



## Current Market Outlook

**Domestic Weekly Price Scenario:** Cotton spot markets prices were noticed firm during the week.

Average price of Lint at Sirsa during the week was Rs 4192 Per maund (of 37.32 Kg each), compared to the previous week price of Rs 4198 Cotton fiber (Shankar-6) prices noticed weak this week. Average price was Rs 41000 per candy (of 355.6 kg each) during the week, which was Rs 40650 per candy previous week. Future price of cotton (at NCDEX, Continuous contract) closed lower this week at Rs.916 per maund (of 20 kg each) which was Rs 921 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. 4800-5300 per quintal in the Rajkot market. Lint price at Sirsa is likely to be in range of Rs 3800-4500 per maund. Kapas prices at NCDEX (Continuous contract), is expected to hover in the range of Rs.850-1000 per maund (of 20 kg each).

## **Major Market Highlights**

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 than its previous estimate of 362 lakh bales made in the month of March 2018.

Agriculture company Monsanto suffered a loss in India. Last week when the High Court of Delhi concluded that the company's patent on genetically modified cotton seeds is not valid. The High Court backed Indian agribusiness Nuziveedu in its dispute, which included a patent opposition, with Monsanto.

The area under cotton acreage is likely to decrease by around 15% with farmers shifting towards soyabean in the hope of better returns and after the Pink Bollworm infestation in Maharashtra and Telangana that damaged the crop reducing farmer incomes. The drop in cotton planting is likely to see a rise in soybean planting after farmers received good rates during the ongoing season and a rise in import duties, sources said.

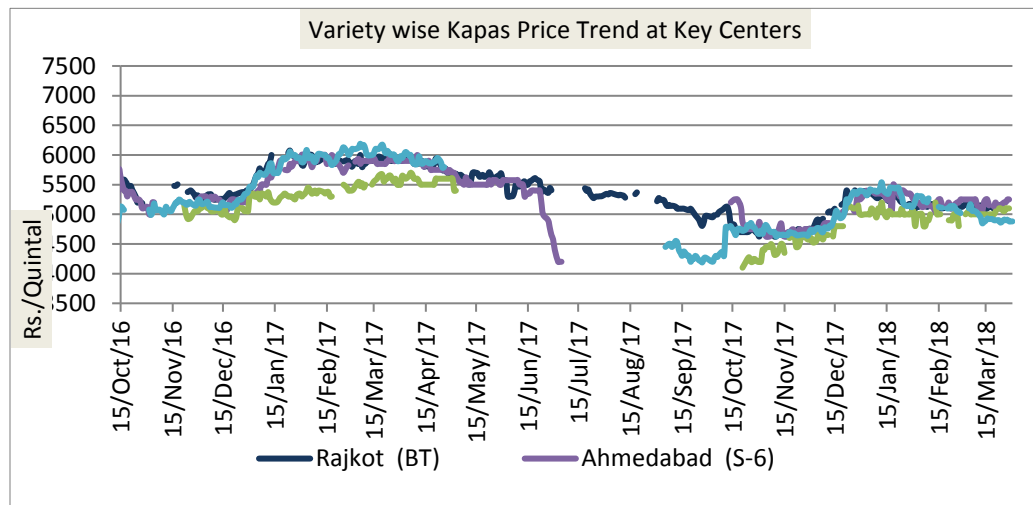
The Cotton Association of India has earmarked 12.5mIn rupees to be spent on training farmers over the next five years to help them fetch better prices for their produce. The training programme will ensure that farmers are given guidance on choosing the best variety of seed and irrigation models, as well as post-harvest practices.

The Kapas sowing is expected to reduce by 10-12% in Maharashtra and Telangana due to the Pink Bollworm attack. The area under cotton could fall to 108 lakh hectares in the 2018/19 marketing season that starts at the beginning of October, down from 122.6 lakh hectares in the current year. As per CAI estimates.



## Domestic Cotton Prices Scenari

### Kapas (Raw Cotton) Weekly Price Scenario



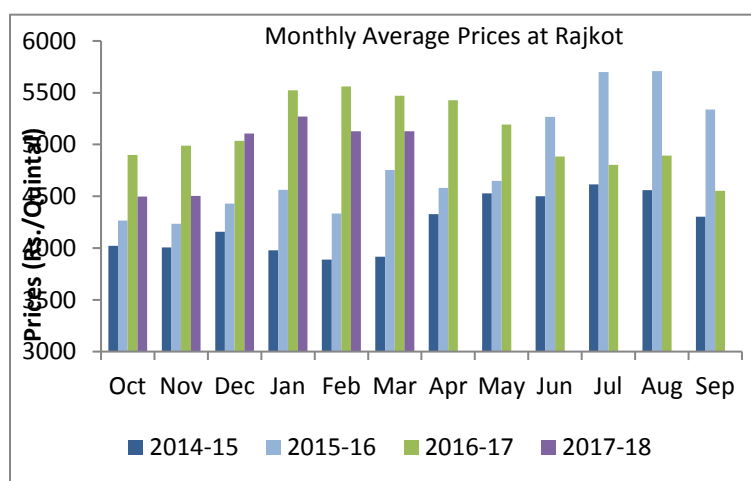
**Weekly Price Review:**  
Weekly kapas average price at Rajkot rose from Rs 5295/quintal this week.

According to latest report of USDA attaché, India's 2017/18 cotton production forecast is 30.00 million 480 lb. bales on higher acreage of 12.20 million

hectares. 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 weak in coming days. The expected range for Kapas at Rajkot is Rs 4400-5400 per quintal for the coming week.

