



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 4544 Per maund (of 37.32 Kg each), compared to the previous week price of Rs 4350 Cotton fiber (Shankar-6) prices noticed firm this week. Average price was Rs 43416 per candy (of 355.6 kg each) during the week, which was Rs 42250 per candy previous week.

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. 5200-5700 per quintal in the Rajkot market. Lint price at Sirsa is likely to be in range of Rs 4000-4600 per maund.

Major Market Highlights:

Gujarat cotton prices of 29 mm, remained between 43800 to 44850 Rs/ candy.

All India cotton arrivals remain daily 40000 to 45000 bales. With limited arrivals ginners are willing to close factory.

Cotton exports are expected to increase around 30 per cent in 2017-18 from its last year's level and may reach a four-year high of 7.5 million bales. The rise in shipment can be attributed to a soaring global prices and a weaker rupee (the rupee has fallen more than 6 per cent in 2018, making Indian cotton cheaper for overseas buyers).

Cotton spot market across India traded firm on the back of fall in acreages in Punjab and Haryana and support from international prices.

Prospects of lower production in the coming season due to unfavorable weather lend support to domestic as well as international prices.

Sowing progress in Haryana is off mark and With ideal time for sowing already over by more than a week, Haryana has so far been able to achieve only 76 per cent of its target of cotton sowing. As on May 22 cotton had been sown on 4.97 lakh hectares against the target of 6.48 lakh. The sowing is low in Punjab as well as Haryana due to lower supplies of water in canal.

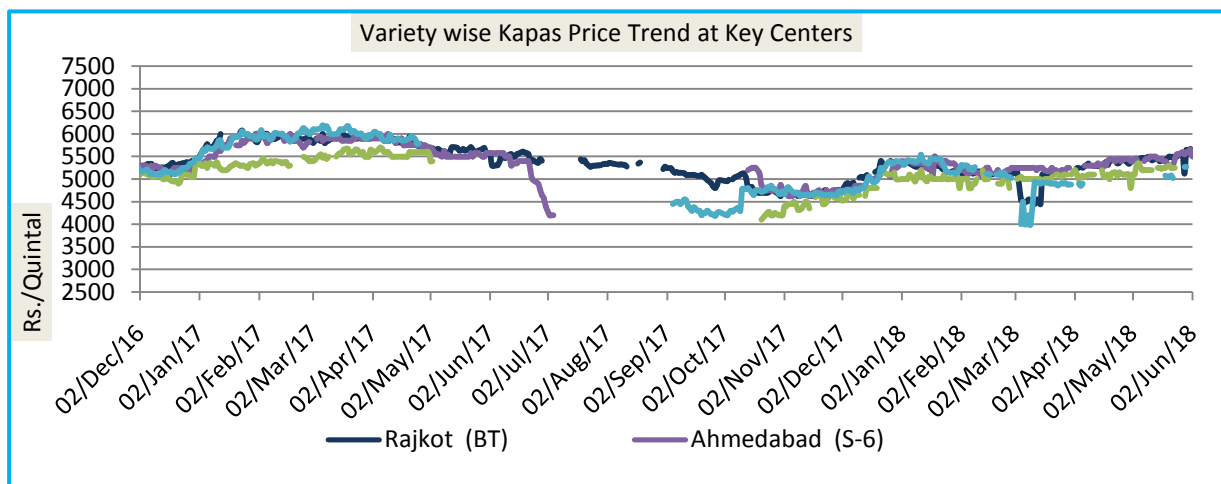
At International front there is expected fall in acreages in Pakistan this season. Further the crop development is also not satisfactory which is indicating y-o-y lower crop from Pakistan. In Uzbekistan another leading cotton producer has witnessed cool and drier conditions which has depressed the cotton production estimates. In US too persistent drought has resulted in market speculations of the y-o-y lower crop.

Thus early estimates of lower global production for the coming marketing year is expected to remain supportive for prices in coming months.



