

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were in Range-bound on Tuesday.

In The News: CCI around 400000 bales of cotton were procured under the MSP operations while the remaining 800000 bales were for commercial operations.

Maharashtra has made it mandatory for Bt cotton seed companies in the state to submit seed samples, which they wish to sell in market, to government-approved laboratories for getting them tested in order to obtain to sale licenses. The step has been taken to prevent the sale of illegal varieties in the market, according to Director of agriculture, inspection and quality control.

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, Saurastra 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 Sates 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



International Fundamentals

China state reserve sold only 8,900.81 tonnes(59.34%) out of the total quantity at 15,000.15 tonnes of cotton reserved in the first session of its auction on March 27.

From March 12 to March 21, the cumulative turnover of reserve cotton china was 167,600 tons, and transaction rate was 69.78%.

Last night New York futures market May 2018 closed at 83 cents per pound while July futures 2018 closed at 83.60 cents per pound. Cotlook A Index closed at 92 cents per pound.

The Chinese state reserve auction finished this week. It had a 61.56 percent turnover rate; 30004.679 tonnes offered versus 18470.98 tonnes purchased.

In February 2018, cotton imports of Vietnam reached 111.4kt, down 5.9% year on year and 22.5%, month on month. And Brazilian cotton imports increased a significant high of 232% year on year to reach 18.4kt mainly due to improvement on cotton demand in Vietnam China sold 28,100 metric tons (129,061 480-pound bales) in the first day of its resumed auctioning of reserve stocks, 93.6% of total offerings of 30,000 tons (137,788 bales).

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).

	NCDEX Kapas Futures*: (Prices in Rs/20kg)								
Contract Cont. (C1)	+/- 3.5	Open 894	High 901	Low 892	Close 898	Volume 1735	Change -480	01 6466	Change -34
Spread		Cont	(C1)						
Spot		-131	1.5						
	Updated at 05:00 pm as on 27–Mar-2018								



Contract	+/-	Open	High	Low	Close	ces in Rs/	Change	OI	Change
Mar-18	160	20140	20290	20090	20260	1040	-800	1243	-313
Apr-18	140	20450	20620	20400	20570	1633	-723	7266	396
'									
Spread	Ma	ar 18							
Spot									
Mar-18	-3	330							
(NB: Spread Basis = Spot- Near Month Future)									

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	27-Mar-18	26-Mar-18	Change
	Ahmedabad	Shankar-6	Closed	Closed	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	Closed	-
Gujarat	Patan	B.T. Cotton	Closed	Closed	-
	Kadi	B.T. Cotton	5255	5250	5
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	Closed	-
Duniah	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	5000	5000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4900	4910	-10
Haryana	Fatehabad	B.T. Cotton	4930	4930	Unch
	Jind	B.T. Cotton	5075	4960	115
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	4800	4740	60
Rajasthan	Hanumangarh	B.T. Cotton	4900	4900	Unch
Kajasinan	Rawatsar	B.T. Cotton	4750	4725	25
Madhya Pradesh	Khandwa	Mech-1	Closed	4900	-
Madnya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5050	5100	-50
Manarasinra	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ollai Fiauesii	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4470	4460	10
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-



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	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NA	5109	-
Karnataka	Hubli	D.C.H.	NA	4301	-
Namalaka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	5070	-
Commodity	Lint		Prices (R	s /Maund)	
Colliniouity	LIII	<u> </u>	Files (IX	s./iviauriu)	Changa
State	Centre	Variety	27-Mar-18	26-Mar-18	Change
<u> </u>		1			Change 15
<u> </u>	Centre	Variety	27-Mar-18	26-Mar-18	
<u> </u>	Centre Bhatinda	Variety J-34	27-Mar-18 4190	26-Mar-18 4175	15
State	Centre Bhatinda Abohar	J-34 J-34	27-Mar-18 4190 4190	26-Mar-18 4175 4180	15 10
State	Centre Bhatinda Abohar Mansa	Variety J-34 J-34 J-34	27-Mar-18 4190 4190 4160	26-Mar-18 4175 4180 4150	15 10
State	Centre Bhatinda Abohar Mansa Muktsar	J-34 J-34 J-34 J-34	27-Mar-18 4190 4190 4160 NR	26-Mar-18 4175 4180 4150 NR	15 10 10

Cotton Arrivals in Key Centers:

Commodity		Kapas	Arrivals (Quinta		Change
State	Centre	Variety	27-Mar-18	26-Mar-18	Change
	Ahmedabad	Shankar-6	Closed	Closed	-
	Gondal	Shankar-6	Closed	Closed	-
	Rajkot	B.T. Cotton	Closed	Closed	-
Gujarat	Patan	B.T. Cotton	Closed	Closed	-
	Kadi	B.T. Cotton	50000	50000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	Closed	Closed	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
Pulijab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	1500	1500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5000	4000	1000
Haryana	Fatehabad	B.T. Cotton	800	800	Unch
	Jind	B.T. Cotton	180	130	50
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	160	40	120
Rajasthan	Hanumangarh	B.T. Cotton	700	800	-100
Kajasinan	Rawatsar	B.T. Cotton	1000	1000	Unch
Madhya Pradesh	Khandwa	Mech-1	Closed	300	-
wadnya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	2000	1500	500
wana asili a	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

200

Unch



Rajasthan

Hathras Desi NA NA Adilabad NA Telangana **Un-Ginned** NA Guntur **Un-Ginned** NA NA Kurnool NA **Un-Ginned** NA **Andhra Pradesh** NA Krishna **Un-Ginned** NA East Godavari **Un-Ginned** NA NA Bijapur Bunny NA 3716 Hubli D.C.H. NA 36 Karnataka NA Hubli B.T. Cotton NA Raichur H-44 Cotton NA 1282 Commodity Lint **Arrivals (Quintal)** Change Centre Variety 26-Mar-18 **State** 27-Mar-18 -1700 **Bhatinda** J-34 4250 5950 **Punjab** Abohar J-34 510 510 Unch Mansa J-34 340 Unch 340 Haryana Sirsa J-34 170 1020 850

DOMESTIC PRICES AND ARRIVALS

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J-34

Sri-Ganganagar

Cotton Association of India Spot Rates:							
Trade Name	Ctanla	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change	
Trade Name	Staple	Wilcronaire	GPT	26-Mar-18	24-Mar-18	Change	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42400	42400	Unch	
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42900	42900	Unch	
J-34(202)	26mm	3.5 - 4.9	23	39800	39800	Unch	
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	36400	36400	Unch	
Shankar-6(105)	29mm	3.5 – 4.9	28	40600	40600	Unch	
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41400	41400	Unch	
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43000	43000	Unch	
DCH-32(107)	34mm	3.0 - 3.8	33	53600	53600	Unch	

Cotton Seed Oil Prices

Contro	Unit	Pri	ice	Change
Centre	Unit	27-Mar-18	26-Mar-18	Change
Rajkot	Rs. /10 Kg.	730	730	Unch
New Delhi	Rs. /10 Kg.	720	720	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
Centre	Offic	27-Mar-18	26-Mar-18	Change
Mahesana (Kadi)	Rs./Qtl	1402	1398	4
Akola	Rs./Qtl	1427	1421	6

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 27-March-2018		
Index	RMB/Ton	Change
CCIndex(328)	15636	-11
CCIndex(527)	14623	-7
CCIndex(229)	16212	-12
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 26-March-2018					
Index	Cents/lb	Change			
FC Index (S)	94.75	-0.16			
FC Index (M)	91.44	-0.23			
FC Index (L)	90.45	-0.21			

Cotlook Index: As on 26-March-2018					
Cotlook Indices	Cents/Pound	Change			
A-Index	91.05	-0.50			

USDA Cotton Spot Rates: As on 26-March-2018						
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals			
	cen	cents/lb.				
Southeast	82.28	84.53	NIL			
North Delta	80.78	82.53	NIL			
South Delta	80.78	82.53	NIL			
East TX-OK	76.50	78.25	1221			
West Texas	75.75	77.75	4003			
Desert SW	76.78	80.78	NIL			
SJ Valley	77.28	86.18	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.): Ason26-March-2018							
Contract	Open	High	Low	Close	Change		
18-Mar	82.08	82.57	81.5	81.78	-0.05		
18-May	82.22	82.83	81.9	82.22	unch		
18-Jul	78.88	78.88	78.88	78.88	-0.08		
18-Oct	77.51	77.92	77.32	77.7	0.04		
18-Dec	78	78.09	77.6	77.88	0.03		
19-Mar	78.11	78.14	77.92	77.92	0.03		

Pakistan Cotton	(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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