

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.



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 antidumping 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	ОІ	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									
	Opdated at 05.00 pm as on 12-Mar-2018								



MCX Cotton Futures*: (Prices in Rs/170 kgs)									
Contract	+/-	Open	High	Low	Close	Volume	Change	01	Change
Mar-18	-200	20920	20990	20730	20740	1409	-819	7742	262
Apr-18	-210	21160	21240	20980	20980	320	-165	1532	39
Spread	Ma	ar 18							
Spot									-
Mar-18	-2	250							-
(NB: Spread Basis = Spot- Near Month Future)									
* Updated	at 05:00	pm as on ?	12–Mar 201	8					

Cotton Prices at Key Spot Markets:

Commodity	I	Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	12-Mar-18	10-Mar-18	Change
	Ahmedabad	Shankar-6	5200	5250	-50
-	Gondal	Shankar-6	NR	5020	-
	Rajkot	B.T. Cotton	5150	5125	25
Gujarat	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	-
Duniah	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	5080	5150	-70
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4950	5022	-72
Haryana	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
Dejecthen	Hanumangarh	B.T. Cotton	5000	5150	-150
Rajasthan	Rawatsar	B.T. Cotton	NR	NR	-
Madhua Dradaah	Khandwa	Mech-1	4900	4950	-50
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5000	5000	Unch
Manarashtra	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
Ullar Pradesh	Hathras	Desi	NA	NR	-
Telangana	Adilabad	Un-Ginned	4525	4550	-25
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-



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	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NA	NA	-
Karnataka	Hubli	D.C.H.	NA	5100	-
Nalilalaka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5050	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	12-Mar-18	10-Mar-18	Change
	Bhatinda	J-34	4160	4275	-115
	Abohar	J-34	4190	4270	-80
Punjab	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:

Commodity		Kapas	Arrivals	(Quintal)	Ohamma
State	Centre	Variety	12-Mar-18	10-Mar-18	Change
	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	NR	1000	-
	Rajkot	B.T. Cotton	3200	2400	800
Gujarat	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	-
Dunich	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	1200	3000	-1800
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	11900	5100	6800
Haryana	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
Deiesthen	Hanumangarh	B.T. Cotton	3000	2500	500
Rajasthan	Rawatsar	B.T. Cotton	NR	NR	-
Madhua Dradaah	Khandwa	Mech-1	500	300	200
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
	Amravati	Mech-1	1500	2000	-500
Maharashtra	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NR	-
Ultar Frauesh	Hathras	Desi	NA	NR	-



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Telangana	Adilabad	Un-Ginned	NA	7411	-	
	Guntur	Un-Ginned	NA	NA	-	
Andhro Drodooh	Kurnool	Un-Ginned	NA	NA	-	
Andhra Pradesh	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	-	
Commodity	Lint	t	Arrivals (Quintal)		Change	
State	Centre	Variety	12-Mar-18	10-Mar-18	Change	
	Bhatinda	J-34	6800	5950	850	
Punjab	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	Otomia	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change		
I laue Name	Staple	witcronaire	GPT	10-Mar-18	9-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	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		

Refined Cotton Seed Oil at Key Centers:

Cotton Seed Oil Prices

Contro	Unit	Pri	Change		
Centre	Unit	12-Mar-18 10-Mar-18		Change	
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
Centre	Offic	12-Mar-18	10-Mar-18	Change
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				

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cen	cents/lb.	
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/Ib.): 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 S	(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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