

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were witnessed steady to weak on Thursday.

In The News: India's cotton exports may touch 7 million bales this marketing year, a rise of 27 per cent over the earlier estimate due to a surge in demand, mainly from China, as Indian cotton is selling at discount, says the Cotton Association of India (CAI).

India's farm ministry will announce its course of action on cotton seed prices by next week after the Delhi High Court judgement that said Monsanto Technologies' patents on Bt cotton seed variety Bollgard II were not valid.

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).



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	+/-	Open	High	Low	Close	Volume	Change	01	Change
Cont. (C1)	-10.5	902	906	895	896.5	879	140	2889	-504
Spread		Cont (C1)							
Spot		-157 -							
		-			-			-	
Updated at 05:00 pm as on 19–Apr-2018									



Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	-100	20630	20630	20550	20550	448	-1055	4816	-416
May-18	-100	20880	20900	20840	20840	292	-857	4858	433
					1				1
Spread	Ар	or 18							
Spot									
Apr-18	-2	270							
(NB: Spread Basis = Spot- Near Month Future)									

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	19-Apr-18	18-Apr-18	Change
	Ahmedabad	Shankar-6	5450	5450	Unch
	Gondal	Shankar-6	5215	NR	-
	Rajkot	B.T. Cotton	5315	5375	-60
Gujarat	Patan	B.T. Cotton	NR	NR	-
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	5220	-
Duniah	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	5070	5100	-30
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Deizethan	Hanumangarh	B.T. Cotton	NA	NA	-
Rajasthan	Rawatsar	B.T. Cotton	NA	NA	-
Madhua Dradaah	Khandwa	Mech-1	5000	Closed	-
Madhya Pradesh	Khargaon	Mech-1	NR	NR	-
Maharaahtra	Amravati	Mech-1	5050	5050	Unch
Maharashtra	Jamner	Medium Staple	NR	NR	-



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Litter Dredech	Hathras	B.T. Cotton	NA	NA	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	4550	-
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Anunra Prauesn	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	NR	-
Karnataka	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NR	NR	-
Commodity		Lint	Prices (R	Prices (Rs./Maund)	
State	Centre	Variety	19-Apr-18	18-Apr-18	Change
	Bhatinda	J-34	4250	4270	-20
	Abohar	J-34	4265	4280	-15
Punjab	Mansa	J-34	4200	4250	-50
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4240	4250	-10
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	К	apas	Arrivals	(Quintal)	Change
State	Centre	Variety	19-Apr-18	18-Apr-18	Change
	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	1009	NR	-
	Rajkot	B.T. Cotton	1750	1850	-100
Gujarat	Patan	B.T. Cotton	NR	NR	-
	Kadi	B.T. Cotton	40000	50000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	78	-
Dunich	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	400	800	-400
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
Haryana	Fatehabad	B.T. Cotton	30	80	-50
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Pajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
Rajasthan	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	500	Closed	-



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	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1300	1200	100
Wanarashira	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	2374	-
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Anunia Frauesii	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	NR	-
Karnataka	Hubli	D.C.H.	NR	NR	-
naillatana	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NR	NR	-
Commodity		Lint	Arrivals	Arrivals (Quintal)	
State	Centre	Variety	19-Apr-18	18-Apr-18	Change
	Bhatinda	J-34	1700	1700	Unch
Punjab	Abohar	J-34	255	510	-255
	Mansa	J-34	NA	170	-
Haryana	Sirsa	J-34	170	170	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

DOMESTIC PRICES AND ARRIVALS

Cotton Association of India Spot Rates:									
Trade Name	Stanla	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change			
Trade Name	Staple	witcronaire	GPT	18-Apr-18	17-Apr-18	Change			
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41900	42100	-200			
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42400	42600	-200			
J-34(202)	26mm	3.5 - 4.9	23	40400	40600	-200			
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	37800	38000	-200			
Shankar-6(105)	29mm	3.5 – 4.9	28	41400	41600	-200			
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42500	42700	-200			
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44200	44400	-200			
DCH-32(107)	34mm	3.0 - 3.8	33	54300	54500	-200			

Cotton Seed Oil Prices

Contro	Unit	Pri	ice	Change
Centre	Unit	19-Apr-18	18-Apr-18	Change
Rajkot	Rs. /10 Kg.	745	740	5
New Delhi	Rs. /10 Kg.	725	725	Unch



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Hyderabad	Rs. /10 Kg.	740	740	Unch
Mumbai	Rs. /10 Kg.	770	770	Unch

Cotton Seed Oil Seed Cake Prices

Centre	Unit	Pri	се	Change
Centre	Onit	19-Apr-18	18-Apr-18	Change
Mahesana (Kadi)	Rs./Qtl	1383	1407	-24
Akola	Rs./Qtl	1398	1405	-7

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 19-April-2018					
Index	RMB/Ton	Change			
CCIndex(328)	15481	Unch			
CCIndex(527)	14518	1			
CCIndex(229)	16111	-1			
RMB -Renminbi, 1RMB =0.16 \$U.S.					

China Foreign Cotton (FCE) Index : As on 18-April-2018						
Index	Cents/lb	Change				
FC Index (S)	95.72	-0.24				
FC Index (M)	92.06	-0.05				
FC Index (L)	91.28	-0.25				

Cotlook Index: As on 18-April-2018					
Cotlook Indices	Cents/Pound	Change			
A-Index	92.20	-0.25			

USDA Cotton Spot Rates: As on 18-April-2018				
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals	
	cen	cents/lb.		
Southeast	83.11	85.36	NIL	
North Delta	81.61	83.36	NIL	
South Delta	81.61	83.36	NIL	
East TX-OK	75.50	77.25	6352	
West Texas	74.50	76.25	3257	
Desert SW	77.61	81.61	1	
SJ Valley	78.11	87.01	NIL	

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 18-April-2018					
Contract	Open	High	Low	Close	Change
18-May	83.28	83.39	82.5	82.74	-0.39
18-Jul	82.98	83.17	82.3	82.61	-0.34
18-Oct	78.76	78.76	78.76	78.76	-0.19
18-Dec	78.4	78.71	78.14	78.32	-0.08
19-Mar	78.47	78.75	78.29	78.42	-0.04
19-May	78.45	78.65	78.4	78.49	-0.02

Pakistan Cotton S	(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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