### Kapas Monthly Y-o-Y Price Scenario



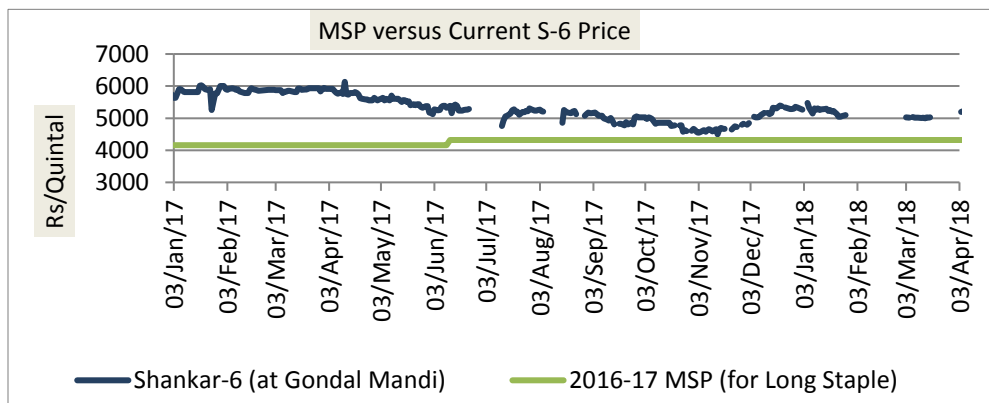
Kapas(seed cotton) prices in country noticed slightly weak tone during the March month when compared to the previous month, and the same is ruling lower compared to the prices during the corresponding month of the previous season.

Monthly average price of Kapas at Rajkot remained Rs.5127 per quintal during March, which was Rs. 5128 during previous month and Rs. 5470 per quintal during the corresponding month last year. We expect Kapas prices to remain range

–bound to firm in the coming month. The expected price range for March month is likely to be Rs 4600-5200 per quintal.

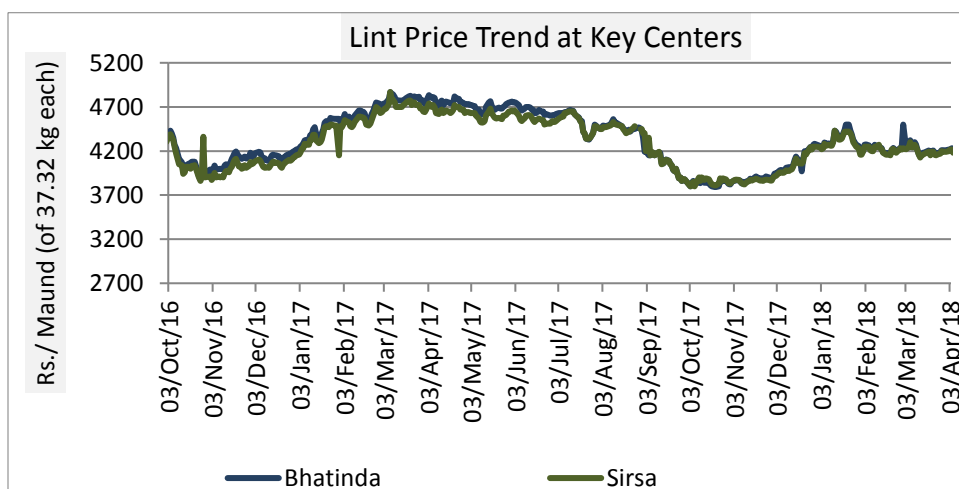


### Spot Price versus MSP



The Kapas prices are ruling above the MSP so far. The gap between the two prices has increased this week. The average gap between the prices was Rs 893 compared to Rs 705 a week earlier. This indicates prices are increasing.

### Lint (De-Seeded Cotton) Weekly Price Scenario



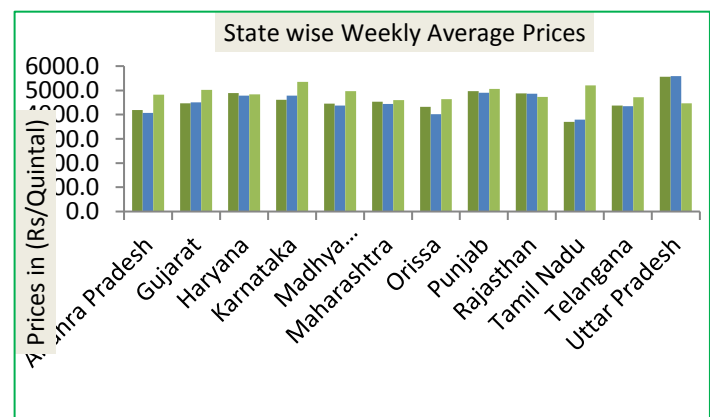
**Weekly Price Review:** Lint prices remained firm during the week. Weekly average price of Lint at Sirsa remained Rs.4192 per maund of 37.32 kg each, higher compared to the previous week price of Rs 4189 per maund.

**Weekly Price Outlook:** Lint prices are expected to remain

firm during the week. We expect Lint at Sirsa to remain in the range of Rs. 3900-5000 per maund.

### 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 Uttar Pradesh followed by Punjab this week and lowest was in Tamil Nadu followed by Andhra Pradesh.



