

Current Market Outlook

Domestic Weekly Price Scenario: Cotton spot prices noticed mixed tone during the week.

Average price of Kapas at Rajkot during the week was Rs. 5031 per quintal, which stood at Rs 5095 previous week. Average price of Lint at Sirsa during the week was Rs. 3611 per maund (of 37.32 Kg each), higher compared to the previous week price of Rs 3583. Cotton fiber (Shankar-6) prices remained firm this week. Average price was Rs 34180 per candy (of 355.6 kg each) during the week, which was Rs 33767 per candy previous week. Future price of cotton (at NCDEX, April'16 contract) closed higher this week at Rs. 788.00 per maund (of 20 kg each) which was Rs 788.00 a week earlier.

Cotton Price Outlook (For Coming Week): In the coming week we expect Kapas price to remain range bound to firm with the price band of Rs. 5000-5200 per quintal in the bench mark market. Lint price at Sirsa is likely to be in range of Rs 3600-3700 per maund. Kapas prices at NCDEX (April'16 contract), is expected to hover in the range of Rs. 720-770 per maund (of 20 kg each).

Major Market Highlights: Around 20 desi Bt-cotton varieties developed in government-funded research institutions are set to undergo mutli-location trials in the coming months. The move will make some of the varieties available to the farmers as low-cost Bt cotton seeds.

According to Cotton Association of India, Cotton supplies in Indian spot markets declined by 12 percent from a year ago to 28 million bales between October and March this season as adverse weather affected production. India is likely to harvest 34.1 million bales of cotton in the 2015/16 season that started on Oct. 1, down from last year's output of 38.3 million bales.

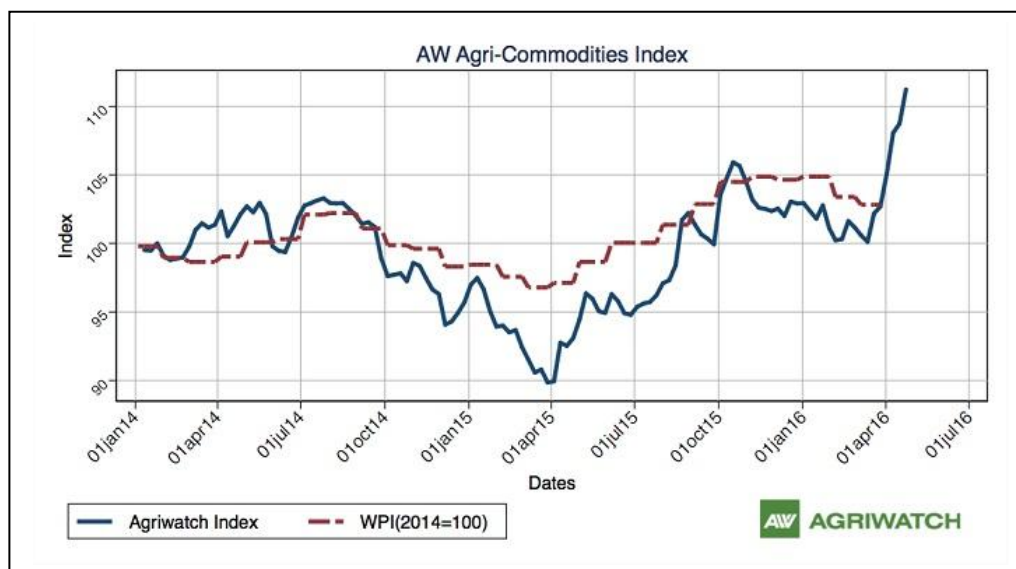
According to Cotton Association of India (CAI), output of cotton in India for 2015 -16 season is estimated to be around 341 lakh bales compared to 382.75 lakh bales in 2014 -15. The projected balance sheet drawn by the CAI estimated total cotton supply for the season 2015-16 at 428.60 lakh bales while the domestic consumption is estimated at 305 lakh bales.

India exported 0.468 lakh bales of cotton last week (11 -17 Apr 2016), which was 0.760 lakh bales previous to last week (04 -10 Apr 2016), according to the data released by IBIS and compiled by Agriwatch.

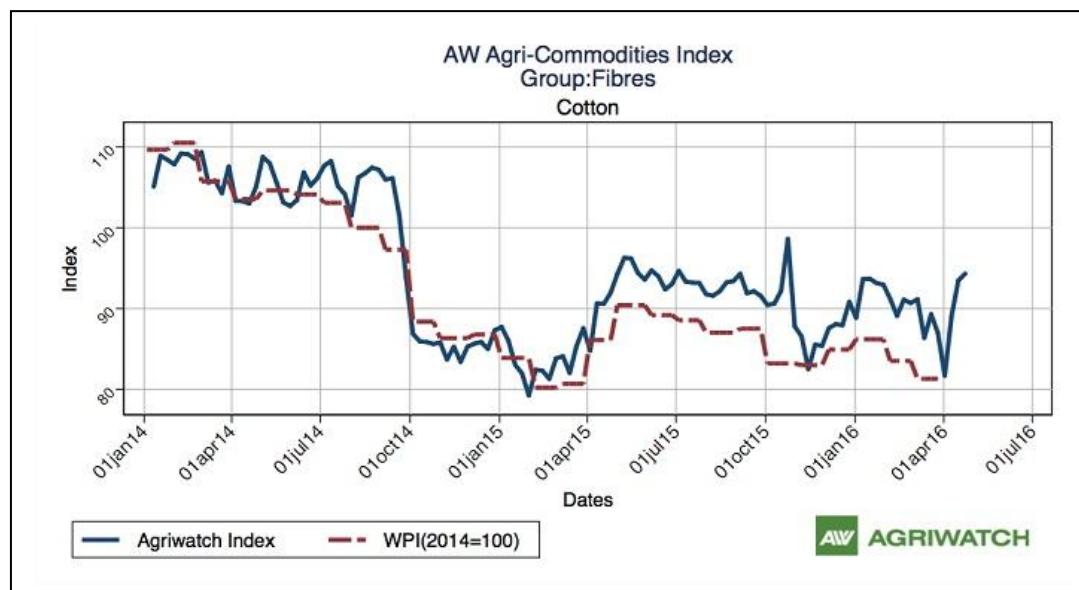
Major importer of Indian cotton during the week (11 -17 Apr 2016) was Bangladesh. According to the data released by IBIS and compiled by Agriwatch, Bangladesh imported 0.20 lakh bales of cotton from India in the past week (11 -17 Apr 2016). Other major importers were Pakistan, Vietnam, China and Indonesia and their imported volumes were 0.12 lakh bales, 0.06 lakh bales, 0.03 lakh bales and 0.003 lakh bales respectively.