Domestic Cotton Prices Scenari

Kapas (Raw Cotton) Weekly Price Scenario

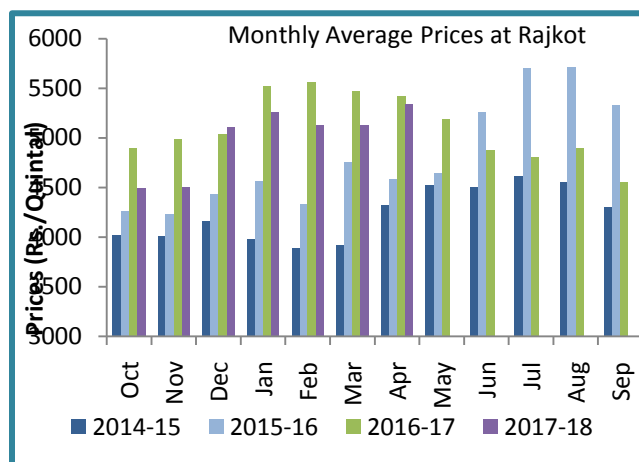


Weekly Price Review: Weekly kapas average price at Rajkot rose from Rs 5520 /quintal this week.

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 firm in coming days. The expected range for Kapas at Rajkot is Rs 5200-5700 per quintal for the coming week.

Kapas Monthly Y-o-Y Price Scenario



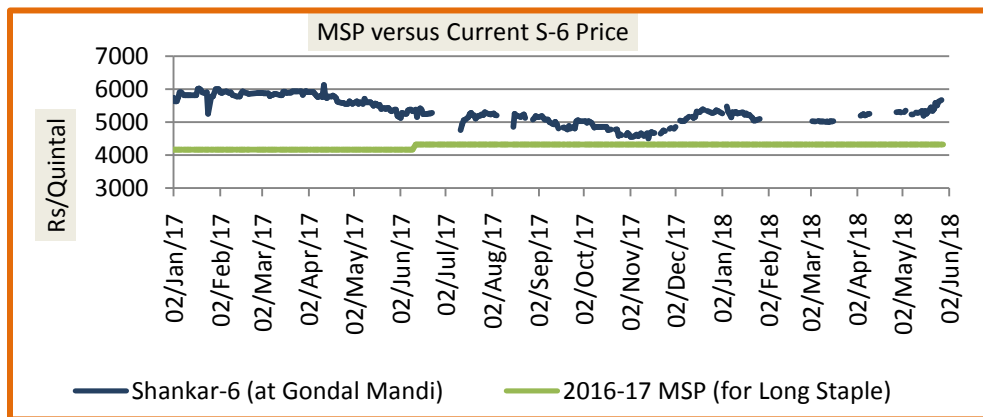
Kapas(seed cotton) prices in country noticed firm tone during the may month when compared to the previous month, and the same is ruling lower compared to the prices during the corresponding month of the previous season.

Monthly average price of Kapas at Rajkot remained Rs.5450 per quintal during March, which was Rs. 5353 during previous month and Rs. 5650 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.

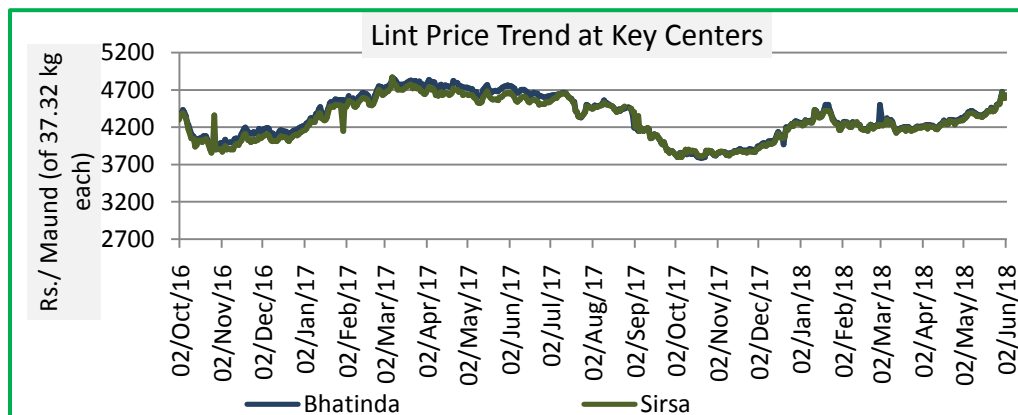


Spot Price versus MSP



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 1134 compared to Rs 997 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.4566 4422 per maund of 37.32 kg each, lower compared to the previous week price of Rs 4375 per maund.

