

Domestic Fundamentals:

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

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 | +/- | Open | High | Low | Close | Volume | Change | 01 | Change |
| Cont. (C1) | -2.5 | 925 | 926.5 | 920 | 923 | 923 | -86 | 5106 | -180 |
| | | | | | | | | | |
| Spread | | Cont (C1) | | | | | | | |
| Spot | | -130 | | | | | | | |
| | | | | | | | | | |
| Updated at 05:00 pm as on 09–Apr-2018 | | | | | | | | | |



| MCX Cotton Futures*: (Prices in Rs/170 kgs) | | | | | | | | | |
|--|-----|-------|-------|-------|-------|--------|--------|------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | 01 | Change |
| Apr-18 | 40 | 20670 | 20790 | 20590 | 20700 | 922 | 323 | 7544 | 32 |
| May-18 | 40 | 20920 | 21060 | 20860 | 20960 | 434 | 223 | 1456 | 79 |
| | | | | | | | | | |
| Spread | A | or 18 | | | | | | | |
| Spot | | | | | | | | | |
| Apr-18 | - | 270 | | | | | | | |
| (NB: Spread Basis = Spot- Near Month Future) | | | | | | | | | |
| * Updated at 05:00 pm as on 09–Apr 2018 | | | | | | | | | |
| | | | | | | | | | |

Cotton Prices at Key Spot Markets:

| Commodity | K | apas | Prices (Rs | ./Quintal) | 0 |
|----------------|-------------|---------------|------------|------------|--------|
| State | Centre | Variety | 10-Apr-18 | 9-Apr-18 | Change |
| | Ahmedabad | Shankar-6 | 5250 | 5350 | -100 |
| | Gondal | Shankar-6 | 5195 | NR | - |
| | Rajkot | B.T. Cotton | NR | 5350 | - |
| Gujarat | Patan | B.T. Cotton | 5365 | 5330 | 35 |
| | Kadi | B.T. Cotton | 5250 | 5250 | Unch |
| | Deesa | B.T. Cotton | NA | NA | - |
| | Dhrol | B.T. Cotton | 5205 | 5075 | 130 |
| Dunich | Fazilika | B.T. Cotton | NR | NR | - |
| Punjab | Muktsar | B.T. Cotton | NR | NR | - |
| | Bhiwani | B.T. Cotton | 5050 | 5050 | Unch |
| | Bhiwani | Desi | NA | 0 | - |
| | Adampur | B.T. Cotton | NR | NR | - |
| Haryana | Fatehabad | B.T. Cotton | 4890 | 4910 | -20 |
| | Jind | B.T. Cotton | NR | 5110 | - |
| | Uchana | B.T. Cotton | NR | 4810 | - |
| | Dabwali | B.T. Cotton | NR | NR | - |
| Dejecthen | Hanumangarh | B.T. Cotton | 4930 | 4900 | 30 |
| Rajasthan | Rawatsar | B.T. Cotton | 4760 | 4760 | Unch |
| Madhya Dradaah | Khandwa | Mech-1 | 5100 | 5100 | Unch |
| Madhya Pradesh | Khargaon | Mech-1 | NR | NR | - |
| Maharashtra | Amravati | Mech-1 | 5100 | 5050 | 50 |
| WanaraShtra | Jamner | Medium Staple | NR | NR | - |
| Uttar Pradesh | Hathras | B.T. Cotton | NA | NA | - |
| uttar Frauesh | Hathras | Desi | NA | NA | - |
| Telangana | Adilabad | Un-Ginned | 4550 | 4500 | 50 |
| Andhra Pradesh | Guntur | Un-Ginned | NA | NA | - |
| Anunia Fiduesn | Kurnool | Un-Ginned | NA | NA | - |