AW Cotton Index - 24 Apr. 2016

The Agriwatch Agri Commodities Index made another 12-month high, rising 2.28% to 111.23 during the week ended Apr 23, 2016 from 108.74 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100).



The Fiber Index increased by +0.9% week-on-week.



Domestic Cotton Prices Scenario

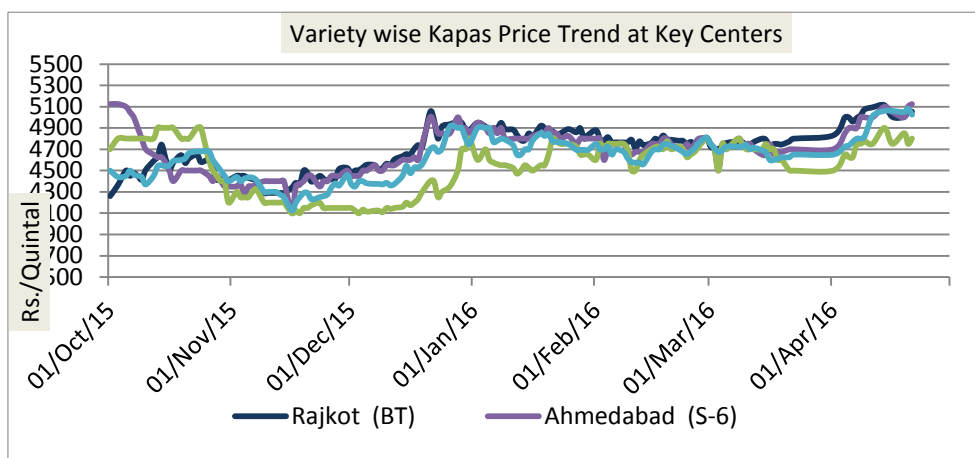
Kapas (Raw Cotton) Weekly Price Scenario

Weekly Price Review: Kapas price remained firm during the week amid good domestic demand. Weekly average price of Kapas at Rajkot remained Rs. 5031 per quintal, fairly higher as compared to previous week price of Rs. 5095 per quintal.

According to latest USDA attaché attached report, India's 2016/17 cotton production forecast is 28.5

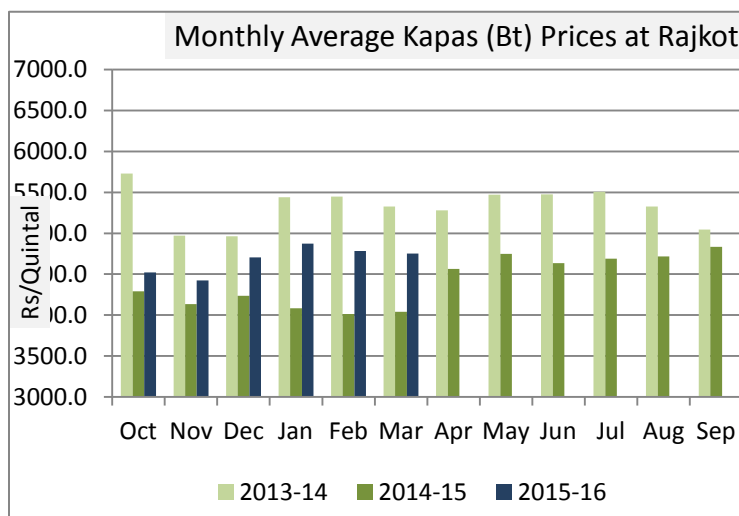
million 480 lb. bales on marginally lower acreage of 11.8 million hectares. Yields are expected higher. Higher yields are expected through a combination of better crop, pest, and weed management practices and assuming a normal monsoon.

Weekly Price Outlook: Kapas prices are expected to remain range-bound to firm in coming days. The expected range for Kapas at Rajkot is Rs 5000-5200 per quintal for the coming week.



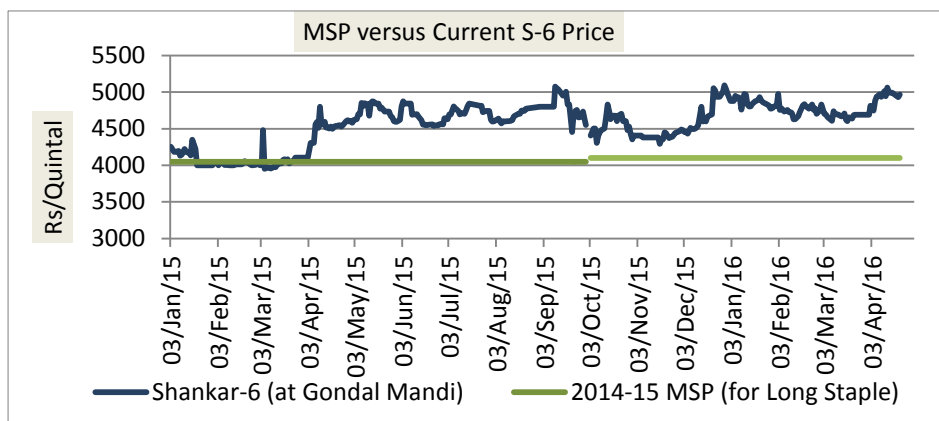
Kapas Monthly Y-o-Y Price Scenario

Kapas (seed cotton) prices in country noticed weak momentum during the March month following the lack of strong overseas demand. The cotton price remained weak during March compared to the previous month, and the same is ruling higher compared to the prices during the corresponding month of the previous season.



