

Domestic Fundamentals:

Market Outlook: Cotton spot market prices across physical market remained unchanged on Tuesday. US #2 Cotton futures was trading weak after Friday's rally as the speculative buying get exhausted.

In The News: As per Gujarat government records, as on today there are 40 lakh new spindles and 15 lakh old spindles so in total 55 lakh spindles of spinning mills are running on cotton. As per one Gujarat spinning mill owner, in Gujarat mills yearly consumption of cotton is around 70-72 lakh bales and monthly consumption is 6 lakh bales, now few more mills are in under construction.

According to data from the Department of Agricultural, Cotton had been planted on 1,691,400 hectares nationwide by June 15. This represents an increase over last week of 443,500 hectares. With the majority of new planting recorded for central and southern states. The latest figures suggest that the rate of sowing has overtaken that of last year, by a small margin. By June 15, 2017, the total area reported was 1,667,100 hectares.

Cotton exports crossed 65 lakh bales up to 17 June and still there is good demand for Indian cotton at 93 to 95 cents ie 51000 fob. Even now everyday 5-10 thousand bales are going in exports per day.

Monsoon Update:

The monsoon resumed progress on the West Coast, Peninsular India and East India, making a delayed entry into Veraval, Amreli and Ahmedabad in Gujarat this morning. Conditions are becoming favourable for further advance of the monsoon into some more parts of Gujarat State; remaining parts of Maharashtra; some more parts of Madhya Pradesh, Chhattisgarh, Jharkhand and Bihar; and remaining parts of Odisha and Bengal.

A land-based circulation developing over East India, and not necessarily over the Bay, would be anchoring the flow of monsoon easterlies into Central and North-West India.

International Fundamentals

Due to acute water shortage, Sindh falls short of completing the cotton sowing target by at least 30 percent of its land experts and growers told to the news today.

Chin is set to return as a major cotton importer, taking 10 million to 15 million bales a year by 2019/20, compared with 5 million bales this year. According to Tim Bourgois, Head of cotton platform at LDC.

The US fundamentals are still bullish over the weather concerns and looming danger of crop loss across south west. The prices bounced back on Friday mainly due to bounce back in most of the agricultural commodities. The trade tensions have escalated with continuous word fights between US and China which is jeopardizing the US exports scenario. However traders are expecting still some booking and entire exports will not be wiped as it is difficult to adjust very soon in the new international trade scene.

Trump's protectionism has resulted in EU too imposed tariff up to 50% on US denim and cotton clothing, swimwear and certain types of footwear from the US

In Pakistan raw cotton exports from the country during 11 months of current financial year grew by 32.66 percent as against the exports of the corresponding period of last year. According the latest data released by the Pakistan Bureau of Statistics, during the period from July-May, 2017-18, country exported about 34,969 metric tons of raw cotton as compared the exports of 25,349 metric tons last year.

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

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-18	-150	21840	22020	21720	21880	653	-577	1457	-538
July-18	-150	22160	22340	21930	22190	1130	-570	6856	411

Spread	June 18		-	-	--	--
Spot				-	-	-
jun-18				-	-	-

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

* Updated at as on 26-June 2018 at 5:05 PM

DOMESTIC PRICES AND ARRIVALS
Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	26-Jun-18	25-Jun-18	
Gujarat	Ahmedabad	Shankar-6	6125	6125	Unch
	Gondal	Shankar-6	6080	6045	35
	Rajkot	B.T. Cotton	6165	6190	-25
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5950	5950	Unch
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	5640	-
	Fatehabad	B.T. Cotton	5900	5900	Unch
	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	NR	6243	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	5775	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	26-Jun-18	25-Jun-18	
Punjab	Bhatinda	J-34	4835	4820	15
	Abohar	J-34	4850	4825	25
	Mansa	J-34	4825	4850	-25
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4830	4810	20
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	26-Jun-18	25-Jun-18	
Gujarat	Ahmedabad	Shankar-6	5100	5100	Unch
	Gondal	Shankar-6	195	127	68
	Rajkot	B.T. Cotton	405	510	-105
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8	15	-7
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	NR	NR	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	187	-
	Fatehabad	B.T. Cotton	150	150	Unch
	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	NR	1262	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	247	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	26-Jun-18	25-Jun-18	
Punjab	Bhatinda	J-34	85	85	Unch
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	85	85	Unch
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
				25-Jun-18	23-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	45900	45400	500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	44200	43000	1200
Shankar-6(105)	29mm	3.5 - 4.9	28	47300	46700	600
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48300	47500	800
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	49000	48300	700
DCH-32(107)	34mm	3.0 - 3.8	33	60000	59700	300

Cotton Seed Oil Prices

Centre	Unit	Price		Change
		26-Jun-18	25-Jun-18	
Rajkot	Rs. /10 Kg.	745	740	5
New Delhi	Rs. /10 Kg.	725	720	5
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	760	750	10

Cotton Seed Oil Seed Cake Prices

Centre	Unit	Price		Change
		26-Jun-18	25-Jun-18	
Mahesana (Kadi)	Rs./Qtl	1659	1634	25
Akola	Rs./Qtl	1576	1559	17

INTERNATIONAL PRICES AND INDICES

<u>China Cotton Index: As on 26-June-2018</u>			
Index		RMB/Ton	Change
CCIndex(328)		16331	-22
CCIndex(527)		15140	-5
CCIndex(229)		16947	-12
RMB -Renminbi, 1RMB =0.16 \$U.S.			

<u>China Foreign Cotton (FCE) Index : As on 25-June-2018</u>			
Index		Cents/lb	Change
FC Index (S)		100.11	0.79
FC Index (M)		96.70	0.34
FC Index (L)		95.24	0.25

<u>Cotlook Index: As on 25-June-2018</u>			
Cotlook Indices		Cents/Pound	Change
A-Index		94.70	1.10

<u>USDA Cotton Spot Rates: As on 25-June-2018</u>			
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	86.18	88.43	NIL
North Delta	84.68	86.43	NIL
South Delta	84.68	86.43	NIL
East TX-OK	80.25	82.75	1
West Texas	79.75	82.25	NIL
Desert SW	80.43	84.43	NIL
SJ Valley	80.93	89.83	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.): Ason25-June-2018

Contract	Open	High	Low	Close	Change
18-May	85.50	86.48	84.20	85.94	0.51
18-Jul	86.55	87.12	85.59	86.18	-0.16
18-Oct	85.30	86.22	84.40	84.92	-0.38
18-Dec	84.63	85.75	84.08	84.73	-0.16
19-Mar	84.55	85.62	84.05	84.75	-0.07
19-May	84.56	85.65	84.06	84.85	0.01

Pakistan Cotton Spot rates: As on25-June-2018

(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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