

## Domestic Fundamentals:

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

**In The News:** The reduction in planting area could cut into export supply from India and further bolster global cotton prices, which earlier this month hit their highest since June 2014. "We are expecting lower sowing in Maharashtra and Telangana due to pink bollworm attacks. Many farmers in these states are likely to switch to other crops like soybeans," said Atul Ganatra, president of the Cotton Association of India (CAI).

Today Cotton (Long staple) in Adoni is trading at Rs.5150/quintal. We expect that prices may not fall much further from current levels.

Cotton planting in India, the world's top producer of fiber, could fall 12 per cent in the 2018-19 crop year as infestation by the pink bollworm has slashed farmers' incomes and prompted them to choose other crops, industry officials said.

According to trade sources, Saurashtra farmers having 40% Kapas in their Godown but Some farmers mixed further kapas in Good quality so it may create quality issues.

According to trade sources, panic of more inferior quality availability, Investor out of market in cotton seed, cotton cake and cotton and yet 35 to 40% seed Cotton with farmers were the reasons to Indian price on lower basis comparing to world cotton prices

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.

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)	-7.5	892.5	893.5	883.5	889	2684	-147	6831	164

  

Spread	Cont (C1)		
Spot	-131.5	-	-
	-	-	-

Updated at 05:00 pm as on 22-Mar-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-18	-90	20260	20300	20200	20250	923	-301	3409	-714
Apr-18	-110	20580	20590	20460	20540	1252	45	5371	842

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

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

\* Updated at 05:00 pm as on 22-Mar 2018

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	22-Mar-18	21-Mar-18	
Gujarat	Ahmedabad	Shankar-6	5200	5200	Unch
	Gondal	Shankar-6	5020	5025	-5
	Rajkot	B.T. Cotton	5130	5125	5
	Patan	B.T. Cotton	5155	5150	5
	Kadi	B.T. Cotton	5200	5100	100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	NR	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5080	5080	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4900	4900	Unch
	Fatehabad	B.T. Cotton	4970	4970	Unch
	Jind	B.T. Cotton	5200	5036	164
	Uchana	B.T. Cotton	NR	4918	-
	Dabwali	B.T. Cotton	4825	4975	-150
Rajasthan	Hanumangarh	B.T. Cotton	4950	4900	50
	Rawatsar	B.T. Cotton	4750	4760	-10
Madhya Pradesh	Khandwa	Mech-1	4900	4900	Unch
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5050	5000	50
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4460	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	5160	-
	Hubli	D.C.H.	NA	4005	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5075	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	22-Mar-18	21-Mar-18	
Punjab	Bhatinda	J-34	4205	4200	5
	Abohar	J-34	4200	4200	Unch
	Mansa	J-34	4165	4175	-10
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4190	4190	Unch
Rajasthan	Sri-Ganganagar	J-34	3901	3901	Unch

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	22-Mar-18	21-Mar-18	
Gujarat	Ahmedabad	Shankar-6	51000	51000	Unch
	Gondal	Shankar-6	1044	1674	-630
	Rajkot	B.T. Cotton	3050	3000	50
	Patan	B.T. Cotton	2604	3346	-742
	Kadi	B.T. Cotton	50000	40000	10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	NR	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	3000	3000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5000	4000	1000
	Fatehabad	B.T. Cotton	700	800	-100
	Jind	B.T. Cotton	140	171	-31
	Uchana	B.T. Cotton	NR	1663	-
	Dabwali	B.T. Cotton	225	30	195
Rajasthan	Hanumangarh	B.T. Cotton	1200	600	600
	Rawatsar	B.T. Cotton	200	300	-100
Madhya Pradesh	Khandwa	Mech-1	300	300	Unch
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1500	1500	Unch
	Jamner	Medium Staple	NR	NR	-

Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4605	3699	906
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	3577	-
	Hubli	D.C.H.	NA	28	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	1350	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>22-Mar-18</b>	<b>21-Mar-18</b>	
Punjab	Bhatinda	J-34	5950	5100	850
	Abohar	J-34	680	510	170
	Mansa	J-34	340	340	Unch
Haryana	Sirsa	J-34	510	340	170
Rajasthan	Sri-Ganganagar	J-34	500	500	Unch

### DOMESTIC PRICES AND ARRIVALS

#### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				21-Mar-18	20-Mar-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42400	42300	100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42900	42800	100
J-34(202)	26mm	3.5 - 4.9	23	39800	39700	100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36700	37100	-400
Shankar-6(105)	29mm	3.5 - 4.9	28	40600	40400	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41500	41200	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43000	42900	100
DCH-32(107)	34mm	3.0 - 3.8	33	53700	53600	100

### Cotton Seed Oil Prices

Centre	Unit	Price		Change
		22-Mar-18	21-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.	765	760	5

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

Centre	Unit	Price		Change
		22-Mar-18	21-Mar-18	
Mahesana (Kadi)	Rs./Qtl	1403	1407	-4
Akola	Rs./Qtl	1438	1437	1

**INTERNATIONAL PRICES AND INDICES**

China Cotton Index: As on 22-March-2018		
Index	RMB/Ton	Change
CCIndex(328)	15670	-1
CCIndex(527)	14649	-6
CCIndex(229)	16233	-3
RMB -Renminbi, 1RMB =0.16 \$U.S.		

<u><b>China Foreign Cotton (FCE) Index : As on 21-March-2018</b></u>			
Index	Cents/lb		Change
FC Index (S)	95.86		1.62
FC Index (M)	92.61		1.60
FC Index (L)	91.66		1.71

<u><b>Cotlook Index: As on 21-March-2018</b></u>			
Cotlook Indices	Cents/Pound		Change
A-Index	92.45		1.70

<u><b>USDA Cotton Spot Rates: As on 21-March-2018</b></u>			
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	83.09	85.34	600
North Delta	81.59	83.34	NIL
South Delta	81.59	83.34	NIL
East TX-OK	77.25	79.00	6440
West Texas	76.50	78.50	3327
Desert SW	77.59	81.59	NIL
SJ Valley	78.09	86.99	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.): Ason21-March-2018**

Contract	Open	High	Low	Close	Change
18-Mar	82.98	83.86	82.54	82.59	-0.49
18-May	83	83.73	82.7	82.79	-0.39
18-Jul	79.14	79.14	79.14	79.14	-0.13
18-Oct	77.88	78.24	77.8	78	0.01
18-Dec	78.12	78.3	78.01	78.19	0.02
19-Mar	78.1	78.31	78.04	78.26	0.1

**Pakistan Cotton Spot rates: As on21-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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