Spot Price versus MSP

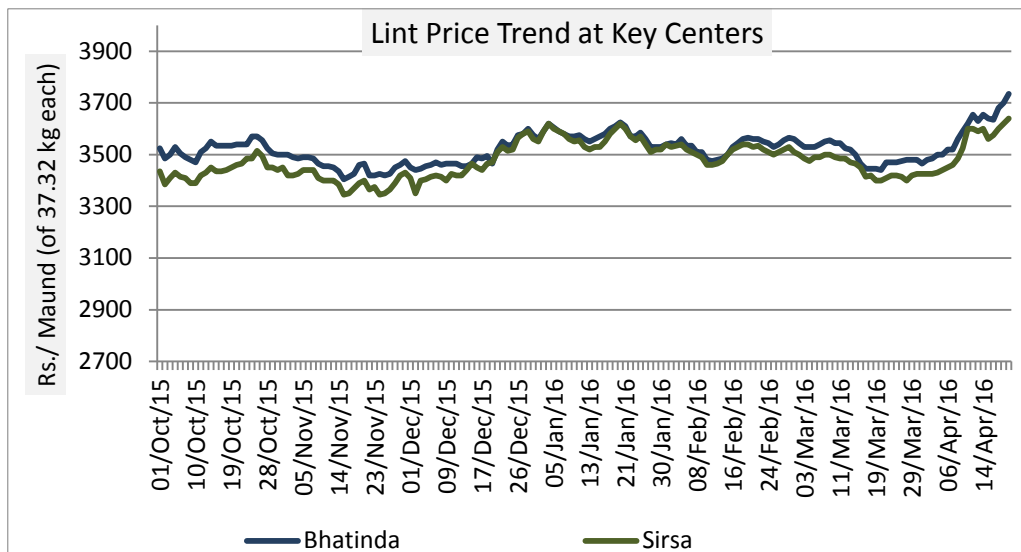
The Kapas prices are ruling above the MSP so far. The gap between the two prices has been narrowed slightly this week due to weak tone in prices. The average gap between the prices was Rs 594 this week compared to Rs 595 a week earlier. This indicates prices are in the range -bound movement.



Lint (De-Seeded Cotton) Weekly Price Scenario

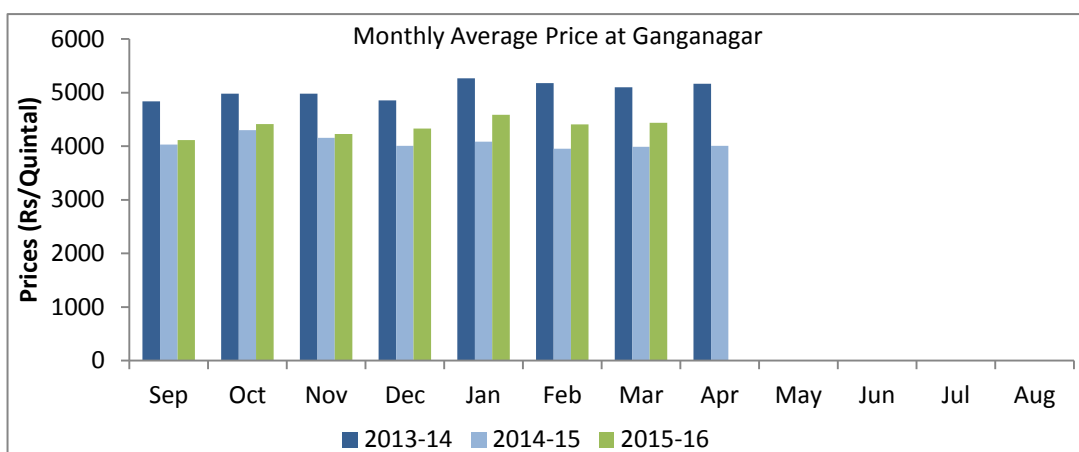
Weekly Price Review: As firm sentiments are prevailing in market, lint prices remained firm during the week. Weekly average price of Lint at Sirsa remained Rs. 3611 per maund of 37.32 kg each same as the previous week price of Rs. 3583 per maund.

Weekly Price Outlook: Lint prices are expected to remain range bound to firm during the week. We expect Lint at Sirsa to remain in range of Rs. 3600-3700 per maund.



Lint Monthly Y-o-Y Price Scenario

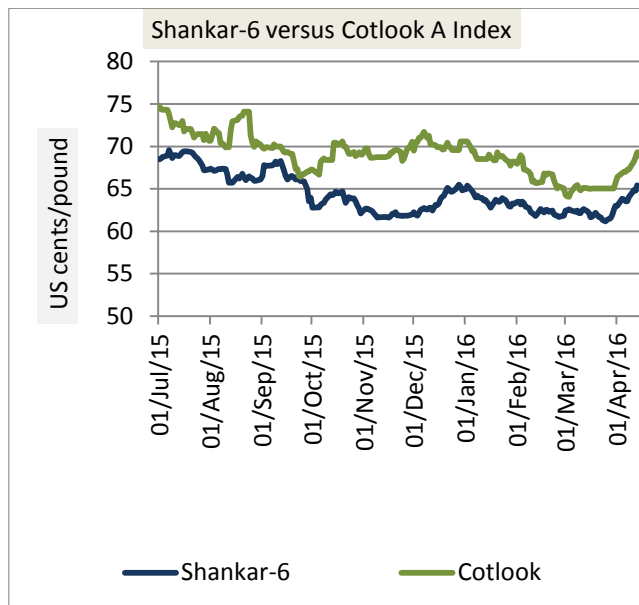
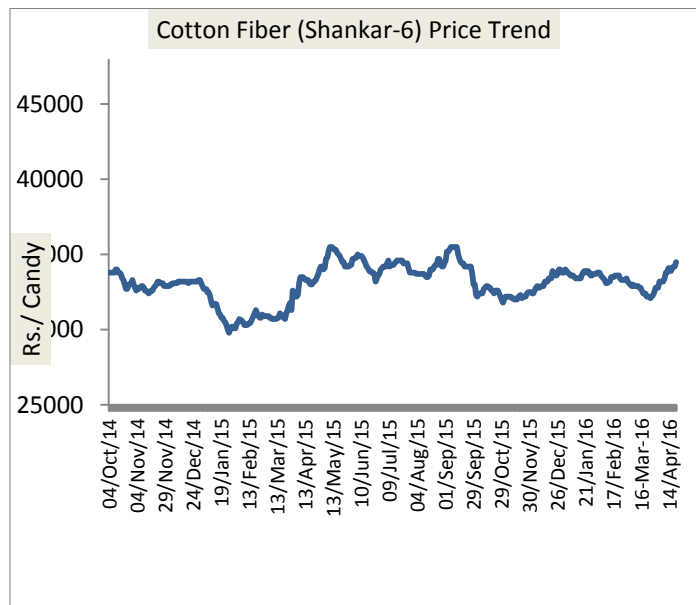
Following the firmness in Kapas prices, lint prices too remained firm during March compared to previous month and it remained weak compared to corresponding month last year also. In March this year, monthly average price of lint at Sri-Ganganagar remained Rs.



4434 per maund (of 37.32 Kg each) and Rs 3992 during corresponding month previous year.