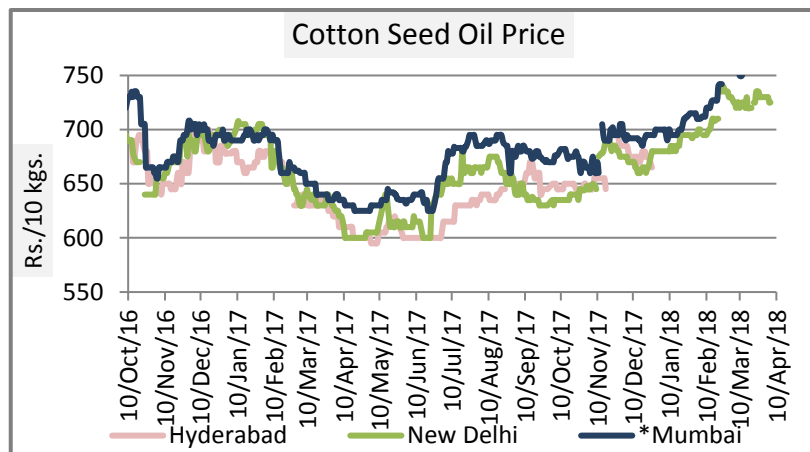


## Cotton Seed Oil and Cotton Seed Oil Cake

### Cotton Seed Oil Weekly Price Scenario

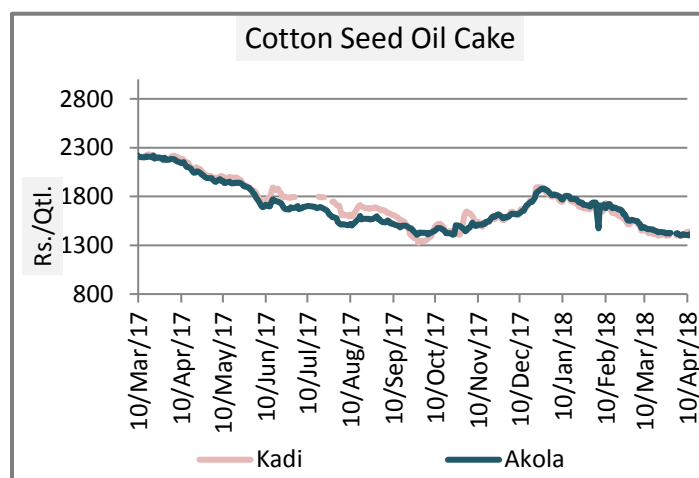
Cotton seed oil price noticed slightly weak during the week. Weekly average price in New Delhi is Rs 729 per 10 Kg, compared to the weekly average price of Rs730 per 10 Kg in previous week.

Centers	Weekly Average Price as on (Rs/10 kg.)		% Change
	12-Apr -18	05-Apr -18	
New Delhi	729	730	-0.14
Rajkot	744	743	0.13
Hyderabad	NA	NA	-
Mumbai*	773	768	0.65



### Cotton Seed Oil Cake Weekly Price Scenario

Cotton seed oil cake price noticed weak tone during this week. Weekly average price in Akola is Rs per quintal, 1407 lower compared to the weekly average price of Rs 1413 per quintal in the previous week.

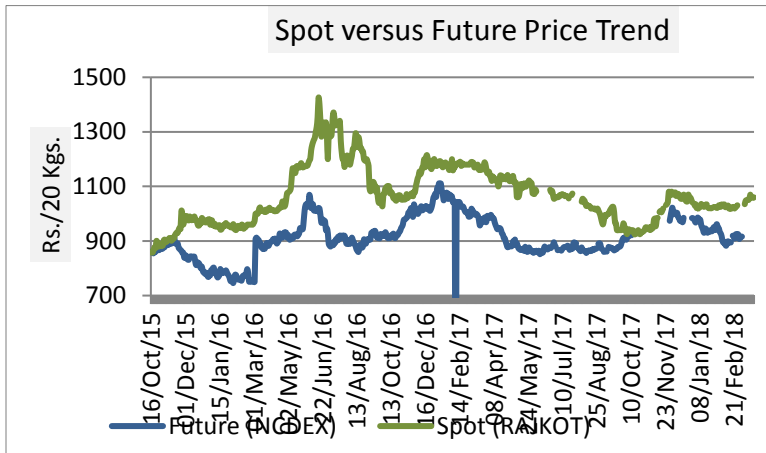


Centers	Weekly Average Price as on (Rs/quintal.)*		% Change
	12-Apr-18	05-Apr-18	
Kadi	1421	1400	1.50
Akola	1407	1413	-0.42

