

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were witnessed steady to firm on Tuesday.

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 1st 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.



International Fundamentals

World Cotton consumption in 2017-18 is projected at 120.4 million bales, as per latest US Department of Agriculture (USDA) figures. This is 5% or 5.6 million bales above 2016-17.

USDA 2018 cotton sowing progress, week ended April 16, showed8% of the total area planted vs 8% last year. Arzona, Texas, California and Georgia begun planting.

In 2018/19, Post forecasts Australian cotton production to reach 4.7 million bales from a harvested area of 450,000 hectares. This compares to 4 million bales in 2017/18 from a revised harvested area of 470,000 hectares due to poor seasonal conditions. Exports are forecast at 4.4 million bales in 2018/19as a result of the larger harvest and strong international demand. (Source: FAS report)

From March 12 to April 13, the cumulative turnover of cotton reserves was 411,600 tons, with a turnover rate of 57.15%.

According to China Cotton Association, survey China Cotton plantings seen falling 4% in 2018-19 to 2.8 Mln ha as farmers respond to lower prices last year.

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.

	NCDEX Kapas Futures*: (Prices in Rs/20kg)								
Contract	+/- -8	Open 912	High 913	Low 904	Close 905	Volume 739	Change -196	оі 3393	Change -399
Cont. (C1)									
Spread	Cont (C1)								
Spot		-162							
	-							-	
	Updated at 05:00 pm as on 18–Apr-2018								



Contract	+/-	Open	High	on Futur Low	Close	Volume	Change	OI	Change
Apr-18	-150	20770	20830	20500	20580	1503	713	5232	-736
May-18	-180	21070	21130	20830	20860	1149	471	4425	517
			1			1		1	
Spread	Ap	or 18							
Spot									
Apr-18	-3	300							
(NB: Spread Basis = Spot- Near Month Future)									
* Updated at 05:00 pm as on 18–Apr 2018									

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	18-Apr-18	17-Apr-18	Change
	Ahmedabad	Shankar-6	5450	5400	50
	Gondal	Shankar-6	NR	5255	-
	Rajkot	B.T. Cotton	5375	5330	45
Gujarat	Patan	B.T. Cotton	NR	5390	-
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5220	5120	100
Dunish	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	5100	5100	Unch
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Dojacthan	Hanumangarh	B.T. Cotton	NA	4885	-
Rajasthan	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Dradaah	Khandwa	Mech-1	Closed	4950	-
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5050	5200	-150
เขาสเรสเสราเมส	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ullai Fiduesii	Hathras	Desi	NA	NA	-



Telangana	Adilabad	Un-Ginned	4550	4550	Unch
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Andhra Pradesh	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	NR	-
Karnataka	Hubli	D.C.H.	NR	5225	-
Karnataka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NR	5050	_
		11 11 0011011		0000	
Commodity	Lin			s./Maund)	Change
Commodity State					Change
•	Lin	t	Prices (R	s./Maund)	Change
•	Lin Centre	t Variety	Prices (R: 18-Apr-18	s./Maund) 17-Apr-18	
•	Centre Bhatinda	Variety J-34	Prices (R: 18-Apr-18 4270	s./Maund) 17-Apr-18 4290	-20
State	Centre Bhatinda Abohar	Variety J-34 J-34	Prices (R: 18-Apr-18 4270 4280	17-Apr-18 4290 4290	-20 -10
State	Centre Bhatinda Abohar Mansa	Variety J-34 J-34 J-34	Prices (R: 18-Apr-18 4270 4280 4250	s./Maund) 17-Apr-18 4290 4290 4250	-20 -10 Unch
State	Centre Bhatinda Abohar Mansa Muktsar	Variety J-34 J-34 J-34 J-34	Prices (R: 18-Apr-18 4270 4280 4250 NR	17-Apr-18 4290 4290 4250 NR	-20 -10 Unch

Cotton Arrivals in Key Centers:

