

## Domestic Fundamentals:

**Market Outlook:** Cotton spot market prices were noticed Firm on Thursday.

**In The News:** According to trade sources, the target for sowing cotton in Maharashtra for this kharif season is 4 lakh hectares, the highest acreage is expecting from Bathinda, Mansa, Fazilka and Mukstar districts.

Cotton prices are likely to remain steady during June-October 2018 due to very tight financial situation prevailing in the spinning sector and comfortable availability of quality cotton, according to the Indian Cotton Federation here.

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.

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.

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	-1.5	865	871	864	864	366	204	1012	-372

  

Spread	Cont (C1)		
Spot	-195	-	-
	-	-	-

Updated at 05:00 pm as on 26-Apr-2018

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	-10	20600	20610	20500	20590	691	-1031	1041	-593
May-18	-30	20800	20940	20610	20870	1003	-1208	8254	580

Spread	Apr 18		-	-	--	--
Spot				-	-	-
Apr-18	-330			-	-	-

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

\* Updated at 05:00 pm as on 26-Apr 2018

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	26-Apr-18	25-Apr-18	
Gujarat	Ahmedabad	Shankar-6	5400	5400	Unch
	Gondal	Shankar-6	NR	5245	-
	Rajkot	B.T. Cotton	5430	5360	70
	Patan	B.T. Cotton	5330	5255	75
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	5005	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5050	5050	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	4880	-
	Fatehabad	B.T. Cotton	4980	4970	10
	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	4800	4900	-100
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5150	5075	75
	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	5461	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	5070	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	26-Apr-18	25-Apr-18	
Punjab	Bhatinda	J-34	4290	4255	35
	Abohar	J-34	4295	4260	35
	Mansa	J-34	4275	4230	45
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4270	4235	35
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	26-Apr-18	25-Apr-18	
Gujarat	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	NR	285	-
	Rajkot	B.T. Cotton	1200	1220	-20
	Patan	B.T. Cotton	2580	3730	-1150
	Kadi	B.T. Cotton	30000	35000	-5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	106	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	300	300	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	5100	-
	Fatehabad	B.T. Cotton	80	350	-270
	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	350	50
	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1100	900	200
	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	2385	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	405	-
<b>Commodity</b>	<b>Lint</b>		<b>Arrivals (Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Centre</b>	<b>Variety</b>	<b>26-Apr-18</b>	<b>25-Apr-18</b>	
Punjab	Bhatinda	J-34	1020	1190	-170
	Abohar	J-34	170	170	Unch
	Mansa	J-34	153	102	51
Haryana	Sirsa	J-34	170	85	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
				25-Apr-18	24-Apr-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41400	41800	-400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41900	42300	-400
J-34(202)	26mm	3.5 - 4.9	23	40200	40600	-400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38000	38000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	41200	41500	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42500	42800	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43600	43900	-300
DCH-32(107)	34mm	3.0 - 3.8	33	54500	54500	Unch

### Cotton Seed Oil Prices

Centre	Unit	Price		Change
		26-Apr-18	25-Apr-18	
Rajkot	Rs. /10 Kg.	755	745	10
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	770	770	Unch

**Cotton Seed Oil Seed Cake Prices**

Centre	Unit	Price		Change
		26-Apr-18	25-Apr-18	
Mahesana (Kadi)	Rs./Qtl	1293	1278	15
Akola	Rs./Qtl	1275	1276	-1

**INTERNATIONAL PRICES AND INDICES**
**China Cotton Index: As on 26-April-2018**

Index	RMB/Ton	Change
CCIndex(328)	15451	-5
CCIndex(527)	14495	-5
CCIndex(229)	16093	-2
RMB -Renminbi, 1RMB =0.16 \$U.S.		

**China Foreign Cotton (FCE) Index : As on 25-April-2018**

Index	Cents/lb	Change
FC Index (S)	94.08	-1.42
FC Index (M)	91.06	-1.07
FC Index (L)	90.27	-1.20

**Cotlook Index: As on 25-April-2018**

Cotlook Indices	Cents/Pound	Change
A-Index	90.70	-2.50

**USDA Cotton Spot Rates: As on 25-April-2018**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	84.44	86.69	NIL
North Delta	82.94	84.69	NIL
South Delta	82.94	84.69	NIL
East TX-OK	77.50	79.25	2867
West Texas	76.50	78.25	760
Desert SW	78.94	82.94	NIL
SJ Valley	79.44	88.34	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 25-April-2018**

Contract	Open	High	Low	Close	Change
<b>18-May</b>	83.17	84.76	82.89	84.76	<b>2.50</b>
<b>18-Jul</b>	81.52	84.54	81.52	83.94	<b>2.43</b>
<b>18-Oct</b>	80.89	80.89	80.89	80.89	<b>1.75</b>
<b>18-Dec</b>	77.84	79.06	77.59	78.99	<b>1.40</b>
<b>19-Mar</b>	77.78	78.97	77.78	78.94	<b>1.23</b>
<b>19-May</b>	78.48	78.9	78.25	78.88	<b>1.00</b>

**Pakistan Cotton Spot rates: As on 25-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

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