\*Source: NCDEX

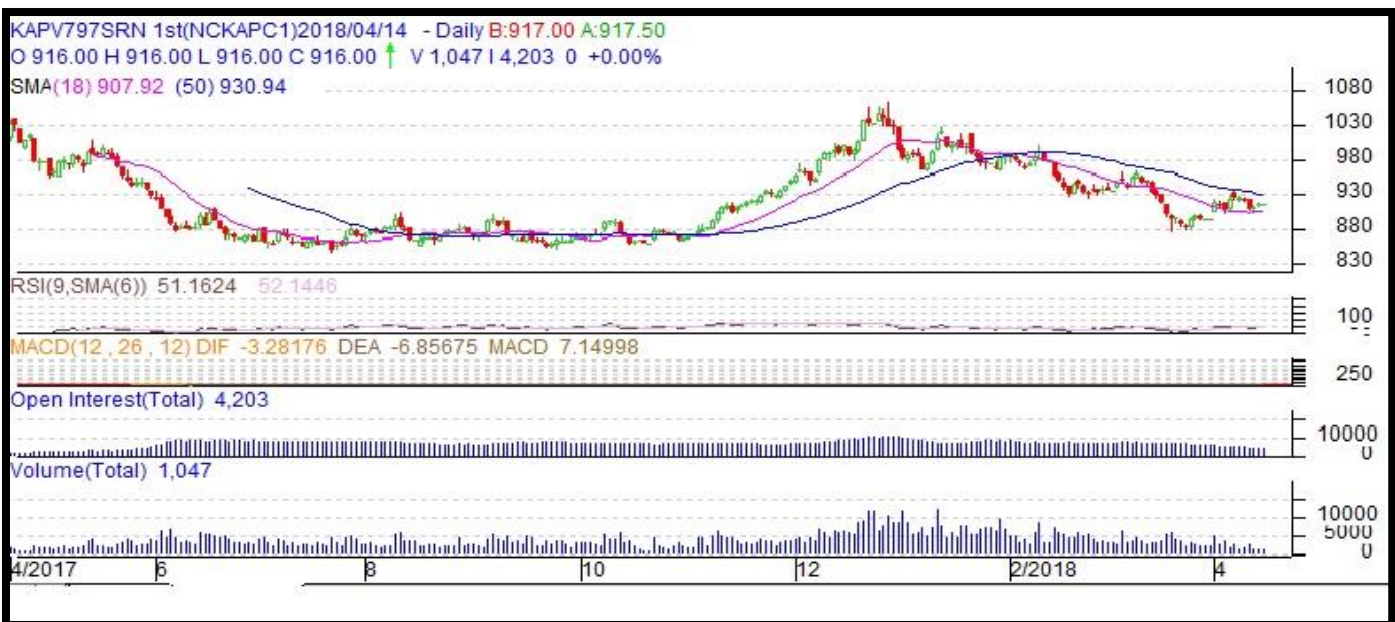


### Cotton spot and future price trend



Cotton future price closed lower week Kapas at NCDEX (April Contract) Closed 912 as on 12 April 2018, compared to 923 a week earlier

### Technical Analysis of Kapas Future Prices at NCDEX(Continuous Chart C1)



#### Weekly Technical Outlook:

- Kapas prices on downtrend but short term bullishness is in market..
- RSI is hovering in oversold region
- EMA signal line and center line denotes bearish market.

#### Expected Price Range During Coming Week

Expected Trend

Expected Trading Band

Range-bound To Firm Momentum

850-1000



### Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
900	885	1010	1030

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 91.59 cents/pound this week, which was 90.85 cents/pound during last week.

#### **Major Market Highlights:**

From March 12 to April 13, the cumulative turnover of cotton reserves was 411,600 tons, with a turnover rate of 57.15%.

According to China Cotton Association, survey China Cotton plantings seen falling 4% in 2018-19 to 2.8 Mln ha as farmers respond to lower prices last year.

Vietnam's textile sector is growing rapidly but in an unbalanced manner due to limited domestic supply of raw material like cotton, according to Truong Van Cam, vice president of the Vietnam Textile and Apparel Association (VITAS), who expects India to support his country's manufacturers procure quality yarn and fabric at reasonable prices.

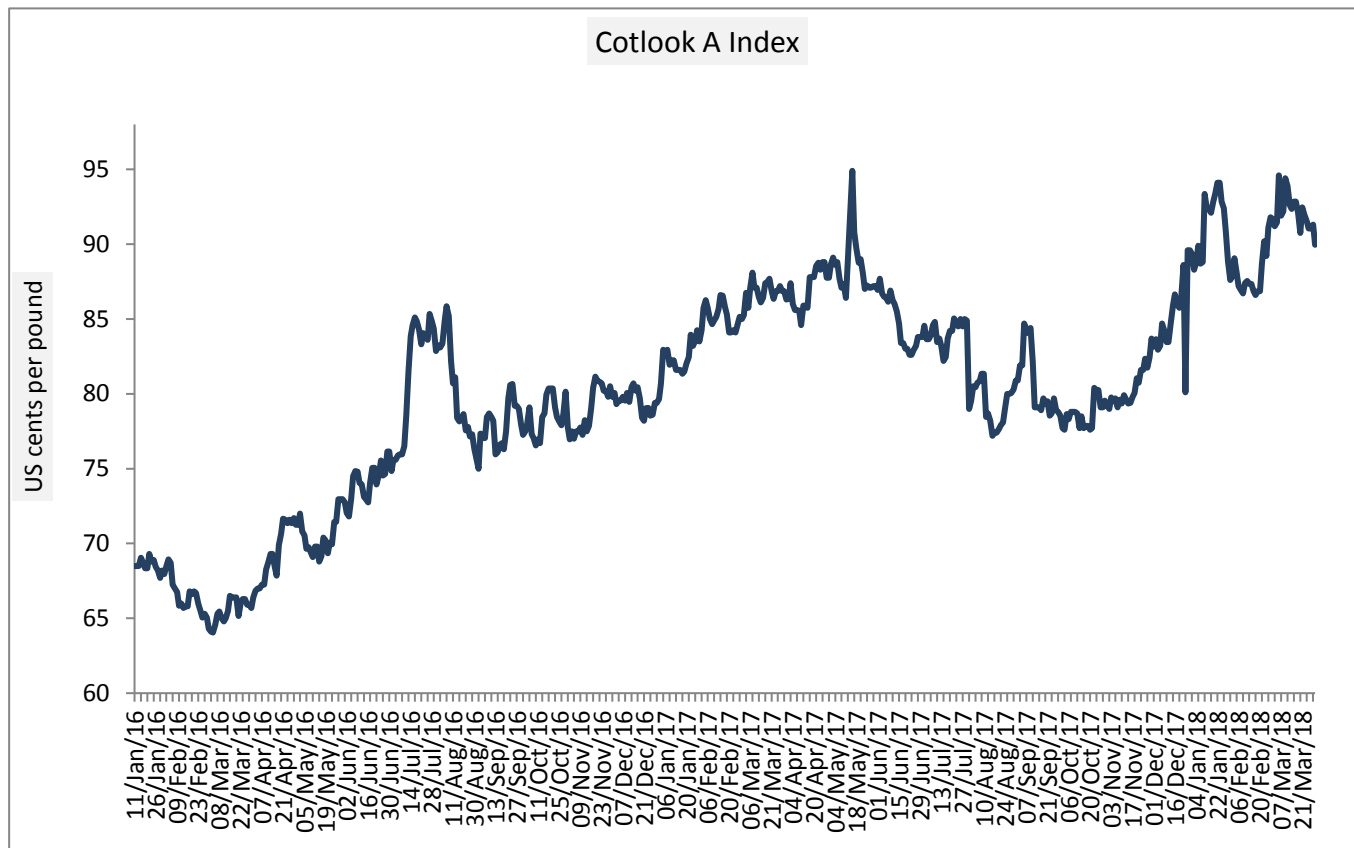
Cotton exports are expected to revive with China placing big orders with Indian traders. Moreover, Indian cotton prices are 10 cents cheaper at 80 cents per pound compared to the global price on the ICE.

