

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were noticed firm on Monday.

In The News: In benchmark market of Rajkot (Gujarat), market prices are trading near Rs.5100/quintal compared to Rs.5150/quintal previous week. Last year during same period prices were trading near Rs 5800-Rs 6000/quintal.

After pink bollworm attack, the Maharashtra government has decided to promote short duration varieties of Bt cotton from the next cotton year. Because the short duration varieties get adequate soil moisture during the critical flowering and fruiting phase and escape bollworm attacks during squaring-flowering stage.

Andhra Pradesh nearly 15 percent of its cotton acreage was planted with an unapproved variety of genetically modified seeds developed by Monsanto.

The Cotton Association of India (CAI) has, in its latest estimate, lowered the crop size by 8 lakh bales (of 170 kg each) to 367 lakh bales against the earlier estimate of 375 lakh bales. For the 2017-18 season, beginning from October 1, 2017, the CAI reduced the crop estimate to 367 lakh bales citing severe infestation of cotton with pink bollworm.

The projected Balance Sheet drawn by the CAI estimated total cotton supply for the season at 417 lakh bales of 170 kgs. each including the opening stock of 30 lakh bales at the beginning of the season and the imports which the CAI estimated at 20 lakh bales for 2017-18 crop year. The domestic consumption is estimated to be 320 lakh bales while CAI estimates exports for the season to be 55 lakh bales. The carry over stock at the end of this season on 30th September 2018 is estimated to be 42 lakh bales.

Since the introduction of Bt cotton in 2002, there has been a near doubling of cotton production in the country from 158 lakh bales in 2001-02 to 351 lakh bales in 2016-17, and increase in productivity from 308 kg/ha in 2001-02 to 568 kg/ha in 2016 17.

Higher demand for better grades of cotton kept market sentiments firm while better grades of cotton getting a premium price during trading sessions at leading stations of cotton market in India.

Cotton yield in Gujarat may take a 15% hit this year due to the pink bollworm pest attack. The average per hectare yield of cotton in the state is estimated to fall from 510-520kg a hectare to 480kg a hectare.

Cotton acreage in Gujarat increased to 26.42 lakh hectares in the kharif season of 2017-18 from 24.04 lakh hectares in the previous season.

Global cotton production is increasing at a faster rate. Current estimates for the season have production at 25.5 million tons and consumption at 25.4 million tons. Production increases are coming off the gains in planted area rather than yields this season. Global average yield for 2017/18 is currently being estimated at 773 kilograms per hectare, a 1% decrease from the previous season with a 12% growth in planted area. India and Pakistan, with estimated area increases of 16% and 24% respectively, encountered production losses from pink bollworm this season.

Updated at 05:00 pm as on 19-Feb-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-18	-20	19550	19590	19430	19510	2458	266	6138	-723
Mar-18	20	19820	19850	19690	19790	2407	416	4752	834

Spread	Feb 18	Mar 18	-	-	--	--
Spot				-	-	-
Feb-18	-260			-	-	-

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

* Updated at 05:00 pm as on 19-Feb 2018

DOMESTIC PRICES AND ARRIVALS
Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	19-Feb-18	17-Feb-18	
Gujarat	Ahmedabad	Shankar-6	5150	5100	50
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	5110	5100	10
	Patan	B.T. Cotton	5150	5130	20
	Kadi	B.T. Cotton	5125	5150	-25
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	NR	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5225	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	5110	-
	Fatehabad	B.T. Cotton	5140	5130	10
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	5128	-
	Dabwali	B.T. Cotton	NR	5025	-
Rajasthan	Hanumangarh	B.T. Cotton	5100	5100	Unch
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	NR	Closed	-
	Khargaon	Mech-1	NR	Closed	-
Maharashtra	Amravati	Mech-1	Closed	5000	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4650	NR	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	4809	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	5140	NA	-
	Hubli	D.C.H.	2870	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maunder)		Change
State	Centre	Variety	19-Feb-18	17-Feb-18	
Punjab	Bhatinda	J-34	4175	4175	Unch
	Abohar	J-34	4175	4175	Unch
	Mansa	J-34	4140	4150	-10
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4160	4160	Unch
Rajasthan	Sri-Ganganagar	J-34	3901	NR	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	19-Feb-18	17-Feb-18	
Gujarat	Ahmedabad	Shankar-6	59500	51000	8500
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	2900	3700	-800
	Patan	B.T. Cotton	1813	2520	-707
	Kadi	B.T. Cotton	40000	35000	5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	NR	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	500	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	1700	-
	Fatehabad	B.T. Cotton	600	800	-200
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	1310	-
	Dabwali	B.T. Cotton	NR	460	-
Rajasthan	Hanumangarh	B.T. Cotton	2000	3000	-1000
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	NR	Closed	-
	Khargaon	Mech-1	NR	Closed	-

Maharashtra	Amravati	Mech-1	Closed	12000	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NR	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	3342	NA	-
	Hubli	D.C.H.	24	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	19-Feb-18	17-Feb-18	
Punjab	Bhatinda	J-34	5950	5950	Unch
	Abohar	J-34	1020	1020	Unch
	Mansa	J-34	850	850	Unch
Haryana	Sirsa	J-34	1360	1360	Unch
Rajasthan	Sri-Ganganagar	J-34	700	NR	-

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				16-Feb-18	15-Feb-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41300	41400	-100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41800	41900	-100
J-34(202)	26mm	3.5 - 4.9	23	38900	39000	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38100	38200	-100
Shankar-6(105)	29mm	3.5 - 4.9	28	39900	40000	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42000	42000	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42700	42700	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	55900	55900	Unch

Cotton Seed Oil Prices

Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Price		Change
		19-Feb-18	17-Feb-18	
Rajkot	Rs. /10 Kg.	700	700	Unch
New Delhi	Rs. /10 Kg.	695	695	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	720	720	Unch

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

Centre	Unit	Price		Change
		19-Feb-18	17-Feb-18	
Mahesana (Kadi)	Rs./Qtl	1606	1629	-23
Akola	Rs./Qtl	1670	1686	-16

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 14-February-2018

Index	RMB/Ton	Change
CCIndex(328)	15689	1
CCIndex(527)	14699	1
CCIndex(229)	16248	3
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 14-February-2018

Index	Cents/lb	Change
FC Index (S)	90.85	Unch
FC Index (M)	87.35	Unch
FC Index (L)	85.10	Unch

Cotlook Index: As on 16-February-2018

Cotlook Indices	Cents/Pound	Change
A-Index	86.60	-0.25

USDA Cotton Spot Rates: As on 16-February-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	76.66	78.91	NIL
North Delta	75.16	76.91	NIL
South Delta	75.16	76.91	NIL
East TX-OK	71.75	73.50	4295
West Texas	71.00	73.00	1696
Desert SW	71.91	75.91	161
SJ Valley	72.66	81.56	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.): Ason16-February-2018

Contract	Open	High	Low	Close	Change
18-Mar	75.34	75.87	75.13	75.72	0.31
18-May	76.76	77.25	76.47	77.16	0.39
18-Jul	77.73	78.22	77.5	78.12	0.36
18-Oct	76.38	76.38	76.38	76.38	0.12
18-Dec	75.30	75.65	75.25	75.62	0.13
19-Mar	75.91	75.91	75.60	75.89	0.05

Pakistan Cotton Spot rates: As on17-February-2018

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7000	145	7145
Equivalent	40 Kgs	7502	155	7657

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