

Domestic Fundamentals:

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

In The News: India's cotton exports have been gathering pace after global prices jumped to four-year highs, with traders in the world's top producer of the fibre signing contracts in the last three weeks to ship over 1 million bales, industry officials told Reuters.

Cottonseed oil cake prices drifted lower by Rs 13.50 to Rs 1,426.50 per quintal in futures trade yesterday on trimming of portfolios by participants coupled with a weak trend at the spot markets.

Cotton seed oil price noticed weak. Weekly average price in New Delhi is Rs 725 per 10 Kg, compared to the weekly average price of Rs 736 per 10 Kg in previous week.

There is continuous export demand at the current price level; India could export more than 6 million bales in the current season ending on Sept. 30, up a fifth from previous estimates, of CAI.

Indian cotton is being offered around 82 to 85 cents per lb on a cost and freight basis (C&F) to buyers in Bangladesh and Vietnam, compared to over 90 cents from the United States and Brazil.

According to a notification issued last week 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.

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 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.

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.

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).

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-14.5	900	901.5	884.5	886.5	2979	-1311	7133	-14

Spread	Cont (C1)		
Spot	-121	-	-
	-	-	-

Updated at 05:00 pm as on 20-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	-40	19950	20070	19950	19980	1642	-345	4748	-1012
Apr-18	-60	20320	20360	20240	20260	998	-85	3895	548

Spread	Mar 18		-	-	--	--
Spot				-	-	-
Mar-18	-290			-	-	-

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

* Updated at 05:00 pm as on 20-Mar 2018

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	20-Mar-18	19-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5200	5150	50
	Gondal	Shankar-6	5000	5020	-20
	Rajkot	B.T. Cotton	5095	5115	-20
	Patan	B.T. Cotton	5240	5230	10
	Kadi	B.T. Cotton	5250	5200	50
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	4980	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5050	5050	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4900	4920	-20
	Fatehabad	B.T. Cotton	4930	4970	-40
	Jind	B.T. Cotton	5320	5140	180
	Uchana	B.T. Cotton	NR	4946	-
	Dabwali	B.T. Cotton	4790	4830	-40
Rajasthan	Hanumangarh	B.T. Cotton	4910	4950	-40
	Rawatsar	B.T. Cotton	4800	4850	-50
Madhya Pradesh	Khandwa	Mech-1	4900	Closed	-
	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	4440	4450	-10
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	5300	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5025	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	20-Mar-18	19-Mar-18	
Punjab	Bhatinda	J-34	4170	4205	-35
	Abohar	J-34	4170	4210	-40
	Mansa	J-34	4140	4175	-35
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4150	4190	-40
Rajasthan	Sri-Ganganagar	J-34	3854	3901	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-Mar-18	19-Mar-18	
Gujarat	Ahmedabad	Shankar-6	54400	59500	-5100
	Gondal	Shankar-6	1386	1311	75
	Rajkot	B.T. Cotton	2000	3000	-1000
	Patan	B.T. Cotton	2380	2515	-135
	Kadi	B.T. Cotton	45000	45000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	334	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	2000	3000	-1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5000	5000	Unch
	Fatehabad	B.T. Cotton	800	700	100
	Jind	B.T. Cotton	230	270	-41
	Uchana	B.T. Cotton	NR	1885	-
	Dabwali	B.T. Cotton	190	200	-10
Rajasthan	Hanumangarh	B.T. Cotton	1200	1200	Unch
	Rawatsar	B.T. Cotton	2000	3000	-1000
Madhya Pradesh	Khandwa	Mech-1	300	Closed	-
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1300	1200	100
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	3363	NA	-
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	3370	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	1080	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	20-Mar-18	19-Mar-18	
Punjab	Bhatinda	J-34	5950	6800	-850
	Abohar	J-34	510	680	-170
	Mansa	J-34	510	340	170
Haryana	Sirsa	J-34	1190	850	340
Rajasthan	Sri-Ganganagar	J-34	500	1000	-500

DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:						
Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				19-Mar-18	17-Mar-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42600	42600	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43100	43100	Unch
J-34(202)	26mm	3.5 - 4.9	23	40000	39900	100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37600	38000	-400
Shankar-6(105)	29mm	3.5 - 4.9	28	40600	41000	-400
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41600	41800	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43200	43400	-200
DCH-32(107)	34mm	3.0 - 3.8	33	53800	54000	-200

Cotton Seed Oil Prices

Centre	Unit	Price		Change
		20-Mar-18	19-Mar-18	
Rajkot	Rs. /10 Kg.	735	730	5
New Delhi	Rs. /10 Kg.	725	720	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
		20-Mar-18	19-Mar-18	
Mahesana (Kadi)	Rs./Qtl	1398	1414	-16
Akola	Rs./Qtl	1435	1443	-8

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 20-March-2018

Index	RMB/Ton	Change
CCIndex(328)	15677	-11
CCIndex(527)	14657	-2
CCIndex(229)	16236	-5
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 19-March-2018

Index	Cents/lb	Change
FC Index (S)	95.67	-0.69
FC Index (M)	92.39	-0.75
FC Index (L)	91.45	-0.75

Cotlook Index: As on 19-March-2018

Cotlook Indices	Cents/Pound	Change
A-Index	92.10	-0.75

USDA Cotton Spot Rates: As on 19-March-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	81.73	83.98	NIL
North Delta	80.23	81.98	NIL
South Delta	80.23	81.98	NIL
East TX-OK	76.00	77.75	3764
West Texas	75.25	77.25	1351
Desert SW	76.23	80.23	70
SJ Valley	76.73	85.63	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.): Ason19-March-2018

Contract	Open	High	Low	Close	Change
18-Mar	82.99	82.99	81.19	81.23	-1.62
18-May	82.96	83.08	81.48	81.52	-1.46
18-Jul	78.3	78.3	78.3	78.3	-1.08
18-Oct	78.13	78.2	77.26	77.29	-0.99
18-Dec	78.18	78.18	77.47	77.5	-0.97
19-Mar	78.22	78.22	77.62	77.62	-0.86

Pakistan Cotton Spot rates: As on19-March-2018

(in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7500	145	7645
Equivalent	40 Kgs	8038	155	8193

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