US exports, Increases were reported for Vietnam (120,900 RB, including 1,600 RB switched from South Korea), China (89,800 RB, including decreases of 1,000 RB), Bangladesh (24,300 RB), Turkey (15,200 RB, including decreases of 900 RB), and Indonesia (11,700 RB, including 300 RB switched from Japan). Reductions were reported for Pakistan (115,600 RB). For 2018/2019, net sales of 28,700 RB were primarily for Egypt (8,800 RB), Thailand (7,000 RB), and Japan (4,200 RB).

Exports of 499,600 RB were up 10 percent from the previous week and 16 percent from the prior 4-week average. The primary destinations were China (90,000 RB), Pakistan (79,500 RB), Vietnam (74,700 RB), Turkey (62,900 RB), and Indonesia (49,600 RB).



## Cotlook A Index



Cotlook A index remained firm during the week.

Cotlook A Index	Weekly Average Price as on		% Change
	12-Apr-18	05-Apr-18	
Prices	91.59	90.15	1.60
Prices in US cents per Pound			

## China Cotton Index and Foreign Cotton Index

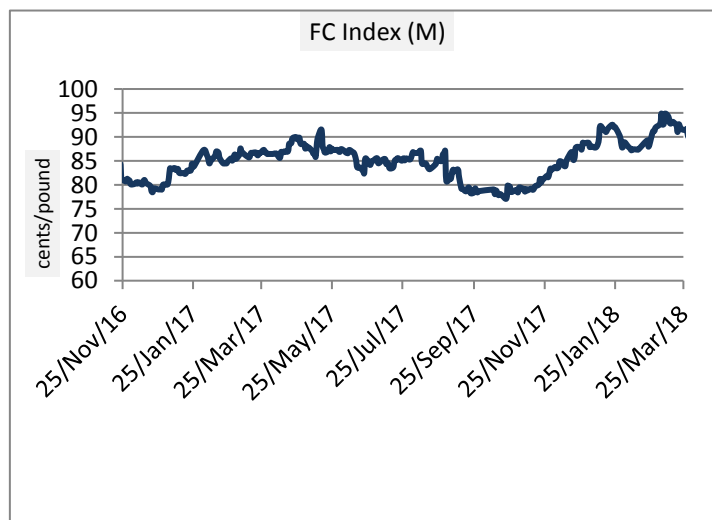
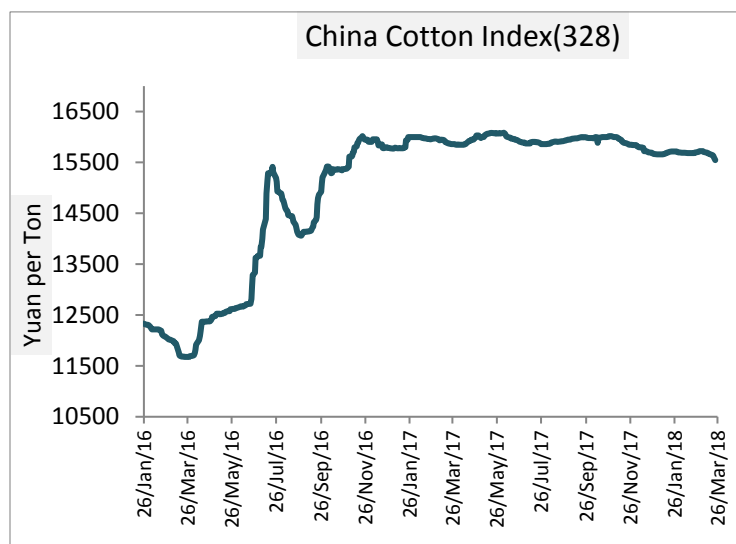
Cotton Index	Weekly Average Price as on		% Change
	12-Apr-18	05-Apr-18	
FC (S)	95.76	94.4	1.44
FC (M)	92	90.91	1.20
FC (L)	91.34	90.11	1.36



### Prices in US cents per Pound

China Index remained weak during the week. CC Index (328) remained 15503.4 Yuan per ton during the week. it was 15533 in the previous week.

