

## Domestic Fundamentals:

**Market Outlook:** Cotton spot market prices were witnessed steady to weak Tuesday.

**In The News:** Bangladesh has emerged as the biggest importer of Indian cotton this season. It imported around 21 lakh bales of cotton from India overtaking China, which was largest importer of Indian cotton until now.

So far, India has exported 15 lakh bales of cotton to China. As per data provided by CAI, the country has contracted 15-20 lakh bales for exports to China. Following the trade war with the US, China has imposed tariffs on import of cotton from the US. Cotton is one of the 106 US goods on which Beijing has imposed up to 25% tariffs.

According to trade sources, in the past three months, the export price of India's 30S pure cotton yarn has risen by 2%, while the export price of Pakistan's cotton yarn with the same quality has decreased by 1.7%. In the coming weeks, it's expected that the price of cotton yarn will not be lowered due to the support of high level cotton prices.

Cotton exports surged 151% in March with shipment of 12.5 lakh bales (170 kg) as against just less than 5 lakh bales exported in March 2017. The first six months of 2017-18 cotton marketing year shipment aggregated 5.66 million bales as against 4.82 million bales in the corresponding months of previous marketing year.

Cotton Corporation of India (CCI) has purchased 11 lakh bales of cotton so far this cotton season (October to September) and sold four lakh bales.

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).

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

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-14	882.5	888.5	870.5	872	488	14	1620	-513

  

Spread	Cont (C1)		
Spot	-181.5	-	-
	-	-	-

  

Updated at 05:00 pm as on 24-Apr-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	-170	20770	20780	20650	20680	1002	-190	2713	-803
May-18	-180	21100	21100	20950	20970	1159	-245	6848	570

  

Spread	Apr 18		-	-	--	--
Spot				-	-	-
Apr-18	-320			-	-	-

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

\* Updated at 05:00 pm as on 24-Apr 2018

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

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	24-Apr-18	23-Apr-18	
Gujarat	Ahmedabad	Shankar-6	5450	5450	Unch
	Gondal	Shankar-6	Closed	NR	-
	Rajkot	B.T. Cotton	5350	5415	-65
	Patan	B.T. Cotton	5300	5420	-120
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5105	5145	-40
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5100	5100	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	5030	5090	-60
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	4900	4900	Unch
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5150	5125	25
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	4570	-

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	5455	-
	Hubli	D.C.H.	NR	4285	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	5175	-
<b>Commodity</b>	<b>Lint</b>		<b>Prices (Rs./Maund)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>24-Apr-18</b>	<b>23-Apr-18</b>	
Punjab	Bhatinda	J-34	4295	4300	-5
	Abohar	J-34	4290	4310	-20
	Mansa	J-34	4250	4280	-30
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4270	4275	-5
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>24-Apr-18</b>	<b>23-Apr-18</b>	
Gujarat	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	Closed	NR	-
	Rajkot	B.T. Cotton	1200	1400	-200
	Patan	B.T. Cotton	3110	3645	-535
	Kadi	B.T. Cotton	40000	35000	5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	57	52	5
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	500	600	-100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	150	80	70
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	400	300	100
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1100	1300	-200
	Jamner	Medium Staple	NR	NR	-

Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	NA	-
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	3915	-
	Hubli	D.C.H.	NR	82	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	847	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>24-Apr-18</b>	<b>23-Apr-18</b>	
Punjab	Bhatinda	J-34	1020	1190	-170
	Abohar	J-34	170	85	85
	Mansa	J-34	170	170	Unch
Haryana	Sirsa	J-34	85	170	-85
Rajasthan	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
				23-Apr-18	21-Apr-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41800	42100	-300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42300	42600	-300
J-34(202)	26mm	3.5 - 4.9	23	40700	40300	400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38000	37700	300
Shankar-6(105)	29mm	3.5 - 4.9	28	41700	41400	300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43000	42700	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44100	44400	-300
DCH-32(107)	34mm	3.0 - 3.8	33	54500	54500	Unch

### Cotton Seed Oil Prices

Centre	Unit	Price		Change
		24-Apr-18	23-Apr-18	
Rajkot	Rs. /10 Kg.	745	750	-5
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	765	770	-5

### Cotton Seed Oil Seed Cake Prices

Centre	Unit	Price		Change
		24-Apr-18	23-Apr-18	
Mahesana (Kadi)	Rs./Qtl	1288	1336	-48
Akola	Rs./Qtl	1300	1348	-48

### INTERNATIONAL PRICES AND INDICES

<u>China Cotton Index: As on 24-April-2018</u>			
Index		RMB/Ton	Change
CCIndex(328)		15463	-16
CCIndex(527)		14503	-9
CCIndex(229)		16097	-7
RMB -Renminbi, 1RMB =0.16 \$U.S.			

<u>China Foreign Cotton (FCE) Index : As on 24-April-2018</u>			
Index		Cents/lb	Change
FC Index (S)		95.50	-0.81
FC Index (M)		92.13	-0.77
FC Index (L)		91.47	-0.76

<u>Cotlook Index: As on 23-April-2018</u>			
Cotlook Indices		Cents/Pound	Change
A-Index		93.80	1.85

<u>USDA Cotton Spot Rates: As on 23-April-2018</u>			
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	84.62	86.87	NIL
North Delta	83.12	84.87	4267
South Delta	83.12	84.87	NIL
East TX-OK	77.50	79.25	6161
West Texas	76.50	78.25	199
Desert SW	79.12	83.12	NIL
SJ Valley	79.62	88.52	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 23-April-2018**

Contract	Open	High	Low	Close	Change
<b>18-May</b>	85.70	86.44	82.90	83.19	<b>-2.28</b>
<b>18-Jul</b>	84.89	85.39	84.04	84.12	<b>-0.61</b>
<b>18-Oct</b>	81.45	82.00	81.16	81.16	<b>-0.51</b>
<b>18-Dec</b>	79.45	79.9	79.25	79.35	<b>-0.08</b>
<b>19-Mar</b>	79.31	79.74	79.15	79.21	<b>-0.03</b>
<b>19-May</b>	79.09	79.75	79.09	79.14	<b>0.05</b>

**Pakistan Cotton Spot rates: As on 23-April-2018**
**(in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	<b>37.32 Kgs</b>	7500	145	7645
<b>Equivalent</b>	<b>40 Kgs</b>	8038	155	8193

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2018 Indian Agribusiness Systems Ltd.