Cotton Fiber Weekly Price Scenario

Due to the range-bound to firm tone in Kapas prices, cotton fiber moved northwards this week. Weekly average price of cotton (Shankar-6) at Mumbai remained Rs 34180 per candy (of 355.6 kg each) compared to the prices of previous week which was Rs. 33767 per candy.

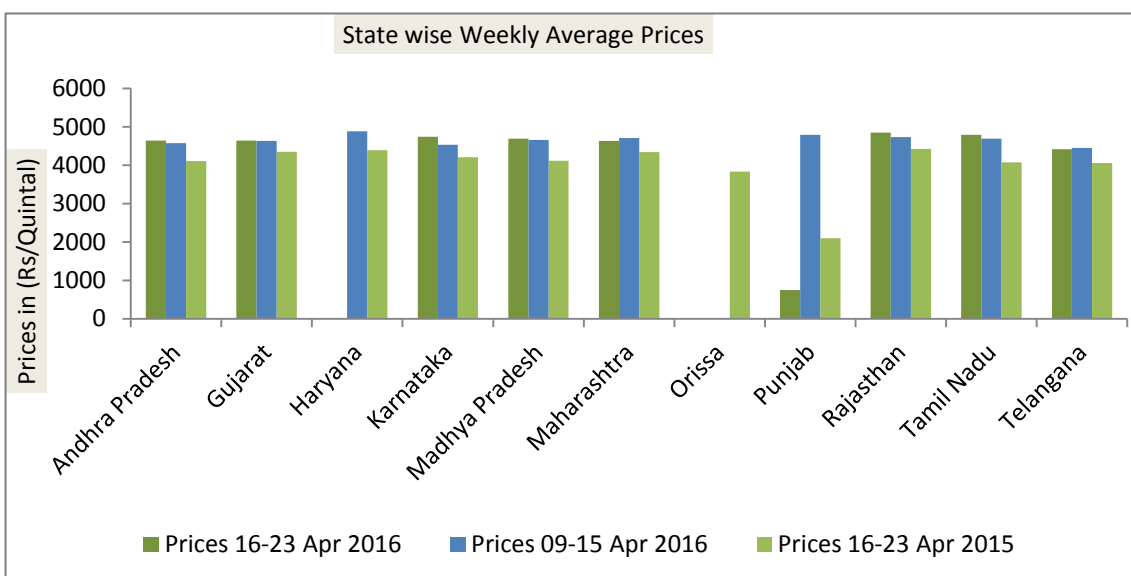


Indian Fiber price versus International Fiber Price: Indian fiber prices are ruling fairly below the international price. Against the weekly average Cotlook A Index of 69.70 cents/pound, Indian weekly average price stood 65.54 cents/pound, making Indian fiber competitive in international market.

Weekly Price Outlook: Shankar-6 price in the coming week is expected to hover in range of Rs 33700-34700 per candy.

State wise Weekly Price Scenario

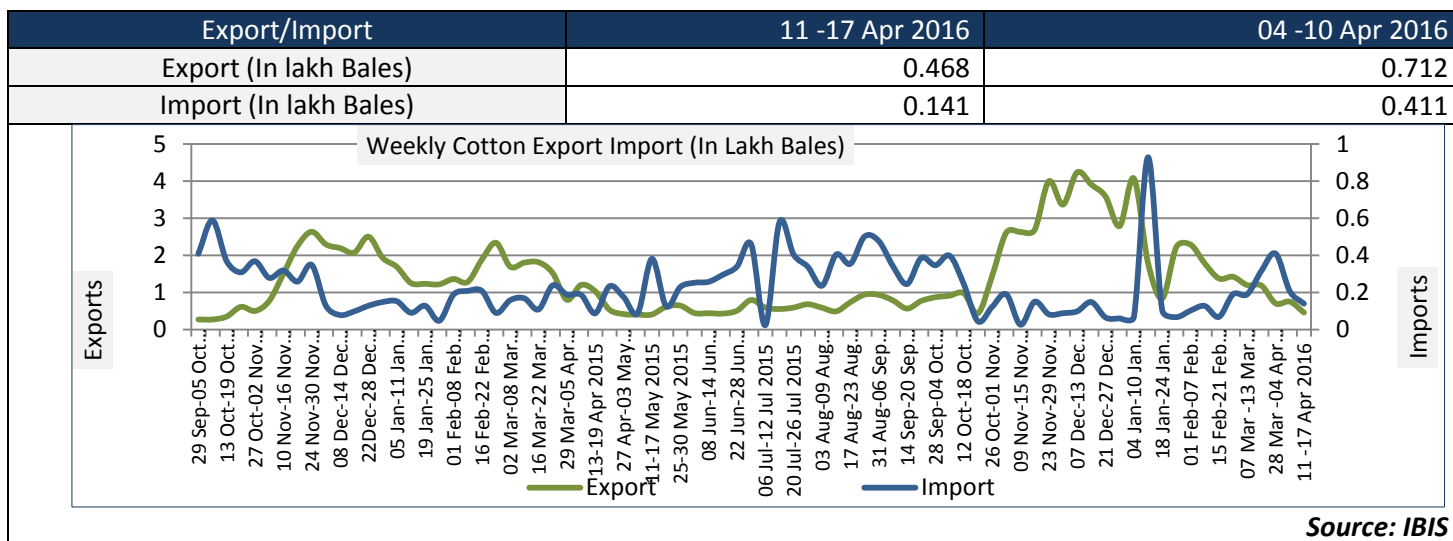
On week on week basis, prices are by and large showing firm trend in most of the States, highest price was recorded in Rajasthan followed by Tamil Nadu this week and lowest was in Telangana followed by Gujarat. On year on year basis, cotton prices are reflecting uptrend in all