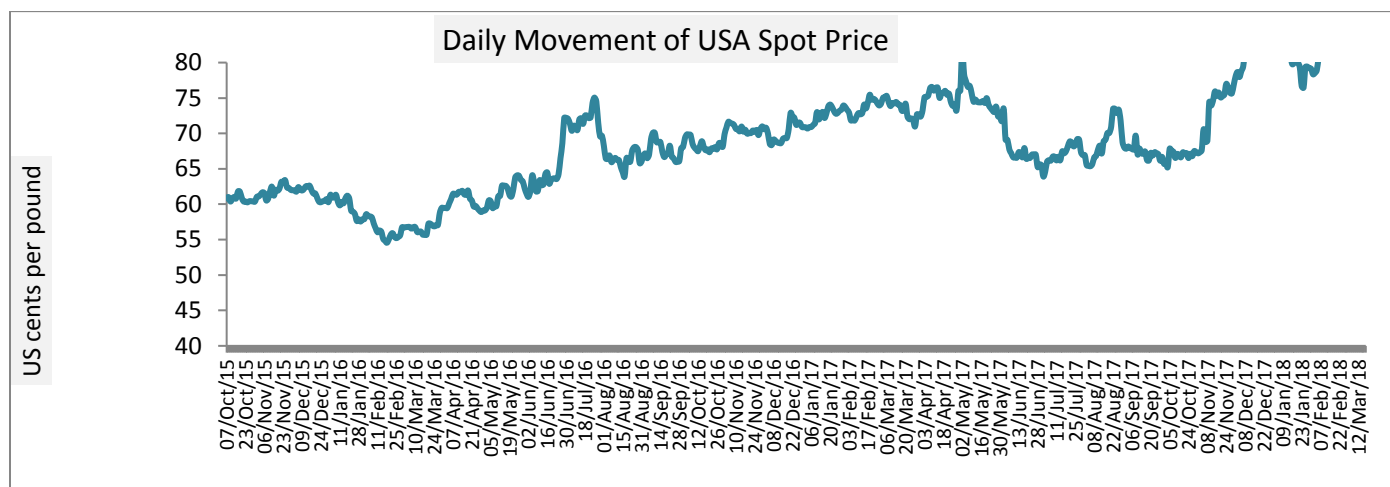
Cotton Index	Weekly Average Price as on		% Change
	12-Apr-18	05-Apr-18	
CCIndex(328)	15503.4	15533	-0.19
CCIndex(527)	14546.4	14564	-0.12
CCIndex(229)	16119	16151	-0.20
Prices in Yuan per ton			



### USA Spot Prices

According to latest report of USDA, global 2017/18 cotton ending stocks are revised down this month. Production in China is estimated to be lower, based on arrivals at gins. World ending stocks are now projected at 92.38 million bales

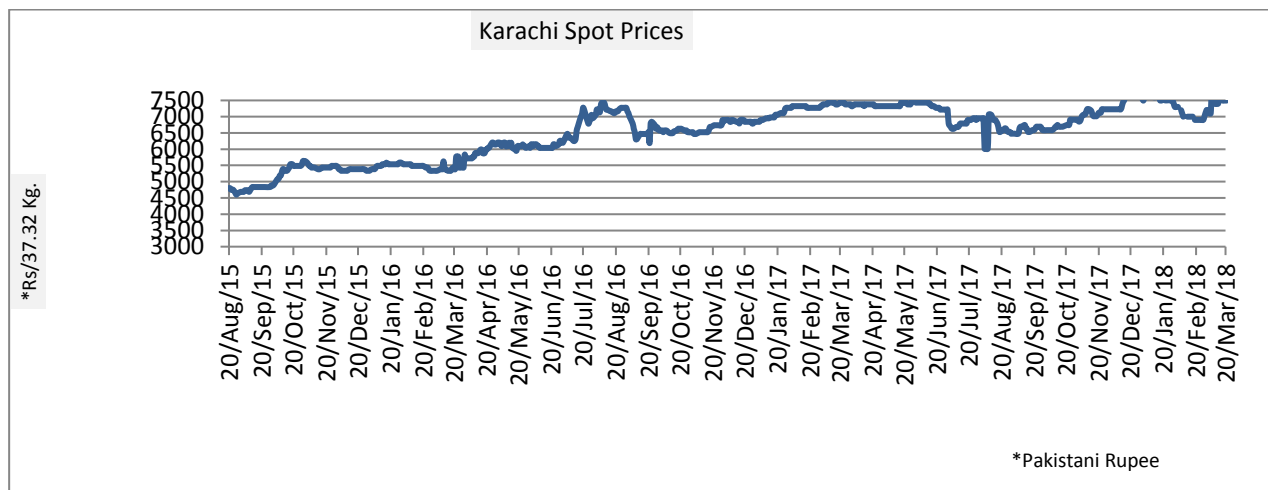




USA Spot Prices	Weekly Average Price as on		% Change
	12-Apr-18	05-Apr-18	
Prices	86.05	84.3	2.08
Prices in US cents per Pound			