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| | Krishna | Un-Ginned | NA | NA | - |
|-----------|----------------|-------------|------------|--------------------|--------|
| | East Godavari | Un-Ginned | NA | NA | - |
| | Bijapur | Bunny | NA | 5451 | - |
| Karnataka | Hubli | D.C.H. | NA | NA | - |
| ramalaka | Hubli | B.T. Cotton | NA | NA | - |
| | Raichur | H-44 Cotton | NA | NA | - |
| Commodity | Lint | | Prices (Rs | Prices (Rs./Maund) | |
| State | Centre | Variety | 10-Apr-18 | 9-Apr-18 | Change |
| | Bhatinda | J-34 | Closed | 4220 | - |
| | Abohar | J-34 | 4210 | 4220 | -10 |
| Punjab | Mansa | J-34 | Closed | 4200 | - |
| | Muktsar | J-34 | NR | NR | - |
| | Fazilika | J-34 | NR | NR | - |
| Haryana | Sirsa | J-34 | 4195 | 4200 | -5 |
| Rajasthan | Sri-Ganganagar | J-34 | NA | NA | |

DOMESTIC PRICES AND ARRIVALS

Cotton Arrivals in Key Centers:

| Commodity | | Kapas | Arrivals (| Quintal) | Change | |
|----------------|-------------|---------------|------------|----------|--------|--|
| State | Centre | Variety | 10-Apr-18 | 9-Apr-18 | Change | |
| | Ahmedabad | Shankar-6 | 35190 | 51000 | -15810 | |
| | Gondal | Shankar-6 | 627 | NR | - | |
| | Rajkot | B.T. Cotton | NR | 2600 | - | |
| Gujarat | Patan | B.T. Cotton | 3675 | 3690 | -15 | |
| | Kadi | B.T. Cotton | 35000 | 45000 | -10000 | |
| | Deesa | B.T. Cotton | NA | NA | - | |
| | Dhrol | B.T. Cotton | 183 | 161 | 22 | |
| D | Fazilika | B.T. Cotton | NR | NR | - | |
| Punjab | Muktsar | B.T. Cotton | NR | NR | - | |
| | Bhiwani | B.T. Cotton | 1500 | 2500 | -1000 | |
| | Bhiwani | Desi | NA | 0 | - | |
| | Adampur | B.T. Cotton | NR | NR | - | |
| Haryana | Fatehabad | B.T. Cotton | 1800 | 800 | 1000 | |
| | Jind | B.T. Cotton | NR | 204 | - | |
| | Uchana | B.T. Cotton | NR | 1150 | - | |
| | Dabwali | B.T. Cotton | NR | NR | - | |
| Rajasthan | Hanumangarh | B.T. Cotton | 200 | 600 | -400 | |
| Rajastnan | Rawatsar | B.T. Cotton | 1000 | 250 | 750 | |
| Madhya Pradesh | Khandwa | Mech-1 | 400 | 400 | Unch | |
| maunya riduesn | Khargaon | Mech-1 | NR | NR | - | |
| Maharashtra | Amravati | Mech-1 | 1300 | 2000 | -700 | |
| wanarashtra | Jamner | Medium Staple | NR | NR | - | |



| Uttar Pradesh | Hathras | B.T. Cotton | NA | NA | - |
|----------------|----------------|-------------|--------------------|----------|--------|
| | Hathras | Desi | NA | NA | - |
| Telangana | Adilabad | Un-Ginned | 1832 | NA | - |
| | Guntur | Un-Ginned | NA | NA | - |
| Andhra Pradesh | Kurnool | Un-Ginned | NA | NA | - |
| Anunia Flauesn | Krishna | Un-Ginned | NA | NA | - |
| | East Godavari | Un-Ginned | NA | NA | - |
| | Bijapur | Bunny | NA | 4357 | - |
| Karnataka | Hubli | D.C.H. | NA | NA | - |
| Naillalaka | Hubli | B.T. Cotton | NA | NA | - |
| | Raichur | H-44 Cotton | NA | NA | - |
| Commodity | L | _int | Arrivals (Quintal) | | Change |
| State | Centre | Variety | 10-Apr-18 | 9-Apr-18 | Change |
| | Bhatinda | J-34 | Closed | 3060 | - |
| Punjab | Abohar | J-34 | 425 | 1020 | -595 |
| | Mansa | J-34 | Closed | 680 | - |
| Haryana | Sirsa | J-34 | 510 | 425 | 85 |
| Rajasthan | Sri-Ganganagar | J-34 | NA | NA | - |

