

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were noticed mixed tone on Wednesday.

In The News: According to a notification issued late Monday by the agriculture ministry, the MSP for the Bt cotton seeds in the 2018-19 kharif season will be Rs 740 for a 450-gm packet, down 7.5% from earlier. The trait value has seen a steeper 20% cut to Rs 39/packet. Before the Centre capped retail price of the Bt cotton seed, its price was in the range of Rs 830-1,000/450-gram packet, as existed in 2015-16 kharif season.

Cottonseed 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.

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.

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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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-0.5	935.5	938.5	932	933	1445	-469	7228	271

Spread	Cont (C1)		
Spot	-80.5	-	-
	-	-	-

Updated at 05:00 pm as on 15-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	40	20550	20610	20500	20550	1131	-274	6799	-793
Apr-18	40	20840	20890	20800	20840	723	125	2534	700

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-280			-	-	-

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

* Updated at 05:00 pm as on 15-Mar 2018

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	15-Mar-18	14-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5250	5200	50
	Gondal	Shankar-6	5015	5015	Unch
	Rajkot	B.T. Cotton	5090	5095	-5
	Patan	B.T. Cotton	NR	5145	-
	Kadi	B.T. Cotton	5075	5100	-25
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5075	5105	-30
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5025	5000	25
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4890	4870	20
	Fatehabad	B.T. Cotton	4950	4900	50
	Jind	B.T. Cotton	5080	5045	35
	Uchana	B.T. Cotton	NR	4932	-
	Dabwali	B.T. Cotton	4770	5150	-380
Rajasthan	Hanumangarh	B.T. Cotton	5015	4950	65
	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	4480	4470	10
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	5050	-

	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	5320	-
	Hubli	D.C.H.	NA	3860	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5100	-
Commodity	Lint		Prices (Rs./Maunder)		Change
State	Centre	Variety	15-Mar-18	14-Mar-18	
Punjab	Bhatinda	J-34	4180	4160	20
	Abohar	J-34	4180	4160	20
	Mansa	J-34	4125	4125	Unch
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4160	4150	10
Rajasthan	Sri-Ganganagar	J-34	3826	3854	-28

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	15-Mar-18	14-Mar-18	
Gujarat	Ahmedabad	Shankar-6	59500	59500	Unch
	Gondal	Shankar-6	837	1387	-550
	Rajkot	B.T. Cotton	2000	3000	-1000
	Patan	B.T. Cotton	NR	3620	-
	Kadi	B.T. Cotton	50000	50000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	363	315	48
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	1000	800	200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5000	4080	920
	Fatehabad	B.T. Cotton	600	900	-300
	Jind	B.T. Cotton	260	201	60
	Uchana	B.T. Cotton	NR	3000	-
	Dabwali	B.T. Cotton	200	200	Unch
Rajasthan	Hanumangarh	B.T. Cotton	1200	1500	-300
	Rawatsar	B.T. Cotton	NR	NR	-
Madhya Pradesh	Khandwa	Mech-1	700	600	100
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1600	1300	300
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-

Telangana	Adilabad	Un-Ginned	4714	4591	123
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	185	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	2766	-
	Hubli	D.C.H.	NA	4	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	892	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	15-Mar-18	14-Mar-18	
Punjab	Bhatinda	J-34	6800	6800	Unch
	Abohar	J-34	1020	1020	Unch
	Mansa	J-34	510	680	-170
Haryana	Sirsa	J-34	1700	1700	Unch
Rajasthan	Sri-Ganganagar	J-34	500	400	100

DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				14-Mar-18	13-Mar-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42500	42300	200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43000	42800	200
J-34(202)	26mm	3.5 - 4.9	23	39800	39600	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37900	37900	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	41000	41000	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41800	41800	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43300	43300	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	53900	53900	Unch

Cotton Seed Oil Prices

Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Price		Change
		15-Mar-18	14-Mar-18	
Rajkot	Rs. /10 Kg.	735	735	Unch
New Delhi	Rs. /10 Kg.	720	725	-5
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
		15-Mar-18	14-Mar-18	
Mahesana (Kadi)	Rs./Qtl	1425	1427	-2
Akola	Rs./Qtl	1463	1467	-4

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 15-March-2018

Index	RMB/Ton	Change
CCIndex(328)	15712	-9
CCIndex(527)	14697	-1
CCIndex(229)	16257	-3
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 14-March-2018

Index	Cents/lb	Change
FC Index (S)	95.93	-0.29
FC Index (M)	92.76	-0.29
FC Index (L)	91.71	0.25

Cotlook Index: As on 14-March-2018

Cotlook Indices	Cents/Pound	Change
A-Index	92.35	-0.25

USDA Cotton Spot Rates: As on 14-March-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	83.94	86.19	NIL
North Delta	82.44	84.19	NIL
South Delta	82.44	84.19	NIL
East TX-OK	78.50	80.25	2091
West Texas	78.00	80.00	3569
Desert SW	78.44	82.44	3
SJ Valley	78.94	87.84	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.): Ason14-March-2018

Contract	Open	High	Low	Close	Change
18-Mar	83.39	83.87	82.41	83.44	0.46
18-May	83.15	83.60	82.43	83.20	0.34
18-Jul	79.17	79.20	79.17	79.20	-0.37
18-Oct	78.50	78.75	77.81	78.02	-0.47
18-Dec	78.77	78.8	78.05	78.2	-0.47
19-Mar	78.62	78.62	78.07	78.2	-0.42

Pakistan Cotton Spot rates: As on14-March-2018

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7600	145	7745
Equivalent	40 Kgs	8145	155	8300

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