060	88500	3560
Shankar-6(105)	29mm	3.5 - 4.9	28	94600	91700	2900
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	81720	96000	-14280
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	95400	98300	-2900

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