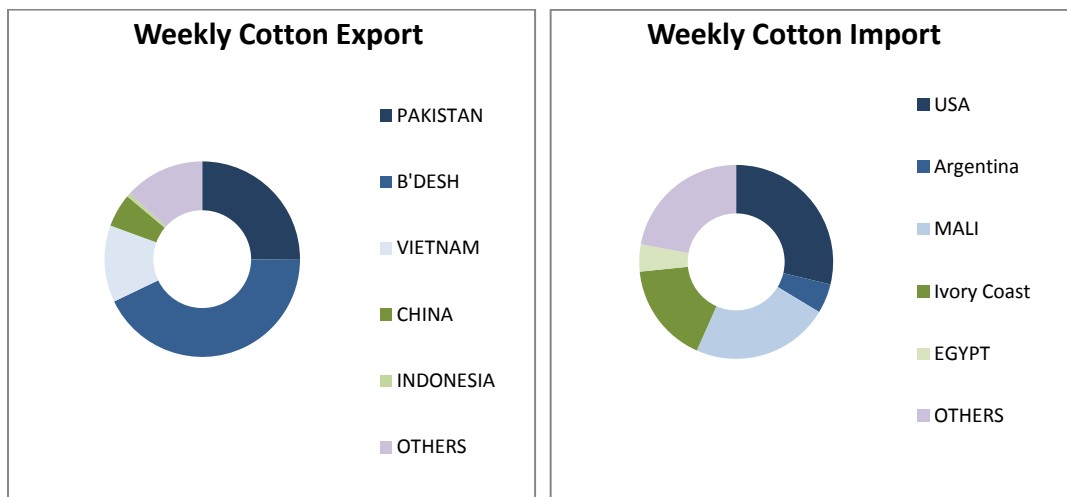
of the States. Prices have been summarized in the table given in annexure.

Cotton Weekly Export and Import

India exported 0.468 lakh bales of cotton last week (11 -17 Apr 2016), which was 0.760 lakh bales during the week before previous to last week (04 -10 Apr 2016), according to the data released by IBIS and compiled by Agriwatch. Imports on the other hand stood 0.141 lakh bales last week, which was 0.209 lakh bales previous to last week.



Major importer of Indian cotton during the week (11 -17 Apr 2016) was Bangladesh. According to the data released by IBIS and compiled by Agriwatch, Bangladesh imported 0.20 lakh bales of cotton from India in the past week (11 -17 Apr 2016). Other major importers were Pakistan, Vietnam, China and Indonesia and their imported volumes were 0.117 lakh bales, 0.059 lakh bales, 0.026 lakh bales and 0.003 lakh bales respectively. India exported 0.468 lakh bales of cotton last week (11 -17 Apr 2016), which was 0.760 lakh bales previous to last week (04 -11 Apr 2016), according to the data released by IBIS and compiled by Agriwatch.



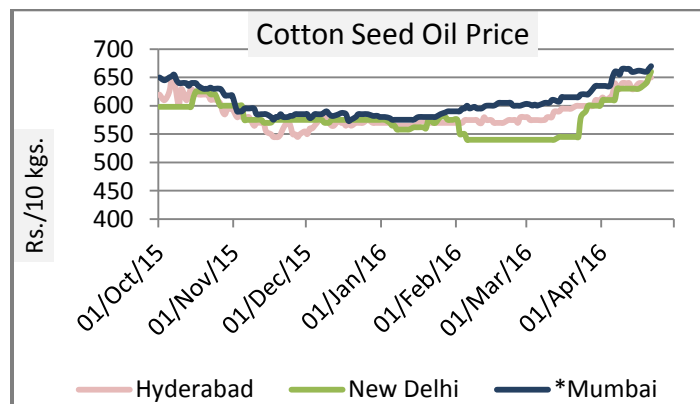
Cotton Seed Oil and Cotton Seed Oil Cake

Cotton Seed Oil Weekly Price Scenario

Cotton seed oil price ruled firm during the week. Weekly average price in New Delhi remained Rs 660 per 10 Kg, steady as compared to the weekly average price of Rs 630 per 10 Kg in previous week.

Centers	Weekly Average Price as on (Rs/10 kg.)		% Change
	21-Apr-16	14-Apr-16	
New Delhi	660	630	4.76
Rajkot	675	655	3.05
Hyderabad	650	Closed	NA
Mumbai*	670	660	1.52

*Vat Included

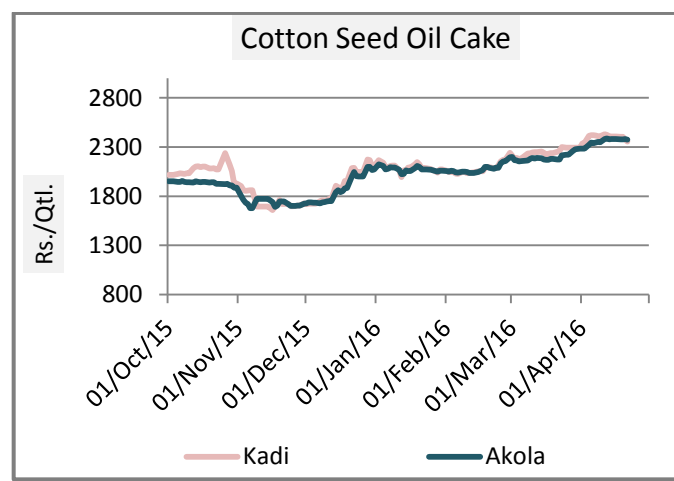


Cotton Seed Oil Cake Weekly Price Scenario

Cotton seed oil cake price remained weak during the week. Weekly average price in Akola remained Rs 2375 per quintal, higher compared to the weekly average price of previous week of Rs 2381 per quintal.

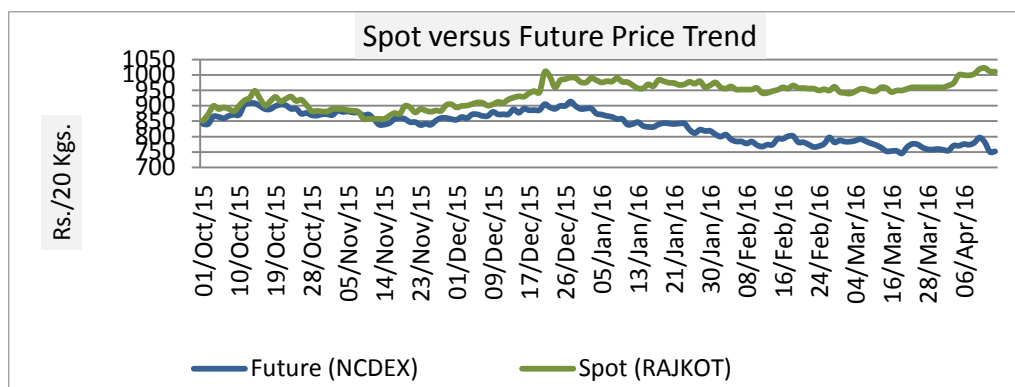
Centers	Weekly Average Price as on (Rs/quintal.)*		% Change
	21-Apr-16	14-Apr-16	
Kadi	2357	2497	-5.61
Akola	2375	2381	-0.25

*Source: NCDEX



Cotton Spot and Future Price Trend

Cotton future price closed lower this week. Kapas at NCDEX (April'16) closed at Rs 752.50 as on 21 April 2016, compared to 788.00 a week earlier and Rs 903.00 a year earlier. The gap between the spot and future prices has widened. Average gap between the spot and future price during the week was Rs.259.75 which was Rs 228.67 a week earlier.



