

Domestic Fundamentals:

Market Outlook: Cotton spot market declined in the physical markets at most of the centres over yesterday's hangover. US #2 Cotton futures and MCX 29mm Cotton futures were trading on fresh buying by traders after posting 5 weeks low.

In The News: A weak Indian rupees and the trade spat between US and China is going to benefit the Indian exporters. Further the freight advantage also going to help in rise in Indian share. However China still has option to pay the duty of 25% and import cotton or have another option of importing US cotton via Vietnam. Vietnam in the past few years has become large importer of cotton due to its booming textile industry.

Even though the futures has declined taking cues from ICE cotton the spot prices didn't fell as sharply as futures in major physical market of kapas and cotton owing to the brighter prospects of cotton exports. Traders have witnessed improved orders of yarn and cotton from China. The yarn prices have jumped which has improved margins of spinning mills over rise in export queries from Bangladesh and China.

Cotton advisory board has further downward revised the cotton estimates for the 2017-18 season to 370 lakh bales from earlier estimate of 377 lakh bales. The end stock according to CAB will stand at 43 lakh bales.

From the fields farmers in Telangana are optimistic over cotton crop this monsoon over good prices of cotton and 33% subsidy on seeds from the state. The state is giving input subsidies under Rythu Bandhu scheme to the farm land owners. Farmers were brisk inland preparation and cotton sowing as the monsoon has commenced in the state with forecast of good rains.

International Fundamentals

China has bought 1.5 million bales of cotton from US and many of the shipments are in high seas. With new trade tariffs to be applicable from 16th June the fear of cancellation of forward bookings has led to crash in prices which has earlier posted 6 years high.

In Pakistan small amounts of new crop have started arriving in the market but the gaining is still has to start. The stocks with ginneries are very low. A delay in monsoon is expected as the monsoon stalled in Indian subcontinent and thus there is no respite for cotton is seen in the near term.

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-18	330	21880	22250	21880	22160	1551	364	4245	-863
July-18	300	22170	22560	22170	22450	1858	531	4675	541
Spread	June 18			-	-	-	-	-	-
Spot									
jun-18									

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

* Updated at 05:00 pm as on 15-June 2018

DOMESTIC PRICES AND ARRIVALS
Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	20-Jun-18	19-Jun-18	
Gujarat	Ahmedabad	Shankar-6	6125	6125	Unch
	Gondal	Shankar-6	6105	6330	-225
	Rajkot	B.T. Cotton	6195	6300	-105
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	6040	6180	-140
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5750	5800	-50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	5660	5750	-90
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	Jamner	Medium Staple	NR	NR	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4320	4320	Unch
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	6149	6159	-10
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	5600	5700	-100
Commodity	Lint		Prices (Rs./Maunder)		Change
State	Centre	Variety	20-Jun-18	19-Jun-18	
Punjab	Bhatinda	J-34	4700	4745	-45
	Abohar	J-34	4710	4750	-40
	Mansa	J-34	4675	4750	-75
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-

Haryana	Sirsa	J-34	4700	4730	-30
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jun-18	19-Jun-18	
Gujarat	Ahmedabad	Shankar-6	5950	5780	170
	Gondal	Shankar-6	354	293	61
	Rajkot	B.T. Cotton	405	1050	-645
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	16	30	-14
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	300	350	-50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	150	350	-200
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	NA	NA	-
	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	941	1383	-442
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	337	292	45
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jun-18	19-Jun-18	
Punjab	Bhatinda	J-34	170	170	Unch
	Abohar	J-34	NA	NA	-

	Mansa	J-34	170	34	136
Haryana	Sirsa	J-34	170	51	119
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				19-Jun-18	18-Jun-18	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	44800	44800	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	45300	45300	Unch
J-34(202)	26mm	3.5 - 4.9	23	45000	45500	-500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	43000	42500	500
Shankar-6(105)	29mm	3.5 - 4.9	28	46800	46800	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	47600	47600	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	48600	48600	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	59700	59700	Unch

Cotton Seed Oil Prices

Centre	Unit	Price		Change
		20-Jun-18	19-Jun-18	
Rajkot	Rs. /10 Kg.	740	735	5
New Delhi	Rs. /10 Kg.	720	730	-10
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	760	760	Unch

Cotton Seed Oil Seed Cake Prices

Centre	Unit	Price		Change
		20-Jun-18	19-Jun-18	
Mahesana (Kadi)	Rs./Qtl	1674	1708	-34
Akola	Rs./Qtl	1564	1613.65	-50

INTERNATIONAL PRICES AND INDICES
China Cotton Index: As on 20-June-2018

Index	RMB/Ton	Change
CCIndex(328)	16379	-23
CCIndex(527)	15159	-12
CCIndex(229)	16971	-22
RMB -Renminbi, 1RMB =0.16 \$U.S.		

China Foreign Cotton (FCE) Index : As on 19-June-2018

Index	Cents/lb	Change
FC Index (S)	103.23	-2.97
FC Index (M)	100.23	-2.95
FC Index (L)	98.99	-3.00

Cotlook Index: As on 19-June-2018

Cotlook Indices	Cents/Pound	Change
A-Index	96.95	-1.90

USDA Cotton Spot Rates: As on 19-June-2018

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	84.82	87.07	NIL
North Delta	83.32	85.07	NIL
South Delta	83.32	85.07	NIL
East TX-OK	79.75	82.25	364
West Texas	79.25	81.75	NIL
Desert SW	79.07	83.07	NIL
SJ Valley	79.57	88.47	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.): As on 19-June-2018

Contract	Open	High	Low	Close	Change
18-May	87.40	88.15	83.32	83.32	-4.00
18-Jul	88.50	89.22	84.66	84.82	-3.84
18-Oct	87.51	88.30	83.77	83.82	-3.95
18-Dec	87.54	88.24	83.70	83.73	-3.97
19-Mar	87.59	88.27	83.75	83.79	-3.96
19-May	87.57	88.19	83.73	83.92	-3.81

Pakistan Cotton Spot rates: As on 19-June-2018				(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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