

Domestic Fundamentals:

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

In The News: Rising cotton prices following the pink bollworm infestation in the cotton crops has affected margins to major textile players by ~150 bps this year.

Foreign buyers are interested in sourcing cotton from India as they find it cost effective and less expensive in comparison to other countries.

India will export 65-70 lakh bales of cotton in the ongoing season 2017-18 amid aggressive demand from neighbouring countries like Bangladesh and Pakistan. Apart from the neighbouring countries, India has also been receiving demands from several other countries, including Vietnam, Indonesian and Turkey.

In the early six months of this cotton production and marketing season 2017-18 (October-March), India has sold 55 lakh bales of cotton, of which 17 lakh bales have been shipped to Bangladesh followed by 11 lakh bales to Pakistan, 10 lakh to Vietnam, seven lakh to China, 7 lakh to Indonesia and Taiwan, and 3 lakh to other countries including Sri Lanka, Turkey and Thailand, among others," the CAI chief told IANS.

Cotton prices are expected to remain firm, rating agency ICRA in its report said domestic demand has started showing signs of improvement because transition of GST and changes in export incentives structure subsiding.

Bathinda Deputy Commissioner Diprava Lakrahe said that for 2018, the government aimed at bringing 1.10 lakh hectares of land under cotton cultivation as compared to 99,000 hectares last year. Similarly, last year the cotton yield per hectare was 850 kg lint, which is now being targeted at 860 kg lint per hectare, he added.

Indian cotton exports were 183kt in Feb 2018, down 13.3% month on month, but up 45.2% year on year and the accumulative exports in 2017/18 (from Aug 2017 to Feb 2018) were 822kt, an increase of 6.6% year on year. In the first two months of 2018, exports totaled 394kt, up 7.2% year on year.

In Feb 2018, cotton imports in India were 17kt, an upswing of 37% year on year and 8.3% month on month. From Aug 2017 to Feb 2018, imports totaled 182kt, down 46.1% year on year and in the first two months of 2018, imports amounted to 32kt, up 27.1% year on year.

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.



International Fundamentals

China state Reserves offer to sell at 30002.18 tones cotton on 4 April

From March 12 to 3 April 3, the cumulative turnover of cotton stocks was 311,100 tons and the turnover rate was 60.98%.

As per the United States Department of Agriculture (USDA) figures, India is the largest producer of cotton in the world with 365 lakh bales this year, followed by China (353 lakh bales), the U.S. (273 lakh bales), Pakistan (105 lakh bales) and Brazil (103 lakh bales).

ICE cotton contract for May expiry settled up 0.72 cent, or 0.89 percent, at 81.46 cents per lb. It traded within a range of 80.68 and 82.2 cents a lb the contract was down 0.45 percent for the week.

Cotton in Australia estimates there were 372,000 hectares of irrigated cotton planted this season and 81,000 green hectares of dry land, giving total Australian crop of 453.000 ha.

Pakistan cotton imports for 2018-19 were forecast at 2.40 m bales, a drop of 200,000 bales from this season, reflecting the increased production hopes. The country imports primarly better grades of cotton, for lifting the quality of domestic textile output to export grade.

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.

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).

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-8.5	918	920	903	908	2961	814	5396	-127
Spread		Cont	(C1)						
Spot		-12	!8						
Lie date dat 05:00 mm as an 04. Ann 0040									
Updated at 05:00 pm as on 04–Apr-2018									



MCX Cotton Futures*: (Prices in Rs/170 kgs)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	-260	20640	20680	20150	20350	3832	3114	7712	-169
May-18	-260	20920	20960	20440	20620	1016	941	1196	177
		4.0							
Spread	Aŗ	or 18							
Spread Spot	Aŗ	or 18							
		or 18 280							 - -
Spot Apr-18	-:	280	ear Month F	uture)	-				-

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Chango
State	Centre	Variety	4-Apr-18	3-Apr-18	Change
	Ahmedabad	Shankar-6	5300	5300	Unch
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	5250	5240	10
Gujarat	Patan	B.T. Cotton	5325	5325	Unch
	Kadi	B.T. Cotton	5250	5000	250
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	NR	-
Duniah	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	5000	5050	-50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4900	NR	-
Haryana	Fatehabad	B.T. Cotton	4925	4925	Unch
	Jind	B.T. Cotton	5000	5000	Unch
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	4700	4935	-235
Rajasthan	Hanumangarh	B.T. Cotton	4900	4900	Unch
Kajastiiaii	Rawatsar	B.T. Cotton	4800	4770	30
Madhya Pradesh	Khandwa	Mech-1	5100	5200	-100
Mauriya Frauesii	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5100	5200	-100
iviana asima	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ottai Flaucsii	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4500	4470	30
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	5333	-
Karnataka	Hubli	D.C.H.	NA	3701	-
Namalaka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (R	Prices (Rs./Maund)	
Commodity		LIIIL	i iices (iv	5./iviauriuj	Change
State	Centre	Variety	4-Apr-18	3-Apr-18	Change
	Centre Bhatinda				Change 10
		Variety	4-Apr-18	3-Apr-18	
	Bhatinda	Variety J-34	4-Apr-18 4230	3-Apr-18 4220	10
State	Bhatinda Abohar	J-34 J-34	4-Apr-18 4230 4235	3-Apr-18 4220 4230	10
State	Bhatinda Abohar Mansa	J-34 J-34 J-34	4-Apr-18 4230 4235 4200	3-Apr-18 4220 4230 4200	10 5 Unch
State	Bhatinda Abohar Mansa Muktsar	J-34 J-34 J-34 J-34	4-Apr-18 4230 4235 4200 NR	3-Apr-18 4220 4230 4200 NR	10 5 Unch

