

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were witnessed steady to firm on Friday.

In The News: Cotton prices traded firm taking cues from international market. Export continued at good pace and further sales were witnessed in Bangladesh, Pakistan, Vietnam and Indonesia.

Cottonseed oil cake prices bounced by 1.24 per cent to Rs 1,465 per quintal in futures trade today on accumulation of holdings by speculators at lower levels backed by a firm trend at the spot markets.

Guntur cotton ginning mills directly buying kapas from farmers at Rs 4000-4500/Qtl and selling cotton seed and lint at Rs 1400/qtl and Rs 40000/ candy.

The government is proposing to cut the price of BT cotton seeds (Bollgard II) from Rs 800 to Rs 740 per packet (450 gm packets). The current stands to reduce input costs for farmers help retain cotton acreages and ensure deeper penetration of high quality seeds thereby reducing worm attacks.

India appears to be experiencing a cotton quality crisis as seed cotton deliveries continue to be dominated by yellow seed cotton. Yellow colour is a significant problem for spinners because later in processing it affects the performance of the cotton.

There is good demand for Indian cotton from overseas markets this season. Bangladesh, Pakistan, Vietnam, Indonesia and various other countries are buying cotton from India heavily this season. Around 40 lakh bales of cotton have been exported from country so far and another 15-20 lakh bales are expected to export by end of this season.

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.



International Fundamentals:

World consumption is raised slightly, while world trade is forecast 600,000 bales higher, as higher expected imports by Turkey, Bangladesh, China, and Vietnam more than offset a decline for Taiwan. World ending stocks are now projected at 88.8 million bales, nearly 300,000 bales above last month.

U.S. all-cotton production in 2017-18 projected down 140,000 bales from USDA's latest estimate and exports up 390,000 bales ahead of the monthly supply-demand reports.

As of Feb. 15, Turkey ranked as the third largest export customer for U.S. cotton this season on purchases of 1.428 million statistical bales. China was the largest, having bought 2.33 million bales, and Vietnam ranked second on purchases of 2.216 million bales.

Sri Lanka's apparel and textile export segment is likely to experience the highest rate of growth in overseas shipment in 2018 as Sri Lanka focus on achieving \$20 billion in export earnings by 2020, Sri Lanka CEO survey have resoundingly voted for textile and apparel as the growth engine for exports in the year ahead, as per the a recent survey conducted by the Oxford Business Group (OBG).

Exporters of Nepali yarn to Turkey have been facing hassles for the past few weeks after the Turkish government imposed stricter import provision for Nepali yarn, alleging that Nepali traders were exporting foreign yarn to the European nation under Nepali brand names. The Turkish government has also initiated the process of slapping anti-dumping duty on Nepali yarn based on aforementioned allegations, according to domestic yarn producers. This has created anxiety among Nepali yarn producers.

Cotton prices have been a prime benefactor of growing world economies and overseas demand. Since a post harvest low back in October, cotton prices have rallied by nearly 12%. This has helped inflate call option premiums in the cotton market nicely.

The US Department of Agriculture, unveiling its first full estimates for world cotton supply and demand in 2018-19, forecast that the Cotlook A index of physical prices will "decline about 10 cents to 73 cents a pound" on a year-average basis.

Cotton Outlook forecast world demand next season at 26.71m tonnes (122.7m bales) in line with the USDA estimate. The 2017/18 U.S. cotton supply and demand forecasts show slightly lower exports and higher ending stocks relative to last month. Production and domestic mill use are unchanged. The export forecast is lowered 300,000 bales to 14.5 million, based on a lagging pace of shipments to date. Ending stocks are now estimated at 6.0 million bales, equivalent to 34% of total disappearance.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	4.5	953	966	952.5	960.5	2970	1114	7199	-184
Spread		Cont (C1)							
Spot		-58							
Updated at 05:00 pm as on 09–Mar-2018									



Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
/lar-18	-10	20910	21030	20900	20950	1348	489	7575	9
Apr-18	20	21150	21270	21140	21220	367	227	1506	196
	M	ar 18			-	-			
Spread	141								
Spread Spot	141								
		240							

Cotton Prices at Key Spot Markets:

Commodity	Кар	Prices (R	Prices (Rs./Quintal)		
State	Centre	Variety	9-Mar-18	8-Mar-18	Change
	Ahmedabad	Shankar-6	5250	5250	Unch
Gujarat	Gondal	Shankar-6	5030	NR	-
	Rajkot	B.T. Cotton	5125	5120	5
	Patan	B.T. Cotton	NR	5090	-
	Kadi	B.T. Cotton	5200	5200	Unch
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	5095	5055	40
Punjab	Fazilika	B.T. Cotton	NR	NR	-
Pulijab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	5200	5200	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5050	5060	-10
Haryana	Fatehabad	B.T. Cotton	5125	5050	75
	Jind	B.T. Cotton	5434	5221	213
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	4995	4955	40
Rajasthan	Hanumangarh	B.T. Cotton	5150	5125	25
Kajasillali	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	5000	5000	Unch
Madnya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5000	5000	Unch
Wallal aslitta	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
Oliai Fiauesii	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	4750	4540	210
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
Anuma Fraucom	Kurnool	Un-Ginned	4449	NA	-