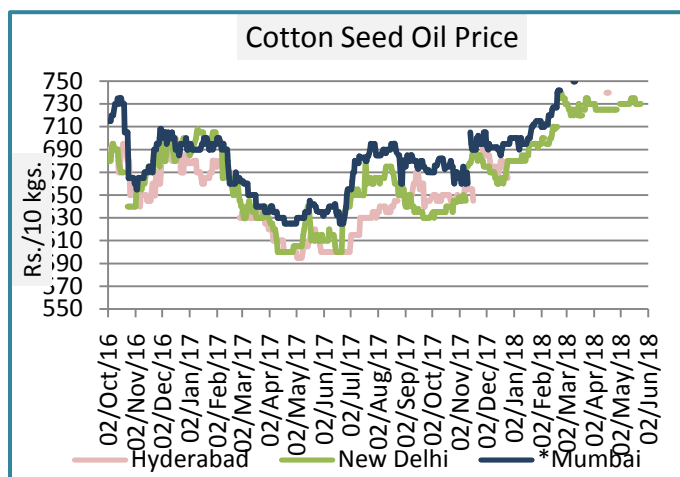
Weekly Price Outlook: Lint prices are expected to remain weak during the week. We expect Lint at Sirsa to remain in the range of Rs. 4000-5000 per mau



Cotton Seed Oil and Cotton Seed Oil Cake

Cotton Seed Oil Weekly Price Scenario

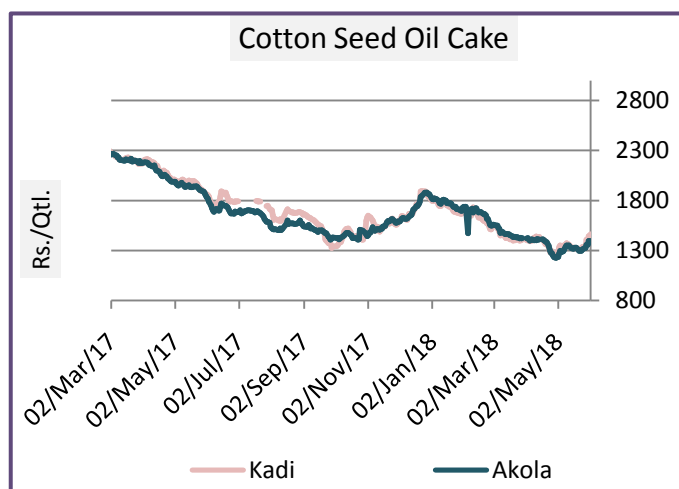
Cotton seed oil price noticed slightly firm during the week. Weekly average price in New Delhi is Rs 731 per 10 Kg, compared to the weekly average price of Rs730 per 10 Kg in previous week.



Centers	Weekly Average Price as on (Rs/10 kg.)		% Change
	31-May -18	24-May -18	
New Delhi	731	730	0.14
Rajkot	746	741	0.67
Hyderabad	NA	NA	
Mumbai*	763	765	-0.26

Cotton Seed Oil Cake Weekly Price Scenario

Cotton seed oil cake price noticed firm tone during this week. Weekly average price in Akola is Rs per quintal, 1343 higher compared to the weekly average price of Rs 1295 per quintal in the previous week.



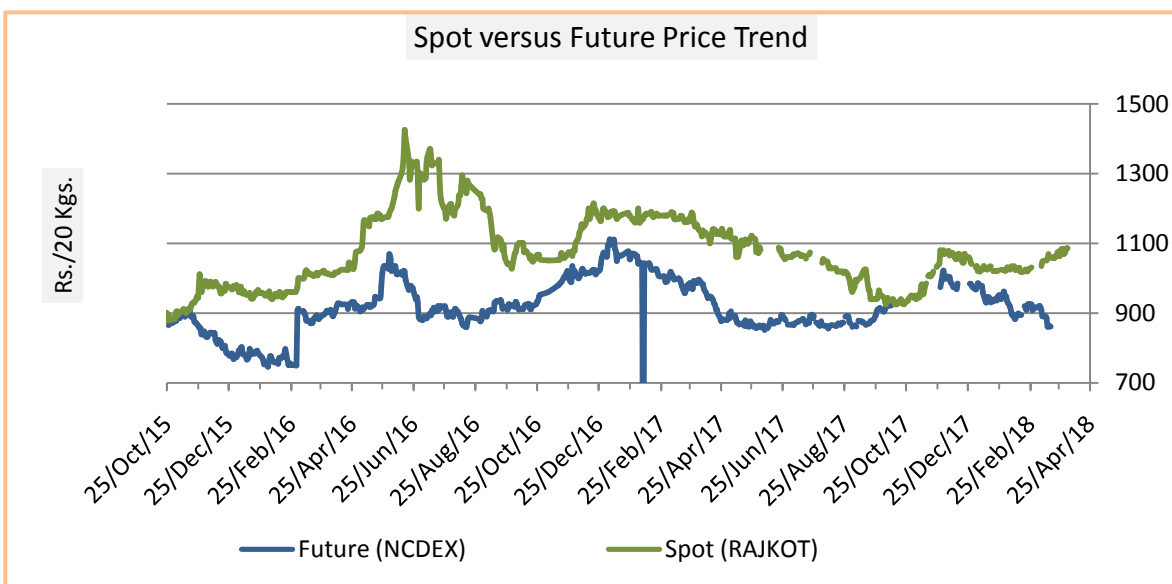
Centers	Weekly Average Price as on (Rs/quintal.)*		% Change
	31-May -18	24-May -18	
Kadi	1377	1309	5.19
Akola	1343	1295	3.71

