

## Domestic Fundamentals:

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

**In The News:** Agriculture company Monsanto suffered a loss in India. Last week when the High Court of Delhi concluded that the company's patent on genetically modified cotton seeds is not valid. The High Court backed Indian agribusiness Nuziveedu in its dispute, which included a patent opposition, with Monsanto.

According to trade sources, With Indian cotton selling at discounts of 7-10 cents per pound, there is demand for all qualities of cotton.

The area under Cotton cultivation in India likely to go down by 10-15% this year as farmers are expected to shift to Soyabean that gives better returns and because of the risk of pink bollworm attack, industry sources said.

Cotton Association of India has released its March estimate of the 2017-18 crop year beginning from 1<sup>st</sup> October 2017-18. In this latest estimate, the CAI has estimated cotton crop for the ongoing 2017-18 season at 360 lakh bales of 170 kgs. each, which is lower by 2 lakh bales – one lakh bales each in the states of Maharashtra and Karnataka

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.

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	5	915	922	914.5	921	388	-659	4241	38

  

Spread	Cont (C1)		
Spot	-142	-	-
	-	-	-

  

Updated at 05:00 pm as on 16-Apr-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	50	20840	20980	20820	20920	1507	272	6354	-791
May-18	40	21130	21270	21110	21210	1255	339	3438	806

  

Spread	Apr 18		-	-	--	--
Spot			-	-	-	-
Apr-18	-290		-	-	-	-

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

\* Updated at 05:00 pm as on 16-Apr 2018

**DOMESTIC PRICES AND ARRIVALS**
**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	16-Apr-18	14-Apr-18	
Gujarat	Ahmedabad	Shankar-6	5450	5450	Unch
	Gondal	Shankar-6	5245	5225	20
	Rajkot	B.T. Cotton	5320	5290	30
	Patan	B.T. Cotton	NR	5355	-
	Kadi	B.T. Cotton	5250	5300	-50
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5220	5195	25
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5000	5000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	5000	4920	80
	Jind	B.T. Cotton	NA	NR	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	4880	4900	-20
	Rawatsar	B.T. Cotton	4950	NA	-
Madhya Pradesh	Khandwa	Mech-1	5050	Closed	-

	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	Closed	Closed	-
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	NR	-
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	NR	NR	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	NR	-
<b>Commodity</b>	<b>Lint</b>		<b>Prices (Rs./Maund)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>16-Apr-18</b>	<b>14-Apr-18</b>	
Punjab	Bhatinda	J-34	4260	4230	30
	Abohar	J-34	4260	4230	30
	Mansa	J-34	4210	4170	40
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4240	4215	25
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

<b>Commodity</b>	<b>Kapas</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>16-Apr-18</b>	<b>14-Apr-18</b>	
Gujarat	Ahmedabad	Shankar-6	42500	35700	6800
	Gondal	Shankar-6	857	405	452
	Rajkot	B.T. Cotton	2800	2400	400
	Patan	B.T. Cotton	NR	3479	-
	Kadi	B.T. Cotton	40000	40000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	149	98	51
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	800	1200	-400
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	150	800	-650
	Jind	B.T. Cotton	NA	NR	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-

<b>Rajasthan</b>	Hanumangarh	B.T. Cotton	100	100	<b>Unch</b>
	Rawatsar	B.T. Cotton	1000	NA	-
<b>Madhya Pradesh</b>	Khandwa	Mech-1	300	Closed	-
	Khargaon	Mech-1	NR	NR	-
<b>Maharashtra</b>	Amravati	Mech-1	Closed	Closed	-
	Jamner	Medium Staple	NR	NR	-
<b>Uttar Pradesh</b>	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
<b>Telangana</b>	Adilabad	Un-Ginned	NR	NR	-
<b>Andhra Pradesh</b>	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
<b>Karnataka</b>	Bijapur	Bunny	NR	NR	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	NR	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>16-Apr-18</b>	<b>14-Apr-18</b>	
<b>Punjab</b>	Bhatinda	J-34	1700	1700	<b>Unch</b>
	Abohar	J-34	510	510	<b>Unch</b>
	Mansa	J-34	680	340	<b>340</b>
<b>Haryana</b>	Sirsa	J-34	340	340	<b>Unch</b>
<b>Rajasthan</b>	Sri-Ganganagar	J-34	NA	NA	-

### DOMESTIC PRICES AND ARRIVALS

#### **Cotton Association of India Spot Rates:**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				14-Apr-18	13-Apr-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	43100	43100	<b>Unch</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43600	43600	<b>Unch</b>
J-34(202)	26mm	3.5 - 4.9	23	40200	40200	<b>Unch</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38000	38000	<b>Unch</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	41400	41400	<b>Unch</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42500	42500	<b>Unch</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44200	44200	<b>Unch</b>
DCH-32(107)	34mm	3.0 - 3.8	33	54200	54200	<b>Unch</b>

**Cotton Seed Oil Prices**

Centre	Unit	Price		Change
		16-Apr-18	14-Apr-18	
Rajkot	Rs. /10 Kg.	740	742	-2
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	770	772	-2

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

Centre	Unit	Price		Change
		16-Apr-18	14-Apr-18	
Mahesana (Kadi)	Rs./Qtl	NR	1437	-
Akola	Rs./Qtl	NR	1411	-

**INTERNATIONAL PRICES AND INDICES**
**China Cotton Index: As on 16-April-2018**

Index	RMB/Ton	Change
CCIndex(328)	15485	-1
CCIndex(527)	14531	1
CCIndex(229)	16115	3
RMB -Renminbi, 1RMB =0.16 \$U.S.		

**China Foreign Cotton (FCE) Index : As on 13-April-2018**

Index	Cents/lb	Change
FC Index (S)	95.97	-0.30
FC Index (M)	92.16	-0.28
FC Index (L)	91.56	-0.25

**Cotlook Index: As on 13-April-2018**

Cotlook Indices	Cents/Pound	Change
A-Index	92.95	-0.10

**USDA Cotton Spot Rates: As on 13-April-2018**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	83.91	86.16	NIL
North Delta	82.41	84.16	2942

South Delta	82.41	84.16	NIL
East TX-OK	76.00	77.75	5817
West Texas	75.00	76.75	3455
Desert SW	78.41	82.41	NIL
SJ Valley	78.91	87.81	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 13-April-2018**

Contract	Open	High	Low	Close	Change
18-May	83.83	84.45	83.06	83.41	-0.28
18-Jul	83.04	83.64	82.9	83.35	0.35
18-Oct	79.45	79.45	78.93	79.11	-0.18
18-Dec	78.79	78.97	78.63	78.91	0.08
19-Mar	78.91	79.04	78.72	79.03	0.12
19-May	78.9	79.02	78.73	79.01	0.15

**Pakistan Cotton Spot rates: As on 14-April-2018**

(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

**Disclaimer**

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