Technical Analysis of Kapas Future Prices at NCDEX(April'16 Contract)



Weekly Technical Outlook:

- Candlestick denotes selling interest in the prices.
- RSI is increasing in the neutral region.
- Price closed below 9 and 18 days EMA.
- We expect cotton prices to remain range bound to weak in the coming week.

Expected Price Range During Coming Week

Expected Trend	Expected Trading Band
Range-bound To Weak Momentum	720-770

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
730	700	800	820
Figures in Rs/20 Kg			

International Market Scenario

International cotton prices remained range bound to firm during the week. Cotlook A index weekly average stood at 69.70 cents/pound this week, which was 68.39 cents/pound during last week.

Major Market Highlights: According to the CNCotton.com, China imported 57,900 tonnes of cotton in March, down 54.7 percent compared to same corresponding period previous year. Annual sales of cotton to start from May to August and sales halt from Sept to Feb the next year. For 2016, total sales less than 2 million tonnes from May 3 to Aug 31.

Pakistan cotton production for the outgoing season (2015-16) is likely to be missed by 35 percent and it is expected at 10.1 million bales against the initial target of 15.49 million bales.

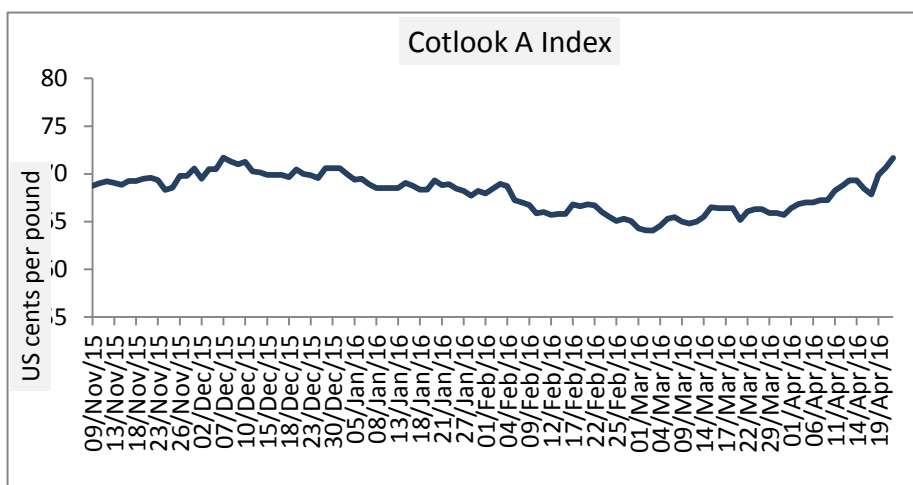
Turkey's plan to slap anti-dumping duties on U.S. cotton imports will increase the cost of raw materials for Turkish textile producers and affect the competitiveness of their exports. This decision is likely to increase the cost of raw materials by 2 -3 per cent.

According to USDA latest report, global 2015/16 cotton ending stocks are revised down this month. World 2015-16 cotton production is projected at 99.8 million bales, 16 per cent below last season. World ending stocks are now projected at 102.2 million bales.

Cotlook A Index

Cotlook A index remained range bound to firm during the week following good demand in the market.

Global cotton consumption is likely to be around 23.86 million tons in season 2015-16, which was estimated to be around 24.15 million tons a month earlier. In the earlier estimates by USDA, consumption was expected to rise but considering the current figures, cotton consumption would be standing around 0.6% lower compared to the previous season.



Cotlook A Index	Weekly Average Price as on		% Change
	21-Apr-16	14-Apr-16	
Prices	71.65	69.3	3.4
Prices in US cents per Pound			

China Cotton Index and Foreign Cotton Index

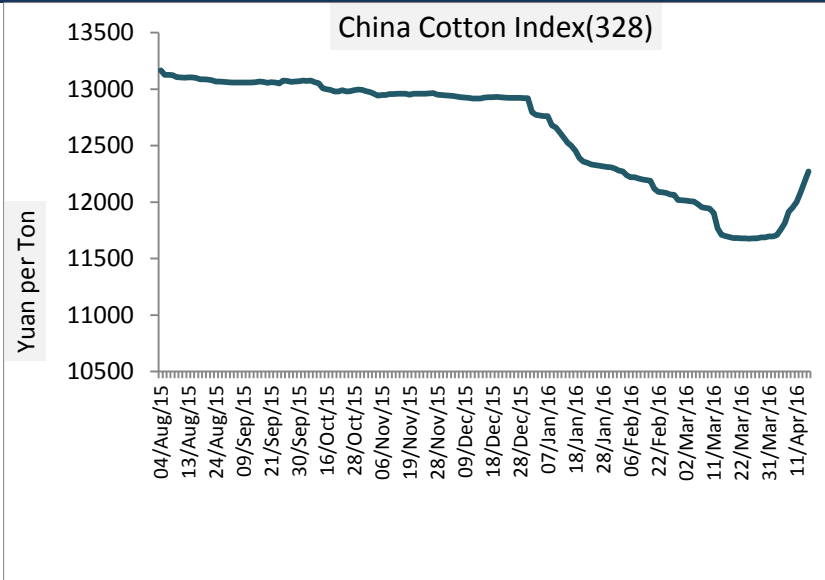
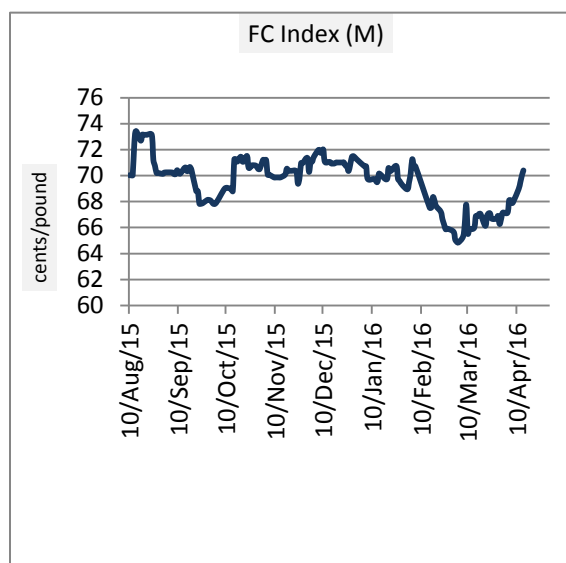
China is likely to import 1.08 million tons of cotton in 2015-16, around 9% lower compared to the estimates of 1.19 million tons previous month and around 39% lower compared to the imports of 1.80 million tons during previous season, which were 1.80 million tons, according to USDA.