*Source: NCDEX



Cotton spot and future price trend

Cotton future price closed lower this week Kapas at NCDEX (April Contract) Closed 868 as on 29 April 2018, compared to 861 a week earlier



International Market Scenario

International cotton prices remained range bound to weak during the week. Cotlook A index weekly average stood at 98.07 cents/pound this week, which was 94.59 cents/pound during last week.

Major Market Highlights:

In 2017/18, world cotton production is estimated at 26.6 million tonnes while world mill use is projected at 25.5 million tonnes, which represents the third consecutive season of growth in demand for cotton.

As a result, world ending stocks are forecasted to decrease to 18.3 million tonnes representing the fourth consecutive season of diminishing global reserves.

The decline occurs within China where stocks at the end the 2017/18 season are projected down to 8 million tonnes. Stocks held outside of China are projected up to 10.3 million tonnes, a continuous increase over the past four consecutive seasons.

At International front there is expected fall in acreages in Pakistan this season. Further the crop development is also not satisfactory which is indicating y-o-y lower crop from Pakistan. In Uzbekistan another leading cotton producer has witnessed cool and drier conditions which has depressed the cotton production estimates. In US too persistent drought has resulted in market speculations of the y-o-y lower crop.



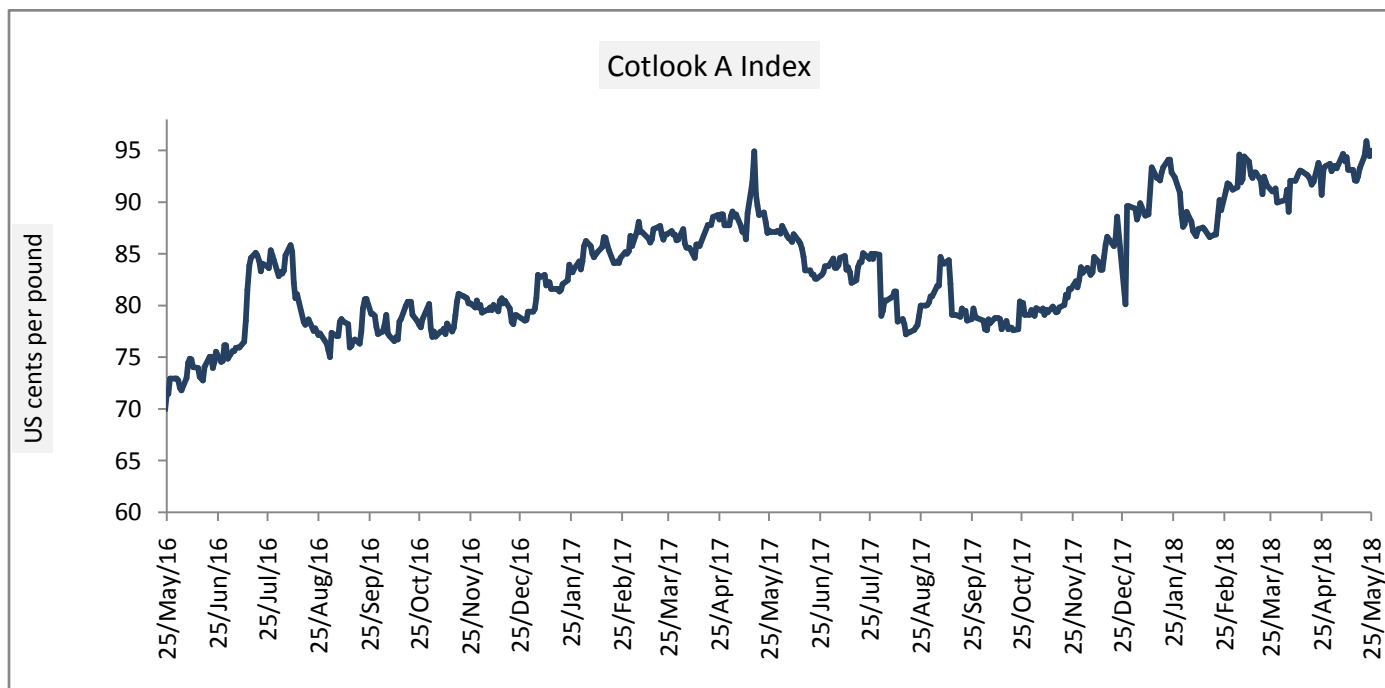
Thus early estimates of lower global production for the coming marketing year is expected to remain supportive for prices in coming months.

