

Domestic Fundamentals:

Market Outlook: *Cotton spot market prices across physical market remained Firm on Thursday.*

In The News:

As per CAB latest report, last year India's cotton export was 58.21 lakh bales and cotton import was 30.94 lakh bales. So last year's export and import deficit was 27.27 lakh bales, but **this year export expected is 70.00 lakh bales and import is 15.00 lakh bales so this year deficit will be doubled at 55.00 lakh bales.** So for Indian mills the availability of 55.00 lakh bales will be less this year and **this is the reason for Indian market to go up 40000 to 48000.**

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 southwest monsoon remains **10% below normal** this month, but daily rainfall is slowly improving and the weather office expects a significant pick up in the days ahead. The India Meteorological Department (IMD) says **monsoon showers are expected to reach northwest India** between June 28 and 30, bringing relief for farmers in the region as they prepare their fields for planting.

Rainfall figures still remain dampening, with all parts of the country barring southern peninsula having recorded below normal rainfall since June 1. However, saw a **slight improvement in the daily rainfall scenario, with central, east and northeast India recording above normal rainfall**, while overall rainfall remained 19% above normal.

International Fundamentals

The most active cotton contract on ICE Futures U.S., the third-month December contract, settled **up 1.01 cent, or 1.2 percent, at 85.3 cents per lb.** It traded within a range of 84.2 and 85.62 cents a lb.

Actual turnover of china reserve cotton was **17,300 tonnes.** Turnover rate was 57.62% as on June 27.

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.

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	20	21950	22060	21880	21970	365	-92	898	-234
July-18	0	22280	22370	22180	22260	726	-196	7384	192
Spread	June 18			-		-	--		--
Spot	-310					-	-		-
jun-18						-	-		-

(NB: Spread Basis = Spot- Near Month Future)
 * Updated at as on 28-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	28-Jun-18	27-Jun-18	
Gujarat	Ahmedabad	Shankar-6	6125	6000	125
	Gondal	Shankar-6	6125	6105	20
	Rajkot	B.T. Cotton	6170	6100	70
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5800	5500	300
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	5850	5700	150
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	5850	5870	-20
	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	4230	4230	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	6270	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	5750	-
Commodity	Lint		Prices (Rs./Maunder)		Change
State	Centre	Variety	28-Jun-18	27-Jun-18	
Punjab	Bhatinda	J-34	4815	4820	-5
	Abohar	J-34	4830	4825	5
	Mansa	J-34	4825	4825	Unch
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	4800	4810	-10
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	28-Jun-18	27-Jun-18	
Gujarat	Ahmedabad	Shankar-6	5100	5100	Unch
	Gondal	Shankar-6	300	321	-21
	Rajkot	B.T. Cotton	584	580	4
	Patan	B.T. Cotton	NA	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	12	5	7
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	150	150	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NR	NR	-
	Fatehabad	B.T. Cotton	NA	250	-
	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	1183	-
	Hubli	D.C.H.	NR	NR	-
	Hubli	B.T. Cotton	NR	NR	-
	Raichur	H-44 Cotton	NR	195	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	28-Jun-18	27-Jun-18	
Punjab	Bhatinda	J-34	34	34	Unch
	Abohar	J-34	NA	NA	-
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	60	119	-60
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
				27-Jun-18	26-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	46000	46000	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	43700	44200	-500
Shankar-6(105)	29mm	3.5 - 4.9	28	47000	47300	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48000	48300	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	49000	49000	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	60500	60000	500

Cotton Seed Oil Prices

Centre	Unit	Price		Change
		28-Jun-18	27-Jun-18	
Rajkot	Rs. /10 Kg.	755	755	Unch
New Delhi	Rs. /10 Kg.	735	725	10
Hyderabad	Rs. /10 Kg.	NR	NR	-
Mumbai	Rs. /10 Kg.	760	760	Unch

Cotton Seed Oil Seed Cake Prices

Centre	Unit	Price		Change
		28-Jun-18	27-Jun-18	
Mahesana (Kadi)	Rs./Qtl	1706	1671	35
Akola	Rs./Qtl	1617	1586	31

INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 28-June-2018			
Index		RMB/Ton	Change
CCIndex(328)		16327	-1
CCIndex(527)		15136	-2
CCIndex(229)		16945	Unch
RMB -Renminbi, 1RMB =0.16 \$U.S.			

China Foreign Cotton (FCE) Index : As on 28-June-2018			
Index		Cents/lb	Change
FC Index (S)		99.13	0.63
FC Index (M)		96.41	0.57
FC Index (L)		94.83	0.57

Cotlook Index: As on 27-June-2018			
Cotlook Indices		Cents/Pound	Change
A-Index		93.95	-0.50

USDA Cotton Spot Rates: As on 27-June-2018			
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		Bales
Southeast	85.96	88.21	NIL
North Delta	84.46	86.21	NIL
South Delta	84.46	86.21	NIL
East TX-OK	80.00	82.50	392
West Texas	79.50	82.00	243
Desert SW	80.21	84.21	NIL
SJ Valley	80.71	89.61	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.): Ason27-June-2018

Contract	Open	High	Low	Close	Change
18-May	86.12	86.12	85.75	85.75	0.71
18-Jul	85.86	86.02	85.80	85.96	0.37
18-Oct	84.71	84.99	84.19	84.87	0.36
18-Dec	84.34	84.56	83.90	84.41	0.17
19-Mar	84.28	84.40	83.98	84.39	0.11
19-May	84.15	84.52	84.10	84.44	0.07

Pakistan Cotton Spot rates: As on27-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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