

### Domestic Fundamentals:

**Market Outlook:** Cotton spot markets witnessed easy tone in some markets and most of the markets remained closed on Saturday on the eve of Diwali.

**In The News:** According to the official figures, cotton has been sown on 123.17 lakh hectares as on October 13, 2017 across the country compared to 103.69 lakh hectares during the same period previous year.

Heavy rain in the major cotton growing region of India (Maharashtra, Gujarat, M.P, Andhra Pradesh, Telanagana & Karnataka) had adversely affected cotton sowing and arrivals into the country.

The Cotton Association of India (CAI) predicted India to produce 375 lakh bales of cotton in 2017-18.

In its first advance estimate, the agriculture ministry of India projected the country to produce 32.3 million bales of cotton in 2017-18 which is 2.12% lower than the cotton produced last year in 2016-17.

On the back of favorable weather conditions and lucrative expected returns, rating agency, ICRA projected India to produce 36 million bales of cotton in 2018, up by 6 per cent from the previous year.

The Indian govt. had increased cotton MSP (Minimum Support Price) for long staple cotton from Rs 4,160/quintal in 2016-17 to Rs 4,320/quintal in 2017-18.

As per the latest report published by USDA, India is expected to produce 6.09 million Tonnes of cotton in 2017-18 which is 5.7% higher than the cotton produced last year in 2016-17.

The sale of cotton seeds has picked up with sowing going on in full swing in the states of Punjab, Haryana, Rajasthan and some parts of Karnataka. According to the National Seeds Association of India (NSAI), cotton seed sales are likely to cross 5.5 to 6.5 lakh packs ( each of 450 gms) this season.

Farmers are likely to increase the area under cotton amid expectation of good monsoon this season and higher price of cotton during the previous season, farmers. According to initial projections by the Central Institute of Cotton Research, Nagpur, the cotton area sown would be around 6 lakh hectares in Haryana (compared to 4.98 lakh hectares during 2016-17) and 4 lakh hectare in Punjab (compared to 2.56 lakh hectares in 2016-17).

The Indian Council of Agricultural Research (ICAR)- Central Institute of Cotton Resarch (CICR) predicted India's cotton acreage area to rise by 7-10 per cent this year (2017-18) from 105 lakh hectares of land brought under cotton cultivation last year i.e. 2016-17.

The govt. of India targeted a cotton crop production of 14.40 million bales in 2017-18 compared to the target of 14.1 million bales of production in 2016-17.

As per the latest USDA report, global cotton production is expected to rise by 8.25% from 23.08 million tonnes in 2016-17 to 24.98 million tonnes in 2017-18; wherein China, U.S , Pakistan and Brazil are expected to produce 5.23 million tonnes, 4.18 million tonnes, 2.03 million tonnes and 1.52 million tonnes of cotton respectively in 2017-18.

MCX Cotton Futures*: (Prices in Rs/170 kgs)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-17	-10	18710.00	18730.00	18690.00	18740.00	33	-211	1507	-95
Nov-17	-10	18110.00	18150.00	18090.00	18120.00	143	-187	3030	213

  

Spread	Oct-17	Nov-17	-	-	--	--
Spot		620		-	-	-
Oct-17				-	-	-

(NB: Spread Basis = Spot- Near Month Future)  
 \* Updated at 02:30 pm as on 18-Oct 2017

### DOMESTIC PRICES AND ARRIVALS

#### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	21-Oct-17	20-Oct-17	
Gujarat	Ahmedabad	Shankar-6	Closed	Closed	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	Closed	-
	Patan	B.T. Cotton	Closed	Closed	-
	Kadi	B.T. Cotton	Closed	Closed	-
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	Closed	Closed	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton (New Crop)	4750	Closed	-
	Bhiwani	Desi	NA	Closed	-
	Adampur	B.T. Cotton	4720	Closed	-
	Fatehabad	B.T. Cotton	4695	Closed	-
	Jind	B.T. Cotton	4740	Closed	-
	Uchana	B.T. Cotton	4650	Closed	-
	Dabwali	B.T. Cotton	4570	Closed	-
Rajasthan	Hanumangarh	B.T. Cotton	Closed	Closed	-
	Rawatsar	B.T. Cotton	Closed	Closed	-
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	-
	Khargaon	Mech-1	Closed	Closed	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	Closed	Closed	-
	Hathras	Desi	Closed	Closed	-
Telangana	Adilabad	Un-Ginned	4500	4500	Unch
Andhra Pradesh	Guntur	Un-Ginned	3400	4000	-600
	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	4320	4320	Unch
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	4721	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	21-Oct-17	20-Oct-17	
Punjab	Bhatinda	J-34	3790	3790	Unch
	Abohar	J-34	3795	3795	Unch