The China Cotton Association sought to calm market volatility on Monday, telling investors supplies were sufficient and revealing government plans to allow for more imports in the near future. The comments from the association, which lobbies the government on behalf of cotton farmers and processors, follow a rally that has driven domestic cotton futures up nearly 18 percent since early April.

China will from Monday ban non-textile companies from buying cotton from 2017/18 state reserve auctions, the country's cotton industry website cottonchina.org said on the weekend.

Data obtained from the Sindh agriculture department shows that only around 45 per cent (269,000 hectares) of the cotton sowing target had been achieved by end May while Sindh was pursuing a cotton cultivation target of 620,000ha.

Cotlook A Index



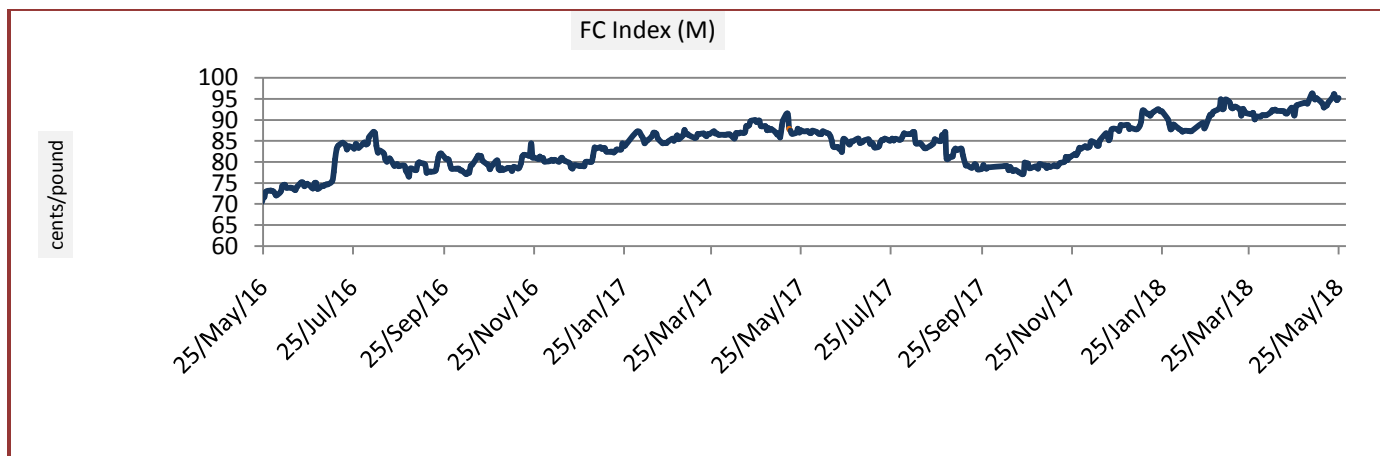
Cotlook A index remained weak during the week.