China cotton imports have moved to 9 years low, according to the calculation of Reuters. The country imported 188,200 tons of cotton in December, around 28.85 per cent lower compared to the volume in the corresponding month of previous year. However till December the total volume for the calendar year stood at 1.48 million tons, the lowest level in last nine years, according to Reuters.

Cotton Index	Weekly Average Price as on		% Change
	14-Apr-16	07-Apr-16	
FC (S)	73.26	70.66	3.68
FC (M)	70.4	67.88	3.71
FC (L)	67.03	64.35	4.16
Prices in US cents per Pound			

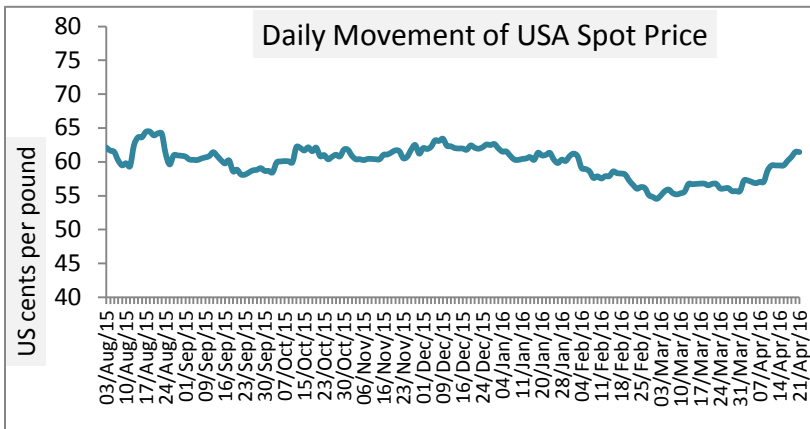
China Index remained firm during the week. CC Index (328) remained 11702 Yuan per ton during the week. Average was 11687 Yuan per ton during previous week.

Cotton Index	Weekly Average Price as on		% Change
	21-Apr-16	14-Apr-16	
CCIndex(229)	12271	11707	4.82
CCIndex(328)	11150	10742	3.80
CCIndex(527)	12579	12208	3.04
Prices in Yuan per ton			



USA Spot Prices

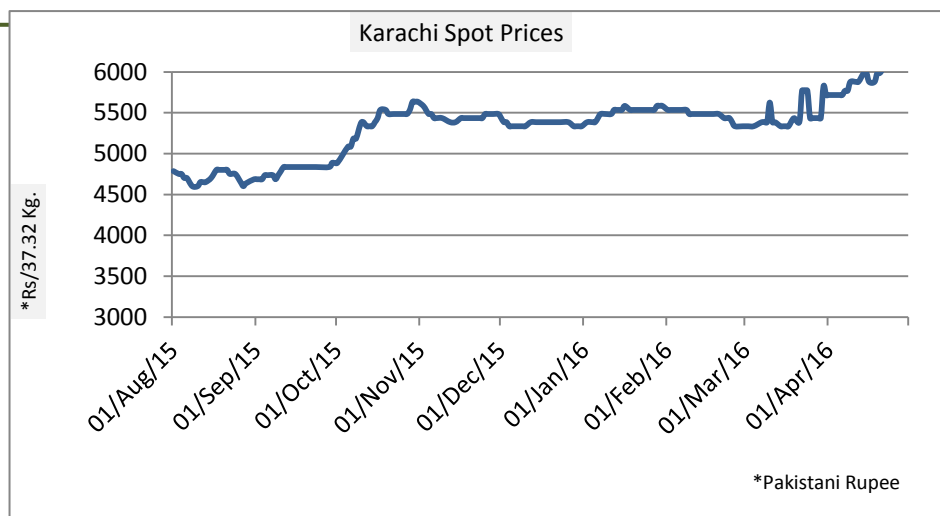
According to USDA latest report, global 2015/16 cotton ending stocks are revised down this month. Production in India and Pakistan is estimated to be lower, in India and Pakistan, based on arrivals at gins, but higher in European Union. The 1.0-million-bale reduction in India's crop reflects an early withdrawal of monsoon rainfall combined with pest damage in the northern States. World ending stocks are now projected at 103.3 million bales..



USA Spot Prices	Weekly Average Price as on		% Change
	21-Apr-16	14-Apr-16	
Prices	61.44	59.47	3.31
Prices in US cents per Pound			