	Mansa	J-34	3780	3785	-5
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	3810	3810	Unch
Rajasthan	Sri-Ganganagar	J-34	Closed	Closed	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	21-Oct-17	20-Oct-17	
Gujarat	Ahmedabad	Shankar-6	Closed	Closed	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	Closed	-
	Patan	B.T. Cotton	Closed	Closed	-
	Kadi	B.T. Cotton	Closed	Closed	-
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	Closed	Closed	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	1500	Closed	-
	Bhiwani	Desi	NA	Closed	-
	Adampur	B.T. Cotton	1360	Closed	-
	Fatehabad	B.T. Cotton	100	Closed	-
	Jind	B.T. Cotton	1190	Closed	-
	Uchana	B.T. Cotton	3000	Closed	-
	Dabwali	B.T. Cotton	1000	Closed	-
Rajasthan	Hanumangarh	B.T. Cotton	Closed	Closed	-
	Rawatsar	B.T. Cotton	Closed	Closed	-
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	-
	Khargaon	Mech-1	Closed	Closed	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	Closed	Closed	-
	Hathras	Desi	Closed	Closed	-
Telangana	Adilabad	Un-Ginned	1921	NA	-
Andhra Pradesh	Guntur	Un-Ginned	35	NA	-
	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	26	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change

State	Centre	Variety	21-Oct-17	20-Oct-17	
Punjab	Bhatinda	J-34	1700	NA	-
	Abohar	J-34	850	NA	-
	Mansa	J-34	170	NA	-
Haryana	Sirsa	J-34	136	NA	-
Rajasthan	Sri-Ganganagar	J-34	Closed	Closed	-

**Cotton Association of India Spot Rates:**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				18-Oct-17	17-Oct-17	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	39900	39900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40900	40900	Unch
J-34(202)	26mm	3.5 - 4.9	23	35200	35200	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38100	38400	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	38500	38800	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40300	40900	-600
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42000	42600	-600
DCH-32(107)	34mm	3.0 - 3.8	33	49500	50000	-500

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

Centre	Unit	Price		Change
		21-Oct-17	20-Oct-17	
Rajkot	Rs. /10 Kg.	Closed	Closed	-
New Delhi	Rs. /10 Kg.	Closed	Closed	-
Hyderabad	Rs. /10 Kg.	Closed	Closed	-
Mumbai	Rs. /10 Kg.	Closed	Closed	-

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

Centre	Unit	Price		Change
		21-Oct-17	20-Oct-17	
Mahesana (Kadi)	Rs./Qtl	Closed	Closed	-
Akola	Rs./Qtl	Closed	Closed	-

**INTERNATIONAL PRICES AND INDICES**
**China Cotton Index: As on 18-October-2017**

Index	RMB/Ton	Change
CCIndex(328)	15992	-7

CCIndex(527)	14926	-2
CCIndex(229)	16485	-2
RMB -Renminbi, 1RMB =0.16 \$U.S.		

**China Foreign Cotton (FCE) Index : As on 20-October-2017**

Index	Cents/lb	Change
FC Index (S)	81.78	-0.43
FC Index (M)	77.59	-0.45
FC Index (L)	75.46	-0.48

**Cotlook Index: As on 20-October-2017**

Cotlook Indices	Cents/Pound	Change
A-Index	77.60	-0.25

**USDA Cotton Spot Rates: As on 17-October-2017**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	68.52	69.77	NIL
North Delta	67.77	69.02	NIL
South Delta	67.77	69.02	NIL
East TX-OK	66.00	67.50	1300
West Texas	65.50	67.00	NIL
Desert SW	62.52	66.52	NIL
SJ Valley	63.52	72.42	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 20-October-2017**

Contract	Open	High	Low	Close	Change
Dec-17	67.30	67.58	66.84	66.88	-0.43
Mar-18	67.04	67.27	66.75	66.77	-0.24
May-18	68.12	68.25	67.75	67.76	-0.26
Jul-18	68.80	68.90	68.47	68.49	-0.25
Oct-18	67.37	67.37	67.37	67.37	-0.23
Dec-18	67.92	67.92	67.76	67.76	-0.22

<b>Pakistan Cotton Spot rates: As on 17-October-2017</b>				<b>(in Pakistan Rupees)</b>
<b>Product</b>	<b>Rate for</b>	<b>Ex-Gin Price</b>	<b>Up Country Sales</b>	<b>Spot Rate Karachi</b>
<b>Cotton</b>	<b>37.32 Kgs</b>	6100	145	6245
<b>Equivalent</b>	<b>40 Kgs</b>	6537	155	6692

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