Cotlook A Index	Weekly Average Price as on		% Change
	31-May-18	24-May-18	
Prices	98.07	94.45	3.83
Prices in US cents per Pound			



China Cotton Index and Foreign Cotton Index

Cotton Index	Weekly Average Price as on		% Change
	31-May-18	24-May-18	
FC (S)	101.05	98.17	2.93
FC (M)	98.04	94.73	3.49
FC (L)	97.13	93.78	3.57
Prices in US cents per Pound			

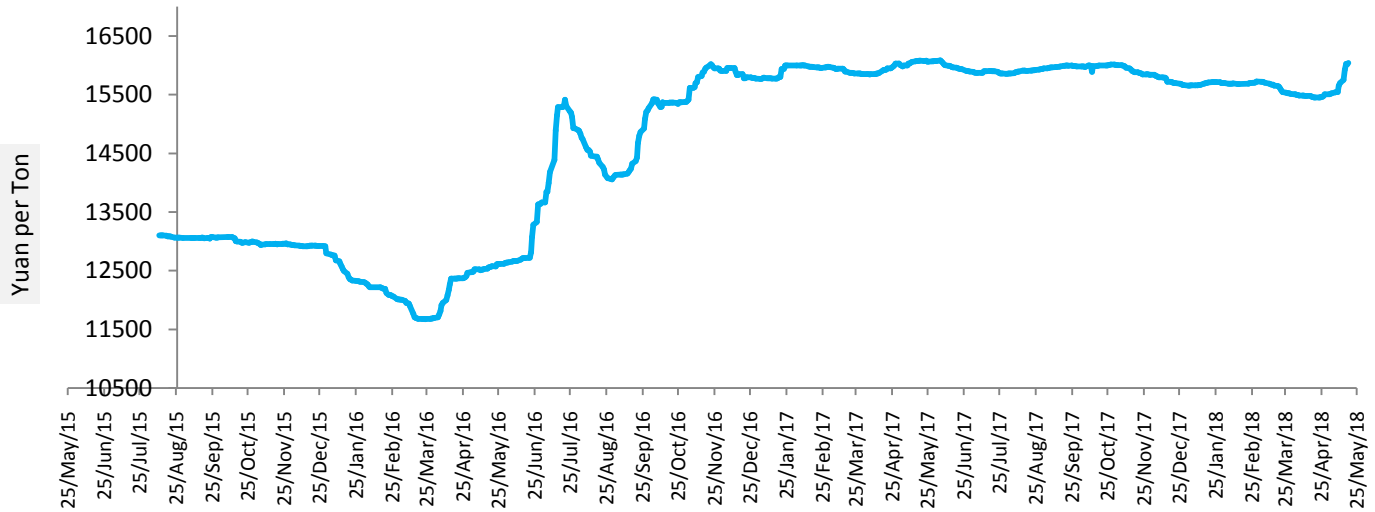


China Index remained firm during the week. CC Index (328) remained 16257 Yuan per ton during the week. it was 16012 in the previous week.

Cotton Index	Weekly Average Price as on		% Change
	31 -May-18	24-May-18	
CCIndex(328)	16257	16012	1.53
CCIndex(527)	15042	14878	1.10
CCIndex(229)	16823	16600	1.34
Prices in Yuan per ton			