### Pakistan Spot Price

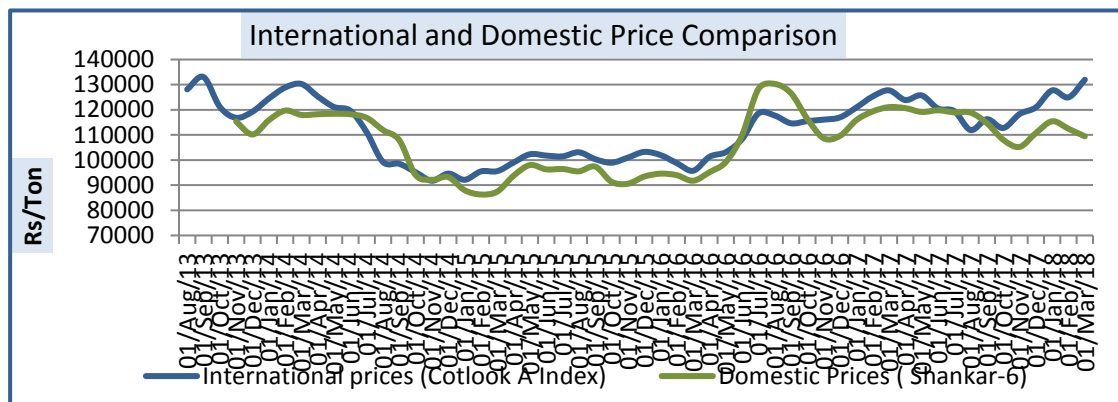
Annual growth output of Cotton in Pakistan has increased to 12.3 per cent amid higher arrivals of seed cotton during the period October 01-15, 2017. Pakistan has harvested 8.134 million bales of cotton up to October 31, 2017 according to data released by the Pakistan Cotton Ginners Association. Seed cotton arrivals during the same period increased by 3 per cent to 389,490 bales. According to the latest estimates, Pakistan is expected to produce 9.15 million bales during the current season.





Karachi Spot Prices	Weekly Average Price as on		% Change
	12-Apr- 18	05-Apr- 18	
Prices	7478	7416	0.84
Prices in Rs per 37.32. Kg			

### International Price Comparison



### Technical Analysis of Cotton Future (Jan'18 Contract) at ICE



**Weekly Technical Outlook:**

- Candlesticks denote bullish movement in the market.
- Volume decreased while Open Interest increased.
- We expect cotton prices to remain sideways to firm in the coming week.

**Expected Price Range During Coming Week**

Expected Trend	Expected Trading Band
Range bound to Bearish Momentum	75.00-85.00

**Expected Support and Resistance**

Support 1	Support 2	Resistance 1	Resistance 2
80	76	88.00	96.00

Figures in US cents/pound

**Cotton Future Prices at ICE****ICE Futures Cotton**

Contracts	12-Apr-18	Week Ago	Month ago	Year Ago	%W-o-W change	%M-o-M change	%Y-o-Y change
01-Mar-18	83.69	82.57	82.98	73.39	1.356	0.856	14.035
01-May-18	83	82.15	82.86	73.64	1.029	0.169	12.710
01-Jul-18	79.29	79.91	79.57		-0.755	-0.352	
01-Oct-18	78.83	77.87	78.49		1.201	0.433	
01-Dec-18	78.91	78.09	78.67		1.053	0.305	
01-Mar-19	78.86	78.3	78.62		0.717		

**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	06th April to 12th April 2018	30th March to 05th April 2018	
Gujarat	Ahmedabad	Shankar-6	5308	5300	8
	Gondal	Shankar-6	5218	NA	-
	Rajkot	B.T. Cotton	5295	5222	73



	Patan	B.T. Cotton	5388	5253	136
	Kadi	B.T. Cotton	5275	5188	88
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5177	NA	-
Punjab	Fazilika	B.T. Cotton	NA	NA	-
	Muktsar	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	5050	5039	11
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	4900	4878	23
	Fatehabad	B.T. Cotton	4904	4910	-6
	Jind	B.T. Cotton	5080	5000	80
	Uchana	B.T. Cotton	4864	4847	17
	Dabwali	B.T. Cotton	4700	4778	-78
Rajasthan	Hanumangarh	B.T. Cotton	4908	4899	9
	Rawatsar	B.T. Cotton	4764	4769	-5
Madhya Pradesh	Khandwa	Mech-1	5100	5167	-67
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	5079	5100	-21
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4520	4473	47
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	5440	5354	87
	Hubli	D.C.H.	3652	3601	52
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5030	NA	-
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	06th April to 12th April 2018	30th March to 05th April 2018	
Punjab	Bhatinda	J-34	4214	4218	-4
	Abohar	J-34	4217	4217	0
	Mansa	J-34	4200	4186	14
	Muktsar	J-34	NA	NA	-
	Fazilika	J-34	NA	NA	-