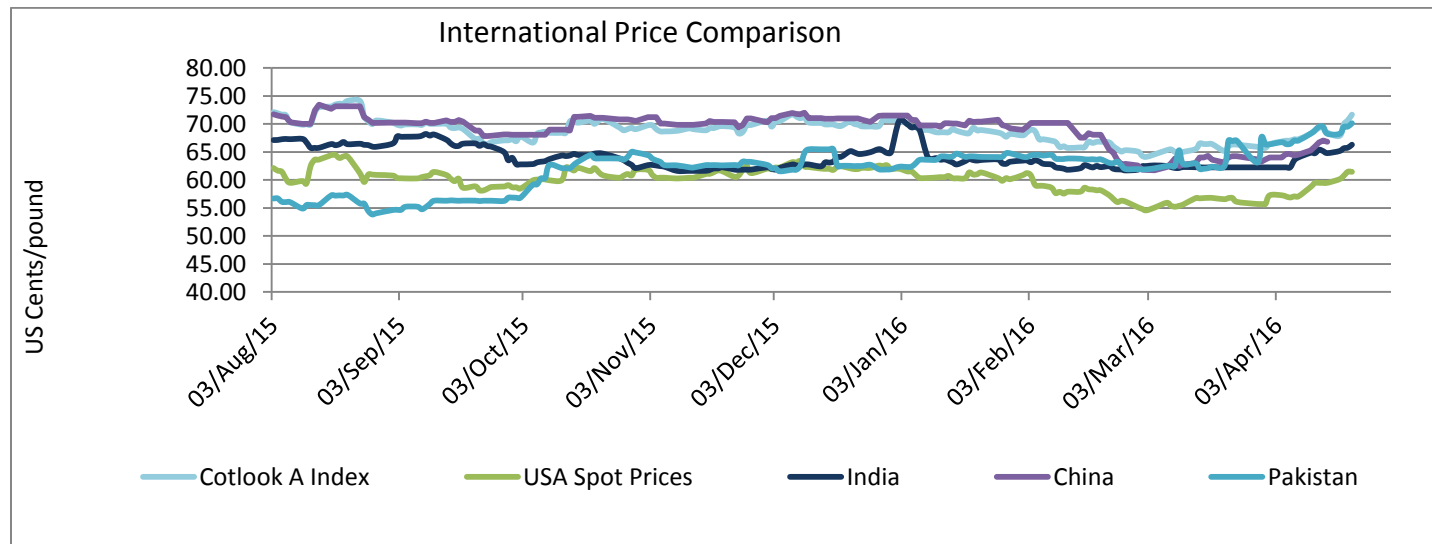
Pakistan Spot Prices

Pakistan has lowered the cotton production target for the season 2016-17 to 141.01 lakh bales. The country has had set the target of 154.9 lakh bales for the season 2015-16 a year earlier which has been revised thrice and is now expected to be around 96.87 lakh bales due to the severe crop loss of 34% due to pest attack. The lower production in the country may open channels for the more exports from India, as Pakistan would import to fulfill its domestic demands.



Karachi Spot Prices	Weekly Average Price as on		% Change
	21-Apr-16	14-Apr-16	
Prices	6039	5879	2.72
Prices in Rs per 37.32 Kg			

International Price Comparison



Technical Analysis of Cotton Future (May'16 Contract) at ICE



Weekly Technical Outlook:

- Candlesticks denote firm tone in the prices.
- Volume and Open Interest are declining.
- We expect cotton prices to remain range bound to firm.

Expected Price Range During Coming Week

Expected Trend	Expected Trading Band
Range bound to Bullish Momentum	61.00-66.00

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
61.30	58.60	65.30	67.50

Figures in US cents/pound

Cotton Future Prices at ICE

Contracts	121-Apr-2016	Week ago	Month ago	Year ago	%W-o-W change	% M-o-M change	%Y-o-Y change
Mar-16	63.49	60.03	58.17	62.63	5.76	9.15	1.37
May-16	64.01	60.02	58.08	62.99	6.65	10.21	
Jul-16	63.25	59.59	58.31	63.05	6.14	8.47	
Oct-16	62.70	59.21	57.91	63.45	5.89	8.27	
Dec-16	63.13	59.71	58.63		5.73	7.68	
Mar-17	63.55	60.30	59.33		5.39	7.11	

Domestic Cotton Prices and Arrivals at Key Centers
Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	16th to 22th April. 2016	09th to 15th April. 2016	
Gujarat	Ahmedabad	Shankar-6	5067	5040	27
	Gondal	Shankar-6	4952	5005	-53
	Rajkot	B.T. Cotton	5031	5095	-64
	Patan	B.T. Cotton	5213	5241	-29
	Kadi	B.T. Cotton	5154	5245	-91
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	4865	5088	-223
Punjab	Fazilika	B.T. Cotton	NA	NA	-
	Muktsar	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	5192	5080	112
	Bhiwani	Desi	4557	4500	57
	Adampur	B.T. Cotton	5053	4991	62
	Fatehabad	B.T. Cotton	5033	4979	54
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	4819	-
	Rawatsar	B.T. Cotton	4822	4720	102
Madhya Pradesh	Khandwa	Mech-1	NA	4800	-
	Khargaon	Mech-1	5204	5246	-42
Maharashtra	Amravati	Mech-1	4796	4831	-35
	Jamner	Medium Staple	4962	4800	162
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-

Telangana	Adilabad	Un-Ginned	4300	4300	Unch
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
	Krishna	Un-Ginned	4500	4100	400
	East Godavari	Un-Ginned	4100	4100	Unch
Karnataka	Bijapur	Bunny	5260	5190	70
	Hubli	D.C.H.	1878	3810	-1933
	Hubli	B.T. Cotton	3630	4115	-485
	Raichur	H-44 Cotton	5157	5095	62
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	16th to 22th April. 2016	09th to 15th April. 2016	
Punjab	Bhatinda	J-34	3693	3630	63
	Abohar	J-34	3703	3641	62
	Mansa	J-34	NA	NA	-
	Muktsar	J-34	NA	NA	-
	Fazilika	J-34	NA	NA	-
Haryana	Sirsa	J-34	3611	3583	28
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	16th to 22th April. 2016	09th to 15th April. 2016	
Gujarat	Ahmedabad	Shankar-6	153000	127500	25500
	Gondal	Shankar-6	5028	6996	-1968
	Rajkot	B.T. Cotton	15600	12600	3000
	Patan	B.T. Cotton	7540	21626	-14086
	Kadi	B.T. Cotton	97500	160000	-62500
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	187	1099	-912
Punjab	Fazilika	B.T. Cotton	NA	NA	-
	Muktsar	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	2400	3400	-1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1564	1190	374
	Fatehabad	B.T. Cotton	NA	385	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-

Rajasthan	Hanumangarh	B.T. Cotton	NA	425	-
	Rawatsar	B.T. Cotton	NA	980	-
Madhya Pradesh	Khandwa	Mech-1	NA	160	-
	Khargaon	Mech-1	8550	4520	4030
Maharashtra	Amravati	Mech-1	47500	480	47020
	Jamner	Medium Staple	186	175	11
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	209	-
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	6380	3210	3170
	Hubli	D.C.H.	2	4	-2
	Hubli	B.T. Cotton	6	54	-48
	Raichur	H-44 Cotton	2667	3547	-880
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	16th to 22th April. 2016	09th to 15th April. 2016	
Punjab	Bhatinda	J-34	3230	4250	-1020
	Abohar	J-34	935	1275	-340
	Mansa	J-34	NA	NA	-
Haryana	Sirsa	J-34	510	680	-170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				15th to 21th April 2016	08th to 14th April 2016	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	31160	30083	1077
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	31660	30583	1077
J-34(202)	26mm	3.5 - 4.9	23	33560	33067	493
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32820	32667	153
Shankar-6(105)	29mm	3.5 - 4.9	28	34180	33767	413
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	36160	35367	793
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	37260	36700	560
DCH-32(107)	34mm	3.0 - 3.8	33	49680	49400	280

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