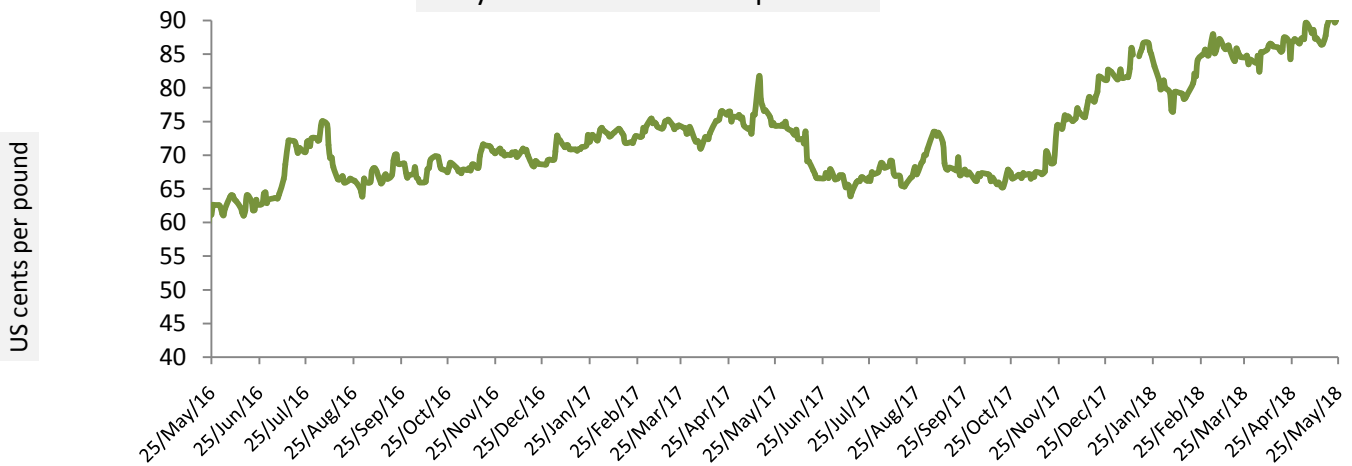


China Cotton Index(328)



USA Spot Prices

Daily Movement of USA Spot Price

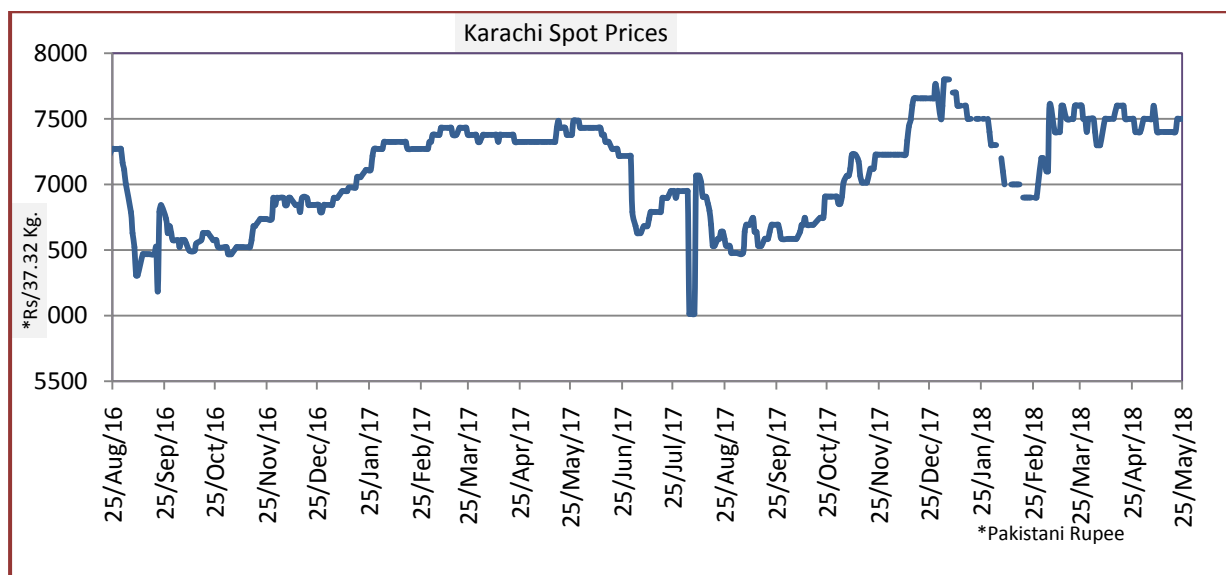




USA Spot Prices	Weekly Average Price as on		% Change
	31 -May-18	24-May-18	
Prices	95.79	90.21	6.19
Prices in US cents per Pound			