Haryana	Sirsa	J-34	4193	4198	-5
Rajasthan	Sri-Ganganagar	J-34	NA	3980	-

### Week on Week Price: Scenario of Cotton:

Commodity	Kapas		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	12-Apr-18	5-Apr-18	12-Mar-18	12-Apr-17
Gujarat	Ahmedabad	Shankar-6	5300	5300	5200	5750
	Gondal	Shankar-6	5245	NR	NR	5855
	Rajkot	B.T. Cotton	5290	NR	5150	5895
	Patan	B.T. Cotton	5375	5235	5170	5925
	Kadi	B.T. Cotton	5300	5275	5150	5850
	Deesa	B.T. Cotton	NA	NA	NA	NA
	Dhrol	B.T. Cotton	5250	5175	5065	5745
Punjab	Fazilika	B.T. Cotton	NR	NR	NR	NR
	Muktsar	B.T. Cotton	NR	NR	NR	NR
Haryana	Bhiwani	B.T. Cotton	5050	5050	5080	6000
	Bhiwani	Desi	NA	NA	NA	NA
	Adampur	B.T. Cotton	NR	4850	4950	5870
	Fatehabad	B.T. Cotton	4875	4880	5000	5910
	Jind	B.T. Cotton	NR	5000	NR	NR
	Uchana	B.T. Cotton	NR	NR	4992	NR
	Dabwali	B.T. Cotton	NA	NR	4840	NR
Rajasthan	Hanumangarh	B.T. Cotton	4900	4914	5000	5800
	Rawatsar	B.T. Cotton	NR	4745	NR	5705
Madhya Pradesh	Khandwa	Mech-1	NR	NR	4900	NR
	Khargaon	Mech-1	NR	NR	NR	5800
Maharashtra	Amravati	Mech-1	5100	5000	5000	5550
	Jamner	Medium Staple	NR	NR	NR	5665
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	NA	NA
	Hathras	Desi	NA	NA	NA	NA
Telangana	Adilabad	Un-Ginned	NR	4500	4525	5406
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	3200	NA
	Kurnool	Un-Ginned	NA	NA	NA	NA
	Krishna	Un-Ginned	NA	NA	NA	NA
	East Godavari	Un-Ginned	NA	NA	NA	4160
Karnataka	Bijapur	Bunny	NA	5411	5309	6099



	Hubli	D.C.H.	NA	3960	NA	5501
	Hubli	B.T. Cotton	NA	NA	NA	NA
	Raichur	H-44 Cotton	NA	5100	5070	5959
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	12-Apr-18	5-Apr-18	12-Mar-18	12-Apr-17
Punjab	Bhatinda	J-34	4190	4225	4160	4770
	Abohar	J-34	4190	4200	4190	4760
	Mansa	J-34	NR	4175	4175	4750
	Muktsar	J-34	NR	NR	NR	NR
	Fazilika	J-34	NR	NR	NR	NR
Haryana	Sirsa	J-34	4170	4180	4160	4670
Rajasthan	Sri-Ganganagar	J-34	NA	NA	3995	NA

#### Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	06thApril to 12th April 2018	30thMarch to 05th April 2018	
Gujarat	Ahmedabad	Shankar-6	256190	226100	30090
	Gondal	Shankar-6	1759	NA	1759
	Rajkot	B.T. Cotton	14900	4050	10850
	Patan	B.T. Cotton	15583	9210	6373
	Kadi	B.T. Cotton	265000	300000	-35000
	Deesa	B.T. Cotton	NA	NA	Unch
	Dhrol	B.T. Cotton	969	NA	969
Punjab	Fazilika	B.T. Cotton	NA	NA	Unch
	Muktsar	B.T. Cotton	NA	NA	Unch
Haryana	Bhiwani	B.T. Cotton	8300	6900	1400
	Bhiwani	Desi	NA	NA	Unch
	Adampur	B.T. Cotton	6000	17014	-11014
	Fatehabad	B.T. Cotton	8200	7300	900
	Jind	B.T. Cotton	374	697	-323
	Uchana	B.T. Cotton	7070	2230	4840
	Dabwali	B.T. Cotton	67	177	-110
Rajasthan	Hanumangarh	B.T. Cotton	1900	3000	-1100
	Rawatsar	B.T. Cotton	1950	2900	-950
Madhya Pradesh	Khandwa	Mech-1	1200	950	250



	Khargaon	Mech-1	NA	NA	Unch
Maharashtra	Amravati	Mech-1	10200	9900	300
	Jamner	Medium Staple	NA	NA	Unch
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	Unch
	Hathras	Desi	NA	NA	Unch
Telangana	Adilabad	Un-Ginned	5697	5314	383
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	Unch
	Kurnool	Un-Ginned	NA	NA	Unch
	Krishna	Un-Ginned	NA	NA	Unch
	East Godavari	Un-Ginned	NA	NA	Unch
Karnataka	Bijapur	Bunny	17026	15466	1560
	Hubli	D.C.H.	102	41	61
	Hubli	B.T. Cotton	NA	NA	Unch
	Raichur	H-44 Cotton	4729	NA	4729
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	06thApril to 12th April 2018	30thMarch to 05th April 2018	
Punjab	Bhatinda	J-34	13090	17850	-4760
	Abohar	J-34	4675	2720	1955
	Mansa	J-34	3060	4080	-1020
Haryana	Sirsa	J-34	3315	4080	-765
Rajasthan	Sri-Ganganagar	J-34	NA	100	-100

#### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				05thApril to 11th April 2018	29thMarch to 04th April 2018	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42750	42483	267
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43250	42983	267
J-34(202)	26mm	3.5 - 4.9	23	39950	39817	133
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	37467	37167	300
Shankar-6(105)	29mm	3.5 – 4.9	28	40883	40667	217
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41833	41533	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43517	43150	367
DCH-32(107)	34mm	3.0 - 3.8	33	53550	53550	Unch

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