

Domestic Fundamentals:

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

In The News: Indian mills have exported more than 1 .5 lakh bales of cotton to china during last 10 days since the trade war between China and US broke out.

90% cotton crop has arrived in the markets and new crop season already set in, the estimate for cotton arrival has been lowered fifth time for Punjab. On other hand, the estimates have been revised upwards in the neighbouring states of Haryana and Rajasthan.

As per Agriwatch estimates, cotton acreage in the southern states might decline by 8-10% in 2018-19, because of losses this year, but a part of it will be made up by the northern states. Overall we- expect the national acreage to decline by about 3%. Current year's yields in southern states were affected by pink bollworm attacks.

According to trade sources, India is looking to sell 2.5 million to 3 million bales, each of 170 kg, to China in the next season beginning in October, up from around 800,000 bales of expected exports in the 2017/18 marketing year.

Cotton prices which are currently ruling in the range of Rs 40,000-40,800 per candy (each of 356 kg) may cross Rs 45,000 by the end of May.

Cotton sowing commenced officially from April 1 in Punjab, the state agriculture department is yet to release the list of varieties recommended by the Punjab Agricultural University (PAU), Ludhiana. PAU-recommended varieties of hybrid BT cotton seed are also approved by the genetic engineering appraisal committee (GEAC).

India, the world's second-biggest cotton exporter, is hoping to treble shipments of the fibre to China next year as Beijing seeks to replenish stockpiles and imposes a 25 per cent import tax on cargoes from the United States.

The trade war between the US and China could provide opportunities for Indian Oilseed meals and Cotton producers in the Asian country's market, industry sources said.

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.



International Fundamentals

China sells 16,247 tons of cotton at auction of state reserves at average price of 14,155 yuan (\$2,252.58) per ton, according to industry website. The sales represent 54.15 percent of the cotton available for auction. – Reuters

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	+/- -2	Open 922	High 927	Low 918	Close 923.5	Volume 1009	Change -1698	0 1 5286	Change -71
Cont. (C1)									
Spread		Cont (C1)							
Spot		-13	0						
Updated at 05:00 pm as on 09–Apr-2018									



20 20940 20950 20790 20900 211 -77 1377 80	Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Spread Apr 18 Apr-18 -270	Apr-18	20	20660	20680	20530	20640	599	-1157	7512	-5
Spot Apr-18 -270	May-18	20	20940	20950	20790	20900	211	-77	1377	80
Spot Apr-18 -270										
Apr-18 -270	Spread	A	or 18							
140 = 1	Spot									
(NB: Spread Basis = Spot- Near Month Future)	Apr-18		270							

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	9-Apr-18	7-Apr-18	Change
	Ahmedabad	Shankar-6	5350	5300	50
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	5350	5285	65
Gujarat	Patan	B.T. Cotton	NR	NR	-
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5075	NR	-
Dunich	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	5050	5050	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
Haryana	Fatehabad	B.T. Cotton	4910	4925	-15
	Jind	B.T. Cotton	5011	NR	-
	Uchana	B.T. Cotton	NR	4870	-
	Dabwali	B.T. Cotton	NR	4700	-
Rajasthan	Hanumangarh	B.T. Cotton	4900	4900	Unch
Rajasillali	Rawatsar	B.T. Cotton	4760	4775	-15
Madhya Pradesh	Khandwa	Mech-1	5100	Closed	-
Mauriya Prauesii	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5050	5075	-25
WallaraSilira	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	0	-
Ullai Fiduesii	Hathras	Desi	NA	0	-
Telangana	Adilabad	Un-Ginned	NR	4500	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
Anuma Frauesn	Kurnool	Un-Ginned	NA	NA	-



	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	5451	5420	31
Karnataka	Hubli	D.C.H.	NA	3505	-
Namataka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity		Lint		Prices (Rs./Maund)	
State	Centre	Variety	9-Apr-18	7-Apr-18	Change
	Bhatinda	J-34	4220	4225	-5
	Abohar	J-34	4220	4230	-10
Punjab	Abohar Mansa	J-34 J-34	4220 4200	4230 4220	-10 -20
Punjab					
Punjab	Mansa	J-34	4200	4220	-20
Punjab Haryana	Mansa Muktsar	J-34 J-34	4200 NR	4220 NR	-20

