

## Domestic Fundamentals:

**Market Outlook:** Cotton spot market prices were witnessed sideways to weak tone on Wednesday.

**In The News:** Indian cotton prices hovered at Rs 41,200 per candy. The carry-over stock at the end of this season on September 30, 2018, is estimated to be 22 lakh bales which is lower by 20 lakh bales over the previous closing stock of 42 lakh bales.

Cotton Association of India (CAI) estimated that this year's cotton production would be 36.2 million bales (170 Kgs each), down from its December estimate of 37.5 million bales and February's estimate of 36.7 million bales.

India's farm ministry has decided to reduce royalties paid by Indian seed companies to Monsanto for its genetically modified (GM) cotton by 20.4 percent, said a government order released on Tuesday.

Cotton seed oil cake prices edged higher by Rs 20 to Rs 1,434 per quintal in futures trade on buying back of positions at prevailing levels supported by emerging physical markets.

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.

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-13	949	949.5	932	934	1914	81	6957	-51

  

Spread	Cont (C1)		
Spot	-69.5	-	-
	-	-	-

Updated at 05:00 pm as on 14-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	-110	20680	20740	20540	20550	1405	-32	7592	-222
Apr-18	-100	20980	21000	20810	20830	598	220	1834	243

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-260			-	-	-

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

\* Updated at 05:00 pm as on 14-Mar 2018

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	14-Mar-18	13-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5200	5175	25
	Gondal	Shankar-6	5015	5035	-20
	Rajkot	B.T. Cotton	5095	5095	Unch
	Patan	B.T. Cotton	NR	5115	-
	Kadi	B.T. Cotton	5100	5200	-100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	5215	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5000	5000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4870	4850	20
	Fatehabad	B.T. Cotton	4900	4900	Unch
	Jind	B.T. Cotton	5045	5450	-405
	Uchana	B.T. Cotton	NR	4914	-
	Dabwali	B.T. Cotton	5150	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	4950	4950	Unch
	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	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	4480	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-

	Kurnool	Un-Ginned	5050	5005	45
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	5320	-
	Hubli	D.C.H.	NA	4701	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5050	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	14-Mar-18	13-Mar-18	
Punjab	Bhatinda	J-34	4160	4155	5
	Abohar	J-34	4160	4160	Unch
	Mansa	J-34	4125	4140	-15
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4150	4125	25
Rajasthan	Sri-Ganganagar	J-34	3854	3901	-47

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	14-Mar-18	13-Mar-18	
Gujarat	Ahmedabad	Shankar-6	59500	59500	Unch
	Gondal	Shankar-6	1387	1011	376
	Rajkot	B.T. Cotton	3000	2600	400
	Patan	B.T. Cotton	NR	2828	-
	Kadi	B.T. Cotton	50000	60000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	254	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	800	800	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4080	11900	-7820
	Fatehabad	B.T. Cotton	900	900	Unch
	Jind	B.T. Cotton	201	80	121
	Uchana	B.T. Cotton	NR	2420	-
	Dabwali	B.T. Cotton	200	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	1500	1500	Unch
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	600	600	Unch
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1300	1500	-200
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	5102	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	185	300	-115
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	2594	-
	Hubli	D.C.H.	NA	18	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	855	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>14-Mar-18</b>	<b>13-Mar-18</b>	
Punjab	Bhatinda	J-34	6800	6800	Unch
	Abohar	J-34	1020	1020	Unch
	Mansa	J-34	680	680	Unch
Haryana	Sirsa	J-34	1700	2040	-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
				13-Mar-18	12-Mar-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42300	42500	-200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42800	43000	-200
J-34(202)	26mm	3.5 - 4.9	23	39600	39800	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37900	38100	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	41000	41100	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41800	41900	-100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43300	43400	-100
DCH-32(107)	34mm	3.0 - 3.8	33	53900	54100	-200

### Cotton Seed Oil Prices

#### Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Price		Change
		14-Mar-18	13-Mar-18	
Rajkot	Rs. /10 Kg.	735	730	5
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	760	760	Unch

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

Centre	Unit	Price		Change
		14-Mar-18	13-Mar-18	
Mahesana (Kadi)	Rs./Qtl	1427	1423	4
Akola	Rs./Qtl	1467	1464	3

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 14-March-2018

Index	RMB/Ton	Change
CCIndex(328)	15721	-1
CCIndex(527)	14698	Unch
CCIndex(229)	16260	-1
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 13-March-2018

Index	Cents/lb	Change
FC Index (S)	96.22	-1.15
FC Index (M)	93.05	-1.20
FC Index (L)	91.96	-1.21

Cotlook Index: As on 13-March-2018

Cotlook Indices	Cents/Pound	Change
A-Index	92.60	-1.30

USDA Cotton Spot Rates: As on 13-March-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	83.48	85.73	NIL
North Delta	81.98	83.73	NIL
South Delta	81.98	83.73	NIL
East TX-OK	78.00	79.75	2252
West Texas	77.50	79.50	4116
Desert SW	77.98	81.98	348
SJ Valley	78.48	87.38	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.): Ason13-March-2018**

Contract	Open	High	Low	Close	Change
18-Mar	83.19	84.21	82.04	82.98	-0.30
18-May	83.21	84.08	82.21	82.86	-0.35
18-Jul	79.57	79.57	79.57	79.57	-0.31
18-Oct	78.6	78.94	77.95	78.49	-0.23
18-Dec	78.85	79.02	78.13	78.67	-0.16
19-Mar	78.7	78.94	78.13	78.62	-0.08

**Pakistan Cotton Spot rates: As on13-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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