	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	5311	5240	71
Karnataka	Hubli	D.C.H.	NA	2930	-
Namataka	Hubli	B.T. Cotton	NA	4690	-
	Raichur	H-44 Cotton	NA	5050	-
Commodity	Lint		Prices (R	Prices (Rs./Maund)	
State	Centre	Variety	9-Mar-18	8-Mar-18	Change
	DI C I	1.04	4000		
	Bhatinda	J-34	4300	4250	50
	Abohar	J-34 J-34	4300	4250 4255	50 45
Punjab					
Punjab	Abohar	J-34	4300	4255	45
Punjab	Abohar Mansa	J-34 J-34	4300 4270	4255 4240	45 30
Punjab Haryana	Abohar Mansa Muktsar	J-34 J-34 J-34	4300 4270 NR	4255 4240 NR	45 30 -

Cotton Arrivals in Key Centers:

Commodity	Ka	Arrivals	(Quintal)	Change	
State	Centre	Variety	9-Mar-18	8-Mar-18	Change
	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	3000	NR	-
	Rajkot	B.T. Cotton	2600	2500	100
Gujarat	Patan	B.T. Cotton	NR	3033	-
	Kadi	B.T. Cotton	40000	55000	-15000
	Deesa	B.T. Cotton	Closed	Closed	-
	Dhrol	B.T. Cotton	355	249	106
Punjab	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	3000	4000	-1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5007	5100	-94
Haryana	Fatehabad	B.T. Cotton	800	900	-100
	Jind	B.T. Cotton	75	150	-75
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	475	350	125
Dejecthen	Hanumangarh	B.T. Cotton	1300	1600	-300
Rajasthan	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	400	300	100
Wadiiya Fradesii	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	2000	2500	-500
Iviandi asilli a	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
Olidi Fiduesii	Hathras	Desi	NA	RN	-

400

Unch

400



Rajasthan

Telangana **Un-Ginned** Adilabad 297 7625 7328 Guntur **Un-Ginned** NA NA Kurnool **Un-Ginned** 252 NA **Andhra Pradesh Un-Ginned** Krishna NA NA East Godavari **Un-Ginned** NA NA Bijapur Bunny 2931 3477 -546 Hubli D.C.H. NA 8 Karnataka B.T. Cotton Hubli NA 50 H-44 Cotton Raichur NA 1200 Commodity Lint **Arrivals (Quintal)** Change **State** Centre **Variety** 9-Mar-18 8-Mar-18 Bhatinda J-34 5100 850 5950 **Punjab** J-34 Unch Abohar 1020 1020 Mansa J-34 1020 680 340 Haryana Sirsa J-34 1700 340 2040

DOMESTIC PRICES AND ARRIVALS

J-34

Sri-Ganganagar

Cotton Association of India Spot Rates:								
Trada Nama	Stanla	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change		
Trade Name	Staple	Wilcronaire	GPT	8-Mar-18	7-Mar-18	Change		
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42800	42800	Unch		
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43300	43300	Unch		
J-34(202)	26mm	3.5 - 4.9	23	39900	39900	Unch		
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	38100	38100	Unch		
Shankar-6(105)	29mm	3.5 – 4.9	28	41000	41000	Unch		
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42100	42100	Unch		
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43600	43600	Unch		
DCH-32(107)	34mm	3.0 - 3.8	33	54300	54300	Unch		

Cotton Seed Oil Prices

Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Pr	Change	
Centre	Offic	9-Mar-18	8-Mar-18	Change
Rajkot	Rs. /10 Kg.	750	745	5
New Delhi	Rs. /10 Kg.	735	735	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	770	770	Unch



Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Centre	Unit	Pri	Change	
Centre	Onit	9-Mar-18	8-Mar-18	Change
Mahesana (Kadi)	Rs./Qtl	1471	1451	20
Akola	Rs./Qtl	1484	1475	9

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 08-March-2018		
Index	RMB/Ton	Change
CCIndex(328)	15711	6
CCIndex(527)	14692	3
CCIndex(229)	16255	3
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 08-March-2018					
Index Cents/lb Change					
FC Index (S)	95.92	0.18			
FC Index (M)	92.68	0.07			
FC Index (L)	91.60	0.22			

Cotlook Index: As on 08-March-2018						
Cotlook Indices Cents/Pound Change						
A-Index	92.20	0.30				

USDA Cotton Spot Rates: As on 07-March-2018						
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals			
	cent	Bales				
Southeast	83.36	85.61	NIL			
North Delta	81.86	83.61	NIL			
South Delta	81.86	83.61	NIL			
East TX-OK	77.75	79.50	1594			
West Texas	77.25	79.25	3378			
Desert SW	78.11	82.11	320			
SJ Valley	78.61	87.51	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.): Ason08-March-2018							
Contract	Open	High	Low	Close	Change		
18-Mar	84.2	84.20	84.20	84.20	0.36		
18-May	83.26	85.25	82.96	85.12	2.26		
18-Jul	82.56	84.69	82.56	84.55	2.00		
18-Oct	79.78	79.78	79.78	79.78	0.93		
18-Dec	78.01	78.5	78.01	78.49	0.44		
19-Mar	78.1	78.4	78.1	78.34	0.23		

Pakistan Cotton S	(in Pakistan Rupees)			
Product	Rate for	Ex-Gin Price	Ex-Gin Price Up Country Sales	
Cotton	37.32 Kgs	7100	145	7245
Equivalent	40 Kgs	7609	155	7764

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