DOMESTIC PRICES AND ARRIVALS

| Cotton Association of India Spot Rates: | | | | | | | | |
|---|---------------|------------|-----------|---------------|---------------|--------|--|--|
| Trade Name | Stoplo | Micronaire | Strength/ | Rs. Per Candy | Rs. Per Candy | Change | | |
| Trade Name | Staple | Micronaire | GPT | 9-Apr-18 | 7-Apr-18 | Change | | |
| Bengal Deshi (RG)/Assam Comilla (101) | Below 22mm | 5.0 - 7.0 | 15 | 42800 | 42700 | 100 | | |
| Bengal Deshi (SG)(201) | Below 22mm | 5.0 - 7.0 | 15 | 43300 | 43200 | 100 | | |
| J-34(202) | 26mm | 3.5 - 4.9 | 23 | 40100 | 40000 | 100 | | |
| H-4/ MECH-1(105) | 28mm | 3.5 – 4.9 | 27 | 37600 | 37500 | 100 | | |
| Shankar-6(105) | 29mm | 3.5 – 4.9 | 28 | 41000 | 40900 | 100 | | |
| Bunny/ Brahma(105) | 31mm | 3.5 - 4.9 | 30 | 41900 | 41800 | 100 | | |
| MCU-5/ Surabhi(106) | 32mm | 3.3 - 4.9 | 31 | 43600 | 43500 | 100 | | |
| DCH-32(107) | 34mm | 3.0 - 3.8 | 33 | 53600 | 53600 | Unch | | |

Cotton Seed Oil Prices

| Centre | Unit | Pri | Change | |
|-----------|-------------|-----------|----------|--------|
| Centre | Offic | 10-Apr-18 | 9-Apr-18 | Change |
| Rajkot | Rs. /10 Kg. | 745 | 750 | -5 |
| New Delhi | Rs. /10 Kg. | 730 | 730 | Unch |
| 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:

| Centre | Unit | Pri | ice | Change |
|-----------------|---------|-----------|----------|--------|
| Centre | Unit | 10-Apr-18 | 9-Apr-18 | Change |
| Mahesana (Kadi) | Rs./Qtl | 1432 | 1429 | 3 |
| Akola | Rs./Qtl | 1406 | 1403 | 3 |

INTERNATIONAL PRICES AND INDICES

| China Cotton Index: As on 10-April-2018 | | | | | | |
|---|---------|--------|--|--|--|--|
| Index | RMB/Ton | Change | | | | |
| CCIndex(328) | 15505 | -1 | | | | |
| CCIndex(527) | 14548 | Unch | | | | |
| CCIndex(229) | 16118 | -2 | | | | |
| RMB -Renminbi, 1RMB =0.16 \$U.S. | | | | | | |

| China Foreign Cotton (FCE) Index : As on 10-April-2018 | | | | | | |
|--|----------|--------|--|--|--|--|
| Index | Cents/lb | Change | | | | |
| FC Index (S) | 96.15 | 0.86 | | | | |
| FC Index (M) | 92.37 | 0.68 | | | | |
| FC Index (L) | 91.80 | 0.70 | | | | |

| Cotlook Index: As on 09-April-2018 | | | | | |
|------------------------------------|-------------|--------|--|--|--|
| Cotlook Indices | Cents/Pound | Change | | | |
| A-Index | 92.05 | Unch | | | |

| SDA Cotton Spot Rates: As on 09-April-2018 | | | | | | |
|--|---------------------|---------------------|----------|--|--|--|
| Growth Area | Leaf 4 to Staple 34 | Leaf 3 to Staple 35 | Arrivals | | | |
| | cen | cents/lb. | | | | |
| Southeast | 83.41 | 85.66 | Unch | | | |
| North Delta | 81.91 | 83.66 | Unch | | | |
| South Delta | 81.91 | 83.66 | Unch | | | |
| East TX-OK | 75.75 | 77.50 | 2799 | | | |
| West Texas | 75.00 | 77.00 | 87 | | | |
| Desert SW | 77.91 | 81.91 | Unch | | | |
| SJ Valley | 78.41 | 87.31 | Unch | | | |

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

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