

Domestic Fundamentals:

Market Outlook: Cotton market noticed mostly weak tone on Friday.

In The News: According to the USDA's latest WASDE report India is likely to export 849 thousand tones of cotton this season around 7% lower than the estimates of previous month and around 57.87% lower when compared to the actual exports of previous season.

India exported 0.81 lakh bales of cotton last week (30 Mar-05 Apr 2015), which was 1.53 lakh bales previous to last week (22-29 Mar 2015), according to the data released by IBIS and compiled by Agriwatch. Imports on the other hand stood 0.19 lakh bales last week, which was 0.24 lakh bales previous to last week.

India exported around 7.35 lakh bales of cotton during March'15 around 10.03% higher when compared to the exports during previous month. Imports on other remained higher this month by 4.2% at 0.74 lakh bales which was 0.71 lakh bales in February. Cotton exports so far (i.e. Oct'14-Mar'15) stood around 55.5% lower Y-o-Y at 39.4 lakh bales which was 88.6 lakh bales during the same period last year. Imports during the current season so far stood 5.62 lakh bales which was 2.89 lakh bales last year.

Textile minister Santosh Gangwar should direct Cotton Corporation of India to immediately commence selling the cotton through the e-auction to actual users with liberal credit norms, said Southern India Mills' Association (SIMA).

Gujarat has contributed 108 lakh bales of cotton in the country's total production estimates of 390 lakh bales during the season 2014-15 against 370 lakh bales in 2013-14, said CCI. Maharashtra would stand around at 83 lakh bales, Telangana at 57 lakh bales, Karnataka at 30 lakh bales, Andhra Pradesh at 27 lakh bales, Haryana at 25 lakh bales, Rajasthan at 17 lakh bales, Punjab at 14 lakh bales, Tamil Nadu at 5 lakh bales Orissa at 4 lakh bales and others collectively at 2 lakh bales. According to CCI the figures could surge up further as estimates from many areas are still awaited.

During the initial four months of season, cotton consumption recorded at 1714 million kgs which is 3.5% higher than the consumption during corresponding period last year. Similarly cotton yarn production too remained higher in this year. Cumulative cotton yarn production during the initial four month of the season stood 1368 million kgs around 3.39% higher when compared to corresponding period last year.

The Consultative Committee of Cotton Advisory Board (CAB) has revised the cotton production estimates at 390 lakh bales on Tuesday which was earlier estimated 400 bales in October last year, when season commenced. According to the committee cotton production would be 10 lakh bales lesser which was estimated earlier, consumption by textile mills would be around 278.5 lakh bales, export to be around 70 lakh bales and imports would be around 8 lakh bales.

India is likely to keep su cotton to International market in the coming month of seasons, as stocks of USA and Brazil have almost sold out their produce. Only 32 lakh bales of cotton have been exported so far against the target of 90 lakh bales. Lower export will hence cause the higher ending stocks this season compared to the previous season.

International Fundamentals:

USDA has revised the USA cotton ending stocks upwardly. According to the April WASDE report by USDA, USA is likely to have ending stocks of around 958 thousand tones by the end of current season around 4.8% higher when compared to the estimates of previous month and around 79.74% higher when compared to the actual ending stocks of 533 thousand tones previous season.

According to USDA, cotton planting intention in USA is on weaker side this year. Cotton planted area for 2015 is estimated at 9.55 million acres, 13 percent below last year. Upland area is estimated at 9.40 million acres, down 13 percent from 2014. American Pima area is estimated at 150,000 acres, down 22 percent from 2014, said USDA.

Around 2% of cotton planting has been completed in USA as on April 05 this year, which was 6% last year on same date, according to USDA. The current sowing pace is also lower than the five year average (i.e. 2010 to 2014) which was 6 percent.

Outlook

We expect domestic prices to remain range bound to firm in near term.

NCDEX Kapas Futures*: (Prices in Rs/20kg)

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-15	-4.5	831	834	823.5	826.5	2241	104	3833	261
Spread	Apr-15								
Spot	83.5				--		--		

(NB: Spread was done by taking avg. spot prices at Rajkot – B.T. Cotton market. Basis = Spot- Near Month Future)

*Updated at 5:00 pm on 10 April 2015

MCX Cotton Futures*: (Prices in Rs/170 kgs)

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-15	-110	15990	16010	15820	15880	1769	600	7598	-274
Apr-15	-90	16220	16270	16090	16160	990	210	4666	432
May-15	-80	16460	16500	16330	16400	119	-7	1519	27
Jun-15	-80	16680	16700	16550	16630	19	-43	866	2
Jul-15	--	--	--	--	--	--	--	--	--

Spread	Mar-15	Apr-15	May-15	Jun-15	Jul-15	--
Spot	--					
Mar-15		-280				
Apr-15			-240			
May-15				-230		
Jun-15						
Jul-15						

(NB: Spread Basis = Spot- Near Month Future)

* Updated at 5:00 pm on 10 April 2015

DOMESTIC PRICES AND ARRIVALS
Cotton Prices at Key Spot Market:

Centre	Variety	Prices		Change
		10-Apr-15	9-Apr-15	
	Kapas	(Rs./Qtl)		
Amravati	Mech-1	4500	4400	100
Khandwa	Mech-1	NA	NA	-
Khargaon	Mech-1	NA	NA	-
	Kapas			
Mahesana(Kadi)	B.T. Cotton	NA	NA	-
Rajkot	B.T. Cotton	4550	4580	-30
Patan	B.T. Cotton	4690	4755	-65
Deesa	B.T. Cotton	NA	NA	-
Dhrol	B.T. Cotton	4625	NR	-
Muktsar	B.T. Cotton	4750	4700	50
Fazilika	B.T. Cotton	NA	NA	-
Bhiwani	B.T. Cotton	4750	4750	Unch
Adampur	B.T. Cotton	4650	4685	-35
Fatehabad	B.T. Cotton	4615	4675	-60
Dabwali	B.T. Cotton	4600	4650	-50
Jind	B.T. Cotton	NA	NA	-
Uchana (Jind)	B.T. Cotton	4500	4650	-150
Rawatsar (Hanumangarh)	B.T. Cotton	4700	4675	25
Hubli	B.T. Cotton	NA	NA	-
Hathras	B.T. Cotton(US)	NA	NA	-
Hanumangarh	B.T. Cotton	NA	NA	-
	Kapas			
Ahmedabad	Shankar-6	4575	4600	-25
Gondal	Shankar-6	4555	4800	-245
	Kapas			
Jamner (Jalgaon)	Medium Staple	NA	NA	-
Hathras	Desi	NA	NA	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	4500	4530	-30
Guntur	Un-Ginned	NA	NA	-
Kurnool	Un-Ginned	4050	NA	-
Krishna	Un-Ginned	NA	4050	-
East Godavari	Un-Ginned	NA	4050	-
	Lint			
Abohar	J-34	3700	3715	-15
Muktsar	J-34	3700	3715	-15
Fazilika	J-34	NA	NA	-
Bhatinda	J-34	3710	3720	-10
Sirsa	J-34	3620	3650	-30
Sri-Ganganagar	J-34	3290	3314	-24

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		10-Apr-15	9-Apr-15	
Amravati	Mech-1	2800	4200	-1400
Khandwa	Mech-1	NA	NA	-
Khargaan	Mech-1	NA	NA	-
Mahesana(Kadi)	B.T. Cotton	NA	NA	-
Rajkot	B.T. Cotton	3250	4000	-750
Patan	B.T. Cotton	3905	4820	-915
Deesa	B.T. Cotton	NA	NA	-
Dhrol	B.T. Cotton	105	NR	-
Fazilika	B.T. Cotton	NA	NA	-
Muktsar	B.T. Cotton	NA	NA	-
Bhiwani	B.T. Cotton	500	500	Unch
Adampur	B.T. Cotton	340	340	Unch
Fatehabad	B.T. Cotton	200	250	-50
Dabwali	B.T. Cotton	80	150	-70
Jind	B.T. Cotton	NA	NA	-
Uchana (Jind)	B.T. Cotton	300	650	-350
Rawatsar (Hanumangarh)	B.T. Cotton	50	60	-10
Hubli	B.T. Cotton	NA	NA	-
Hathras	B.T. Cotton(US)	NA	NA	-
Hanumangarh	B.T. Cotton	NA	NA	-
Ahmedabad	Shankar-6	37400	34000	3400
Gondal	Shankar-6	782	784	-2
Jamner (Jalgaon)	Medium Staple	NA	NA	-
Hathras	Desi	NA	NA	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	1327	1935	-608
Guntur	Un-Ginned	NA	NA	-
Kurnool	Un-Ginned	0.1	NA	-
Krishna	Un-Ginned	NA	0.1	-
East Godavari	Un-Ginned	NA	NA	-
Abohar	J-34	170	170	Unch
Bhatinda	J-34	3400	4250	-850
Sirsa	J-34	680	680	Unch
Sri-Ganganagar	J-34	NA	NA	-

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				9-Apr-15	8-Apr-15	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	34100	34100	Unch
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	34600	34600	Unch
J-34(202)	26mm	3.5 - 4.9	23	34000	34100	-100
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	33100	33100	Unch
Shankar-6(105)	29mm	3.5 – 4.9	28	33500	33500	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	36000	36000	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	36700	36700	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	44000	44000	Unch

Cotton Seed Oil Prices
Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Price		Change
		10-Apr-15	9-Apr-15	
Rajkot	Rs. /10 Kg.	560	565	-5
New Delhi	Rs. /10 Kg.	NR	NR	-
Hyderabad	Rs. /10 Kg.	555	555	Unch
Mumbai	Rs. /10 Kg.	588	590	-2

Cotton Seed Oil Seed Cake Prices
Cotton Seed Oil Cake Prices at Key Centers:

Centre	Unit	Price		Change
		10-Apr-15	9-Apr-15	
Mahesana (Kadi)	Rs./Qtl	1862	1865	-3
Akola	Rs./Qtl	1764	1762	2

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 10/4/2015		
Index	RMB/Ton	Change
CCIndex(328)	13452	-1
CCIndex(527)	12401	-1
CCIndex(229)	14138	-2
RMB - Renminbi, 1RMB = 0.16 \$U.S.		

Cotlook Index: As on 09/4/2015

Cotlook Indices	Cents/Pound	Change
A-Index	73.30	0.25

USDA Cotton Spot Rates: As on 09/4/2015

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	66.22	69.47	317
North Delta	64.97	67.72	NIL
South Delta	64.97	67.72	NIL
East TX-OK	62.00	64.25	589
West Texas	62.00	64.25	6420
Desert SW	63.97	70.47	NIL
SJ Valley	64.97	74.87	NIL

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

ICE Cotton Futures (Prices in cents/lb.): As on 09/4/2015

Contract	Open	High	Low	Close	Change
15-May	66.75	67.13	66.11	66.22	-0.51
15-Jul	66.45	66.63	65.65	66.13	-0.33
15-Oct	66.28	66.38	65.54	66.14	-0.21
15-Dec	65.85	65.98	65.11	65.96	-0.01
16-Mar	64.83	65.59	64.81	65.57	-0.02
16-May	65.20	65.86	65.20	65.86	-0.02

Pakistan Cotton Spot rates: As on 09/4/2015 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5250	150	5400
Equivalent	40 Kgs	5626	160	5786

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