DOMESTIC PRICES AND ARRIVALS

Cotton Arrivals in Key Centers:

Commodity		Kapas	Arrivals	(Quintal)	Change
State	Centre	Variety	9-Apr-18	7-Apr-18	Change
Otate	Ahmedabad	Shankar-6	51000	42500	8500
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	2600	3200	-600
Gujarat	Patan	B.T. Cotton	NR	NR	-
	Kadi	B.T. Cotton	45000	35000	10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	161	NR	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	2500	1500	1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
Haryana	Fatehabad	B.T. Cotton	800	1800	-1000
	Jind	B.T. Cotton	204	NR	-
	Uchana	B.T. Cotton	NR	4500	-
	Dabwali	B.T. Cotton	NR	30	-
Balasthau	Hanumangarh	B.T. Cotton	600	500	100
Rajasthan	Rawatsar	B.T. Cotton	250	200	50
Ma II Duadaal	Khandwa	Mech-1	400	Closed	-
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Mahanashtus	Amravati	Mech-1	2000	1800	200
Maharashtra	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-



	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	2416	-
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Anuma Pracesn	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	4357	1964	2393
	Hubli	D.C.H.	NA	30	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity		Lint	Arrivals	Arrivals (Quintal)	
State	Centre	Variety	9-Apr-18	7-Apr-18	Change
	Bhatinda	J-34	3060	3400	-340
Punjab	Abohar	J-34	1020	680	340
	Mansa	J-34	680	850	-170
Haryana	Sirsa	J-34	425	680	-255
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Seed Oil Prices

Centre	Unit	Pr	ice	Changa
Centre	Onit	9-Apr-18	7-Apr-18	Change
Rajkot	Rs. /10 Kg.	750	745	5
New Delhi	Rs. /10 Kg.	720	730	-10
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	772	772	Unch

Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Contro	l lmi4	Pri	ice	Change
Centre	Unit	9-Apr-18	7-Apr-18	Change
Mahesana (Kadi)	Rs./Qtl	1429	1400	29
Akola	Rs./Qtl	1403	1413	-10

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 09-April-2018					
Index	RMB/Ton	Change			
CCIndex(328)	15506	-5			
CCIndex(527)	14548	-8			
CCIndex(229)	16120	-11			
RMB -Renminbi, 1RMB =0.16 \$U.S.					



China Foreign Cotton (FCE) Index : As on 09-April-2018					
Index	Cents/lb	Change			
FC Index (S)	95.60	0.86			
FC Index (M)	91.82	0.68			
FC Index (L)	91.10	0.66			

Cotlook Index: As on 06-April-2018						
Cotlook Indices Cents/Pound Change						
A-Index	92.05	3.00				

USDA Cotton Spot Rates: As on 06-April-2018							
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals				
	cent	Bales					
Southeast	85.29	83.04	NIL				
North Delta	83.29	81.54	NIL				
South Delta	83.29	81.54	NIL				
East TX-OK	77.50	75.75	12460				
West Texas	77.00	75.00	2241				
Desert SW	81.54	77.54	NIL				
SJ Valley	86.94	78.04	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.): Ason06-April-2018							
Contract	Open	High	Low	Close	Change		
18-Mar	82.00	83.46	81.8	82.54	-0.03		
18-May	81.89	83.04	81.44	82.18	0.03		
18-Jul	79.72	79.72	79.72	79.72	-0.19		
18-Oct	77.62	78.14	77.5	77.94	0.07		
18-Dec	78.02	78.25	77.72	78.12	0.03		
19-Mar	78.21	78.34	77.81	78.34	0.04		

Pakistan Cotton S	(in Pakistan Rupees)			
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi

Apr 10, 2018



Cotton	37.32 Kgs	7300	145	7445
Equivalent	40 Kgs	7823	155	7978

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