

Domestic Fundamentals:

Market Outlook: Cotton spot market prices were noticed Range-bound on Friday.

In The News: According to data provided by the Confederation of Indian Textile Industry, of the total commodities exports from India , the textile apparel exports share has come down by a percentage point to 12% in fiscal 2018 from 13% in the previous fiscal.

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, Fazilika 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 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



International Fundamentals

From March 12 to April 25, the China cumulative turnover of cotton stocks was 514,500 tons, and the turnover rate was 53.57%.

Cotlook has lowered its forecast for 2018-19 global Cotton production by 69,000 tonnes to 26.23 million tonnes owing to a change for the US which more than offset increases for Uzbekistan and Brazil. It also lowered global Cotton consumption by 103,000 tonnes to 26.77 million tonnes.

According to U.S weekly export sales-shipments report, China's 2018-19 cotton imports projected to climb to 6.4 million bales from 5.05 million estimated for this season.

Cotton production remains marginal in Thailand totalling approximately 1,500 -1,600 metric tons (2,300 -2,500 bales) due to unattractive returns compared to other field crops like sugarcane. This production accounts for less than one percent of total demand. The government does not provide any incentives to farmers to produce cotton. The government still bans the domestic production of all transgenic (biotech) plant varieties, including cotton.

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, showed 8% 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)

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).

NCDEX Kapas Futures*: (Prices in Rs/20kg)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Cont. (C1)	0	867	867.5	854	861.50	145	-221	850	-162
Spread		Cont	(C1)						
Spot		-218	3.5						
			Update	ed at 05:00) pm as on 2	27–Apr-2018			



Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-18	-50	20540	20580	20510	20540	294	-397	775	-266
May-18	-50	20850	20890	20820	20840	659	-344	8622	368
	1								
Spread	Aŗ	or 18			-	-			
Spread Spot	Aŗ	or 18			-	-			
		or 18			-				 - -

Cotton Prices at Key Spot Markets:

Commodity		Kapas		s./Quintal)	Change
State	Centre	Variety	27-Apr-18	26-Apr-18	Change
	Ahmedabad	Shankar-6	5450	5400	50
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	5430	5430	Unch
Gujarat	Patan	B.T. Cotton	5400	5330	70
	Kadi	B.T. Cotton	5250	5250	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	4955	-
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	4880	NR	-
Haryana	Fatehabad	B.T. Cotton	5000	4980	20
	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	-
Kajasinan	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	4800	4800	Unch
wadnya Fradesh	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	5125	5150	-25
Manarasinra	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ollai Fiauesii	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NR	NR	-
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
Aliulia Flaucoli	Kurnool	Un-Ginned	NA	NA	-



	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	5865	-
Karnataka	Hubli	D.C.H.	NR	4001	-
Namataka	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	NR	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-Apr-18	26-Apr-18	Change
		- The second		<u>-</u>	
	Bhatinda	J-34	4290	4290	Unch
	Bhatinda Abohar		4290 4300		Unch 5
Punjab		J-34	-	4290	
Punjab	Abohar	J-34 J-34	4300	4290 4295	5
Punjab	Abohar Mansa	J-34 J-34 J-34	4300 4270	4290 4295 4275	5 -5
Punjab Haryana	Abohar Mansa Muktsar	J-34 J-34 J-34	4300 4270 NR	4290 4295 4275 NR	5 -5

Cotton Arrivals in Key Centers:

Commodity	K	apas	Arrivals	(Quintal)	Change
State	Centre	Variety	27-Apr-18	26-Apr-18	Change
	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	1150	1200	-50
Gujarat	Patan	B.T. Cotton	2772	2580	192
	Kadi	B.T. Cotton	35000	30000	5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NR	246	-
Punjab	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	300	300	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	400	NR	-
Haryana	Fatehabad	B.T. Cotton	250	80	170
	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	-
Kajastnan	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	400	400	Unch
Mauriya Frauesii	Khargaon	Mech-1	NR	NR	-
Maharashtra	Amravati	Mech-1	1000	1100	-100
wanalasilla	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
Ullai Fiduesii	Hathras	Desi	NA	NA	-



Telangana	Adilabad	Un-Ginned	NR	NR	-
	Guntur	Un-Ginned	NA	NA	-
Andhra Pradesh	Kurnool	Un-Ginned	NA	NA	-
Aliuliia Plauesii	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	NA	NA	-
	Bijapur	Bunny	NR	2182	-
Karnataka	Hubli	D.C.H.	NR	40	-
Namataka	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	NR	-
Commodity	Lin	t	Arrivals (Quintal)		Changa
State	Centre	Variety	27-Apr-18	26-Apr-18	Change
	Bhatinda	J-34	1020	1020	Unch
Punjab	Abohar	J-34	170	170	Unch
	Mansa	J-34	85	153	-68
Haryana	Sirsa	J-34	170	170	Unch
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

DOMESTIC PRICES AND ARRIVALS

Cotton Association of In	Cotton Association of India Spot Rates:								
Trade Name	Ctanla	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change			
Trade Name	Staple	Wilcronaire	GPT	26-Apr-18	25-Apr-18	Change			
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41400	41400	Unch			
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41900	41900	Unch			
J-34(202)	26mm	3.5 - 4.9	23	40500	40200	300			
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	38100	38000	100			
Shankar-6(105)	29mm	3.5 – 4.9	28	41200	41200	Unch			
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42500	42500	Unch			
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43500	43600	-100			
DCH-32(107)	34mm	3.0 - 3.8	33	54500	54500	Unch			

Cotton Seed Oil Prices

Centre	Unit	Pri	Change	
Centre	Onit	27-Apr-18	26-Apr-18	Change
Rajkot	Rs. /10 Kg.	750	755	-5
New Delhi	Rs. /10 Kg.	725	725	Unch
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	772	770	2



Cotton Seed Oil Seed Cake Prices

Centre	Unit	Pri	ice	Chango
Centre	Onit	27-Apr-18	26-Apr-18	Change
Mahesana (Kadi)	Rs./Qtl	1280	1293	-13
Akola	Rs./Qtl	1250	1275	-25

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 27-April-2018					
Index	RMB/Ton	Change			
CCIndex(328)	15453	2			
CCIndex(527)	14498	3			
CCIndex(229)	16093	Unch			
RMB -Renminbi, 1RMB =0.16 \$U.S.					

China Foreign Cotton (FCE) Index : As on 26-April-2018						
Index Cents/lb Change						
FC Index (S)	96.39	2.31				
FC Index (M)	93.28	2.22				
FC Index (L)	92.77	2.50				

Cotlook Index: As on 26-April-2018					
Cotlook Indices	Cents/Pound	Change			
A-Index	93.20	2.50			

USDA Cotton Spot Rates: As on 26-April-2018						
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals			
	cent	Bales				
Southeast	84.67	84.67 86.92				
North Delta	83.17	84.92	NIL			
South Delta	83.17	84.92	NIL			
East TX-OK	77.50	79.25	4932			
West Texas	76.50	78.25	1839			
Desert SW	79.17	83.17	NIL			
SJ Valley	79.67	88.57	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	85.00	85.00	84.63	84.99	0.23
18-Jul	83.78	84.97	83.57	84.17	0.23
18-Oct	80.35	81.4	80.35	80.42	-0.47
18-Dec	78.80	79.25	78.50	78.96	-0.03
19-Mar	78.90	79.11	78.47	78.71	-0.23
19-May	78.55	79.01	78.51	78.62	-0.26

Pakistan Cotton	(in Pakistan Rupees)			
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7500	145	7645
Equivalent	40 Kgs	8038	155	8193

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