Cotton Arrivals in Key Centers:

Commodity	К	apas	Arrivals	(Quintal)	Change
State	Centre	Variety	4-Apr-18	3-Apr-18	
	Ahmedabad	Shankar-6	76500	51000	25500
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	1800	1050	750
Gujarat	Patan	B.T. Cotton	2883	1694	1189
	Kadi	B.T. Cotton	55000	55000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	NR	-
D ink	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	700	1000	-300
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5000	NR	-
Haryana	Fatehabad	B.T. Cotton	1300	1200	100
	Jind	B.T. Cotton	255	170	85
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	70	90	-20
Rajasthan	Hanumangarh	B.T. Cotton	400	200	200
Kajasinan	Rawatsar	B.T. Cotton	400	500	-100
Madhya Bradach	Khandwa	Mech-1	350	300	50
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	2300	1800	500
wana asili a	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-

NA

NA



Rajasthan

Hathras Desi NA NA Adilabad **Un-Ginned** 2571 2743 Telangana -172 Guntur **Un-Ginned** NA NA Kurnool **Un-Ginned** NA NA **Andhra Pradesh** Krishna **Un-Ginned** NA NA East Godavari **Un-Ginned** NA NA Bijapur Bunny NA 2966 Hubli D.C.H. NA 32 Karnataka Hubli B.T. Cotton NA NA Raichur H-44 Cotton NA NA Commodity Lint **Arrivals (Quintal)** Change Centre Variety 3-Apr-18 **State** 4-Apr-18 Bhatinda J-34 850 3400 2550 **Punjab** Abohar J-34 680 510 170 Mansa J-34 1700 -850 850 Haryana J-34 -340 Sirsa 850 1190

DOMESTIC PRICES AND ARRIVALS

J-34

Sri-Ganganagar

Cotton Association of India Spot Rates:								
Trada Nama	011-	84*	Strength/	Rs. Per Candy	Rs. Per Candy	Change		
Trade Name	Staple	Micronaire	GPT	3-Apr-18	2-Apr-18	Change		
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42700	42700	Unch		
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43200	43200	Unch		
J-34(202)	26mm	3.5 - 4.9	23	40000	40000	Unch		
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	37400	37400	Unch		
Shankar-6(105)	29mm	3.5 – 4.9	28	40800	40800	Unch		
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41700	41700	Unch		
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43300	43300	Unch		
DCH-32(107)	34mm	3.0 - 3.8	33	53600	53600	Unch		

Cotton Seed Oil Prices

Contro	l lait	Pri	Changa	
Centre	Unit	4-Apr-18	3-Apr-18	Change
Rajkot	Rs. /10 Kg.	748	745	3
New Delhi	Rs. /10 Kg.	730	735	-5
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	770	778	-8



Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Contro	l lmi4	Pri	ice	Change
Centre	Unit	4-Apr-18	3-Apr-18	Change
Mahesana (Kadi)	Rs./Qtl	1400	1405	-5
Akola	Rs./Qtl	1411	1424	-13

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 04-April-2018					
Index	RMB/Ton	Change			
CCIndex(328)	15522	-9			
CCIndex(527)	14557	-9			
CCIndex(229)	16141	-12			
RMB -Renminbi, 1RMB =0.16 \$U.S.					

China Foreign Cotton (FCE) Index : As on 02-April-2018					
Index	Cents/lb	Change			
FC Index (S)	94.30	0.13			
FC Index (M)	90.80	0.01			
FC Index (L)	89.94	Unch			

Cotlook Index: As on 3-April-2018						
Cotlook Indices Cents/Pound Change						
A-Index	90.20	0.50				

USDA Cotton Spot Rates: As on 3-April-2018							
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals				
	cent	Bales					
Southeast	82.52	84.77	NIL				
North Delta	81.02	82.77	NIL				
South Delta	81.02	82.77	NIL				
East TX-OK	76.50	78.25	9913				
West Texas	75.75	77.75	2073				
Desert SW	77.02	81.02	NIL				
SJ Valley	77.52	86.42	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.): Ason 3-April-2018							
Contract	Open	High	Low	Close	Change		
18-Mar	80.97	82.81	80.97	82.02	1.05		
18-May	81.30	82.71	81.28	82.01	0.74		
18-Jul	79.51	79.51	79.51	79.51	0.62		
18-Oct	77.45	78.00	77.44	78.00	0.51		
18-Dec	77.75	78.27	77.75	78.27	0.46		
19-Mar	77.91	78.30	77.89	78.30	0.38		

Pakistan Cotton S	(in Pakistan Rupees)			
Product	Rate for	Ex-Gin Price	Ex-Gin Price Up Country Sales	
Cotton	37.32 Kgs	7400	145	7545
Equivalent	40 Kgs	7931	155	8086

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