

### Domestic Fundamentals:

**Market Outlook:** Cotton spot market prices were noticed weak tone on Monday.

**In The News:** Indian seed companies threatened today to halt supplies to 8 million cotton farmers in protest against a potential government plan to cut prices by 7.5% to Rs740, NSAI chief said.

Now Cotton is getting support at 20870 and below same could see a test of 20800 level, And resistance is now likely to be seen at 21020, a move above could see prices testing 21100.

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-12	956.5	958	946.5	949.5	2491	-1917	7319	-107

  

Spread	Cont (C1)		
Spot	-67	-	-
	-	-	-

Updated at 05:00 pm as on 12-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	-200	20920	20990	20730	20740	1409	-819	7742	262
Apr-18	-210	21160	21240	20980	20980	320	-165	1532	39

  

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-250			-	-	-

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

\* Updated at 05:00 pm as on 12-Mar 2018

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	12-Mar-18	10-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5200	5250	-50
	Gondal	Shankar-6	NR	5020	-
	Rajkot	B.T. Cotton	5150	5125	25
	Patan	B.T. Cotton	NR	5120	-
	Kadi	B.T. Cotton	5150	5250	-100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	5085	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5080	5150	-70
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4950	5022	-72
	Fatehabad	B.T. Cotton	5000	5050	-50
	Jind	B.T. Cotton	NR	5050	-
	Uchana	B.T. Cotton	NR	5027	-
	Dabwali	B.T. Cotton	4840	4910	-70
Rajasthan	Hanumangarh	B.T. Cotton	5000	5150	-150
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	4900	4950	-50
	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	4525	4550	-25
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	NA	NA	-
	Hubli	D.C.H.	NA	5100	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5050	-
<b>Commodity</b>	<b>Lint</b>		<b>Prices (Rs./Maunder)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>12-Mar-18</b>	<b>10-Mar-18</b>	
Punjab	Bhatinda	J-34	4160	4275	-115
	Abohar	J-34	4190	4270	-80
	Mansa	J-34	4175	4260	-85
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4160	4250	-90
Rajasthan	Sri-Ganganagar	J-34	3995	3948	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>12-Mar-18</b>	<b>10-Mar-18</b>	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	NR	1000	-
	Rajkot	B.T. Cotton	3200	2400	800
	Patan	B.T. Cotton	NR	3430	-
	Kadi	B.T. Cotton	60000	55000	5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	282	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	1200	3000	-1800
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11900	5100	6800
	Fatehabad	B.T. Cotton	1200	1300	-100
	Jind	B.T. Cotton	NR	150	-
	Uchana	B.T. Cotton	NR	2440	-
	Dabwali	B.T. Cotton	375	225	150
Rajasthan	Hanumangarh	B.T. Cotton	3000	2500	500
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	500	300	200
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1500	2000	-500
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
	Hathras	Desi	NA	NR	-

Telangana	Adilabad	Un-Ginned	NA	7411	-
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	NA	NA	-
	Hubli	D.C.H.	NA	176	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	1260	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>12-Mar-18</b>	<b>10-Mar-18</b>	
Punjab	Bhatinda	J-34	6800	5950	850
	Abohar	J-34	1020	1020	Unch
	Mansa	J-34	850	680	170
Haryana	Sirsa	J-34	1700	2550	-850
Rajasthan	Sri-Ganganagar	J-34	250	500	-250

### DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				10-Mar-18	9-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	40100	40100	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38300	38300	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	41200	41200	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
		12-Mar-18	10-Mar-18	
Rajkot	Rs. /10 Kg.	735	740	-5
New Delhi	Rs. /10 Kg.	730	730	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	765	770	-5

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

Centre	Unit	Price		Change
		12-Mar-18	10-Mar-18	
Mahesana (Kadi)	Rs./Qtl	1441	1467	-26
Akola	Rs./Qtl	1465	1485	-20

**INTERNATIONAL PRICES AND INDICES**
**China Cotton Index: As on 12-March-2018**

Index	RMB/Ton	Change
CCIndex(328)	15723	1
CCIndex(527)	14700	5
CCIndex(229)	16259	1
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 09-March-2018**

Cotlook Indices	Cents/Pound	Change
A-Index	94.40	2.20

**USDA Cotton Spot Rates: As on 09-March-2018**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	85.02	87.27	NIL
North Delta	83.52	85.27	NIL
South Delta	83.52	85.27	NIL
East TX-OK	79.50	81.25	3246
West Texas	79.00	81.00	5618
Desert SW	79.52	83.52	2100
SJ Valley	80.02	88.92	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.): Ason09-March-2018**

Contract	Open	High	Low	Close	Change
18-Mar	84.94	85.55	84.23	84.52	-0.6
18-May	84.40	84.90	83.92	84.19	-0.36
18-Jul	80.05	80.14	79.88	79.88	0.1
18-Oct	78.35	78.74	78.35	78.72	0.23
18-Dec	78.28	78.80	78.28	78.8	0.46
19-Mar	78.16	78.65	78.16	78.64	0.48

**Pakistan Cotton Spot rates: As on10-March-2018**

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7400	145	7545
Equivalent	40 Kgs	7931	155	8086

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