

## 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.

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

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	-10	20910	21030	20900	20950	1348	489	7575	9
Apr-18	20	21150	21270	21140	21220	367	227	1506	196

  

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-240			-	-	-

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

\* Updated at 05:00 pm as on 09-Mar 2018

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	9-Mar-18	8-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5250	5250	Unch
	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	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5200	5200	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5050	5060	-10
	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
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	5000	5000	Unch
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5000	5000	Unch
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	4750	4540	210
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	4449	NA	-

	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	5311	5240	71
	Hubli	D.C.H.	NA	2930	-
	Hubli	B.T. Cotton	NA	4690	-
	Raichur	H-44 Cotton	NA	5050	-
<b>Commodity</b>	<b>Lint</b>		<b>Prices (Rs./Maund)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>9-Mar-18</b>	<b>8-Mar-18</b>	
Punjab	Bhatinda	J-34	4300	4250	50
	Abohar	J-34	4300	4255	45
	Mansa	J-34	4270	4240	30
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4270	4240	30
Rajasthan	Sri-Ganganagar	J-34	4042	3995	47

**Cotton Arrivals in Key Centers:**

<b>Commodity</b>	<b>Kapas</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>9-Mar-18</b>	<b>8-Mar-18</b>	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	3000	NR	-
	Rajkot	B.T. Cotton	2600	2500	100
	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	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	3000	4000	-1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5007	5100	-94
	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
Rajasthan	Hanumangarh	B.T. Cotton	1300	1600	-300
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	400	300	100
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	2000	2500	-500
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
	Hathras	Desi	NA	RN	-

Telangana	Adilabad	Un-Ginned	7625	7328	297
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	252	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	2931	3477	-546
	Hubli	D.C.H.	NA	8	-
	Hubli	B.T. Cotton	NA	50	-
	Raichur	H-44 Cotton	NA	1200	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>9-Mar-18</b>	<b>8-Mar-18</b>	
Punjab	Bhatinda	J-34	5950	5100	850
	Abohar	J-34	1020	1020	Unch
	Mansa	J-34	1020	680	340
Haryana	Sirsa	J-34	2040	1700	340
Rajasthan	Sri-Ganganagar	J-34	400	400	Unch

### DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				8-Mar-18	7-Mar-18	
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	Price		Change
		9-Mar-18	8-Mar-18	
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	Price		Change
		9-Mar-18	8-Mar-18	
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
	cents/lb.		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 Spot rates: As on07-March-2018**

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7100	145	7245
Equivalent	40 Kgs	7609	155	7764

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