Commodity		Kapas	Arrivals	(Quintal)	Chango
State	Centre	Variety	18-Apr-18	17-Apr-18	Change
	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	NR	582	-
	Rajkot	B.T. Cotton	1850	2400	-550
Gujarat	Patan	B.T. Cotton	NR	3315	-
	Kadi	B.T. Cotton	50000	50000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	78	86	-8
	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	800	600	200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
Haryana	Fatehabad	B.T. Cotton	80	90	-10
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Deisethen	Hanumangarh	B.T. Cotton	NA	150	-
Rajasthan	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Bradach	Khandwa	Mech-1	Closed	300	-
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1200	1300	-100





	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ultai Prauesii	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	2374	NA	-
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Andhra Pradesh	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	NR	-
Karnataka	Hubli	D.C.H.	NR	72	-
Namalaka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NR	2122	-
Commodity	Lin	t	Arrivals (Quintal)		Changa
State	Centre	Variety	18-Apr-18	17-Apr-18	Change
	Bhatinda	J-34	1700	1700	Unch
Punjab	Abohar	J-34	510	510	Unch
	Mansa	J-34	170	170	Unch
Haryana	Sirsa	J-34	170	255	-85
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:								
Trade Name	Otamla	Missassius	Strength/	Rs. Per Candy	Rs. Per Candy	Change		
Trade Name	Staple	Micronaire	GPT	17-Apr-18	16-Apr-18	Change		
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42100	42600	-500		
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42600	43100	-500		
J-34(202)	26mm	3.5 - 4.9	23	40600	40500	100		
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	38000	38000	Unch		
Shankar-6(105)	29mm	3.5 – 4.9	28	41600	41600	Unch		
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42700	42700	Unch		
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44400	44400	Unch		
DCH-32(107)	34mm	3.0 - 3.8	33	54500	54500	Unch		

Cotton Seed Oil Prices

Centre	Unit	Pri	Change	
Centre	Onit	18-Apr-18	17-Apr-18	Change
Rajkot	Rs. /10 Kg.	740	740	Unch
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	740	740	Unch
Mumbai	Rs. /10 Kg.	770	770	Unch



Cotton Seed Oil Seed Cake Prices

Contro	l loit	Pri	Change	
Centre	Unit	18-Apr-18	17-Apr-18	Change
Mahesana (Kadi)	Rs./Qtl	1407	1402	5
Akola	Rs./Qtl	1405	1414	-9

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 18-April-2018					
Index	RMB/Ton	Change			
CCIndex(328)	15481	-2			
CCIndex(527)	14517	Unch			
CCIndex(229)	16112	-3			
RMB -Renminbi, 1RMB =0.16 \$U.S.					

China Foreign Cotton (FCE) Index : As on 17-April-2018					
Index	Cents/lb	Change			
FC Index (S)	95.96	-0.07			
FC Index (M)	92.11	-0.03			
FC Index (L)	91.53	-0.03			

Cotlook Index: As on 17-April-2018					
Cotlook Indices	Cents/Pound	Change			
A-Index	92.45	-0.20			

USDA Cotton Spot Rates: As on 17-April-2018						
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals			
	cent	Bales				
Southeast	83.45	85.70	NIL			
North Delta	81.95	83.70	NIL			
South Delta	81.95	83.70	NIL			
East TX-OK	75.75	77.50	4947			
West Texas	74.75	76.50	1110			
Desert SW	77.95	81.95	NIL			
SJ Valley	78.45	87.35	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



Contract	Open	High	Low	Close	Change
18-May	83.28	83.58	82.06	83.13	-0.12
18-Jul	83.28	83.49	81.97	82.95	-0.27
18-Oct	78.95	78.95	78.95	78.95	-0.27
18-Dec	78.5	78.68	77.92	78.40	-0.14
19-Mar	78.61	78.69	78.17	78.46	-0.21
19-May	78.38	78.54	78.35	78.51	-0.10

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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