

Domestic Fundamentals:

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

In The News: With domestic cotton prices falling to 40,000 rupees per candy (1 candy = 356 kg) and the rupee weakening by over 2.5%, have made Indian cotton competitive in the global market.

Since Oct 1, cotton export orders for over 3.0 mln bales (1 bale = 170 kg) have been signed, of which 2.8 mln have been shipped out so far. Recent revival in export orders is likely to take overall export orders comfortably above 3.5 mln bales and actual shipments above 3.0 mln bales by the end of February month.

The export price of cotton has remained at high level. 30S pure cotton yarn prices remained at 3.35USD/kg, compared with same time in 2016 was 3.40 USD/kg. in the Chinese market, Indian cotton import prices remained unchanged, with Indonesia and Vietnam rising 4-5 cents respectively.

Domestic cotton prices were reported slightly higher but adequate supplies and slow demand from mills have limited the upside price potential. All India cotton arrivals stood at an average of 130,000 to 135,000 bales/day. It includes 40,000 in Maharashtra, 35,000 in Gujarat, 44,000 in Andhra Pradesh/Telangana state and 16,000 bales in other states.

India's market share in home textile imports by the US remaining flat at 33% during 2017, its share (in US dollar terms) in cotton sheets increased 1% to 50% during the year. India has been consistently gaining the 1% market share in cotton sheets every year since 2012.

India's export of cotton sheets to the US (in US dollar terms) increased 1.9% year-on-year \$717million in 2017. Indecently cotton sheet exports from the rest of the world. The world to the US declined 0.3% during the year.

Infestation of pink bollworm in major cotton producing regions of the country has led to an increase in cotton prices since mid-December 2017. This coupled with a 2% reduction in cotton crop estimate for 2017-18 season (October-September) and the 6.4% y-o-y appreciation of the rupee continues to remain an overhang for the textiles sector.

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-3	940	948	935	936.5	2995	1027	7162	-1

Spread	Cont (C1)		
Spot	-81	-	-
	-	-	-

Updated at 05:00 pm as on 03-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	190	20220	20600	20180	20360	732	0	1177	0
Apr-18	80	20890	20960	20880	20910	89	-117	928	126

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-360			-	-	-

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

* Updated at 05:00 pm as on 03-Mar 2018

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	3-Mar-18	1-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5250	5250	Unch
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	5170	5125	45
	Patan	B.T. Cotton	5040	NR	-
	Kadi	B.T. Cotton	5200	5100	100
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	4875	5000	-125
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5200	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	Closed	Closed	-
	Fatehabad	B.T. Cotton	5125	5110	15
	Jind	B.T. Cotton	5170	5120	50
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	4975	5015	-40
Rajasthan	Hanumangarh	B.T. Cotton	Closed	Closed	-
	Rawatsar	B.T. Cotton	5000	Closed	-
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	-
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	NA	Closed	-
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	Closed	NR	-
	Hathras	Desi	Closed	NR	-

Telangana	Adilabad	Un-Ginned	4575	4575	Unch
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	4011	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	5159	-
	Hubli	D.C.H.	5100	5051	49
	Hubli	B.T. Cotton	NA	5500	-
	Raichur	H-44 Cotton	NA	5020	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	3-Mar-18	1-Mar-18	
Punjab	Bhatinda	J-34	4235	4500	-265
	Abohar	J-34	4235	4250	-15
	Mansa	J-34	Closed	4235	-
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4220	4230	-10
Rajasthan	Sri-Ganganagar	J-34	3901	3948	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	3-Mar-18	1-Mar-18	
Gujarat	Ahmedabad	Shankar-6	51000	59500	-8500
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	1225	1850	-625
	Patan	B.T. Cotton	397	NR	-
	Kadi	B.T. Cotton	70000	40000	30000
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	54	138	-84
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	1500	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	Closed	Closed	-
	Fatehabad	B.T. Cotton	450	500	-50
	Jind	B.T. Cotton	50	78	-28
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	125	225	-100
Rajasthan	Hanumangarh	B.T. Cotton	Closed	Closed	-
	Rawatsar	B.T. Cotton	4000	Closed	-
Madhya Pradesh	Khandwa	Mech-1	Closed	Closed	-
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	NA	Closed	-

	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	Closed	NR	-
	Hathras	Desi	Closed	NR	-
Telangana	Adilabad	Un-Ginned	NA	8412	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	58	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	1890	-
	Hubli	D.C.H.	166	42	124
	Hubli	B.T. Cotton	NA	2	-
	Raichur	H-44 Cotton	NA	367	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	3-Mar-18	1-Mar-18	
Punjab	Bhatinda	J-34	3400	1700	1700
	Abohar	J-34	680	850	-170
	Mansa	J-34	Closed	680	-
Haryana	Sirsa	J-34	340	680	-340
Rajasthan	Sri-Ganganagar	J-34	300	500	-200

DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				1-Mar-18	28-Feb-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42100	42000	100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42600	42500	100
J-34(202)	26mm	3.5 - 4.9	23	39800	39700	100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39100	39000	100
Shankar-6(105)	29mm	3.5 - 4.9	28	40900	40800	100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42600	42500	100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43400	43300	100
DCH-32(107)	34mm	3.0 - 3.8	33	54100	54100	Unch

Cotton Seed Oil Prices

Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Price		Change
		3-Mar-18	1-Mar-18	
Rajkot	Rs. /10 Kg.	NA	705	-
New Delhi	Rs. /10 Kg.	NA	Closed	-
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	NA	742	-

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

Centre	Unit	Price		Change
		3-Mar-18	1-Mar-18	
Mahesana (Kadi)	Rs./Qtl	NR	NR	-
Akola	Rs./Qtl	1553	1560	-7

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 01-March-2018

Index	RMB/Ton	Change
CCIndex(328)	15696	11
CCIndex(527)	14683	1
CCIndex(229)	16246	7
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 01-March-2018

Index	Cents/lb	Change
FC Index (S)	95.61	0.80
FC Index (M)	91.96	0.71
FC Index (L)	90.16	0.75

Cotlook Index: As on 02-March-2018

Cotlook Indices	Cents/Pound	Change
A-Index	91.20	-1.20

USDA Cotton Spot Rates: As on 02-March-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	82.59	84.84	NIL
North Delta	81.09	82.84	NIL
South Delta	81.09	82.84	NIL
East TX-OK	76.50	78.25	1645
West Texas	76.00	78.00	999
Desert SW	77.34	81.34	778
SJ Valley	77.84	86.74	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.): Ason02-March-2018

Contract	Open	High	Low	Close	Change
18-Mar	82.70	82.72	82.50	82.72	0.15
18-May	81.53	82.22	81.10	82.09	0.28
18-Jul	81.93	82.47	81.43	82.35	0.24
18-Oct	78.47	78.47	78.47	78.47	-0.04
18-Dec	77.00	77.28	76.81	77.05	-0.13
19-Mar	77.25	77.50	77.15	77.15	-0.31

Pakistan Cotton Spot rates: As on02-March-2018

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7200	145	7345
Equivalent	40 Kgs	7716	155	7871

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