Pakistan Spot Price

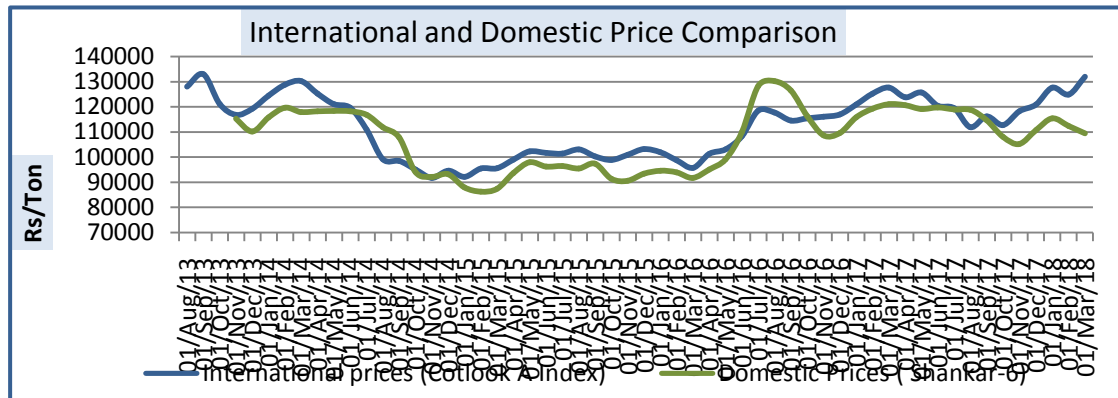
Annual growth output of Cotton in Pakistan has increased to 12.3 per cent amid higher arrivals of seed cotton during the period October 01-15, 2017. Pakistan has harvested 8.134 million bales of cotton up to October 31, 2017 according to data released by the Pakistan Cotton Ginners Association. Seed 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
	31 -May-18	24-May-18	
Prices	7545	7500	0.60
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	85.00-95.00

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
90	85	98.00	106.00

Figures in US cents/pound

Cotton Future Prices at ICE

ICE Futures Cotton

Contracts	31-May-18	Week Ago	Month ago	Year Ago	%W-o-W change	%M-o-M change	%Y-o-Y change
01-Jul-18	93.15	87.46	83.84	72.74	6.51	11.10	28.06
01-Oct-18	93.35	86.30	80.42	73.07	8.06	16.08	27.75
01-Dec-18	91.64	85.55	78.78		7.06	16.32	
01-Mar-19	90.86	85.14	78.61		6.69	15.58	
01-May-19	90.48	84.96	78.72		6.48	14.94	
01-Jul-19	90.25	84.80			6.41		

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Weekly Average Prices (Rs./Quintal)		Change
State	Centre	Variety	25thMay to 31stMay 2018	18thMay to 24thMay 2018	
Gujarat	Ahmedabad	Shankar-6	5667	5550	117
	Gondal	Shankar-6	5430	5283	147
	Rajkot	B.T. Cotton	5493	5468	26
	Patan	B.T. Cotton	NA	5260	-
	Kadi	B.T. Cotton	5190	5196	-6
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	5248	5168	80
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-



Haryana	Bhiwani	B.T. Cotton	5300	5183	117
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	5270	5062	208
	Fatehabad	B.T. Cotton	5303	5090	213
	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	5250	5254	-4
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4346	4600	-254
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	5577	5420	157
	Hubli	D.C.H.	4660	1245	3415
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	5294	5282	12
Commodity	Lint		Prices (Rs./Maund of 37.32kg each)		Change
State	Centre	Variety	25thMay to 31stMay 2018	18thMay to 24thMay 2018	
Punjab	Bhatinda	J-34	4559	4425	134
	Abohar	J-34	4558	4431	127
	Mansa	J-34	4538	4408	130
	Muktsar	J-34	NA	NA	-
	Fazilika	J-34	NA	NA	-
Haryana	Sirsa	J-34	4544	4409	135
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Week on Week Price: Scenario of Cotton:

Commodity	Kapas	Today	Week Ago	Month Ago	Year Ago
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State	Centre	Variety	31-May-18	24-May-18	1-May-18	31-May-17
Gujarat	Ahmedabad	Shankar-6	5750	5600	Closed	5575
	Gondal	Shankar-6	5505	5250	NR	5430
	Rajkot	B.T. Cotton	5595	5490	5375	5575
	Patan	B.T. Cotton	NA	NA	5625	NA
	Kadi	B.T. Cotton	NR	5125	Closed	5450
	Deesa	B.T. Cotton	NA	NA	NA	NA
	Dhrol	B.T. Cotton	NR	5315	5110	5115
Punjab	Fazilika	B.T. Cotton	NR	NR	NR	NR
	Muktsar	B.T. Cotton	NR	NR	NR	NR
Haryana	Bhiwani	B.T. Cotton	5400	5250	5000	5900
	Bhiwani	Desi	NA	NA	NA	NA
	Adampur	B.T. Cotton	NR	NR	NA	NA
	Fatehabad	B.T. Cotton	5370	5100	5045	NA
	Jind	B.T. Cotton	NA	NA	NA	NA
	Uchana	B.T. Cotton	NA	NA	NA	NA
	Dabwali	B.T. Cotton	NA	NA	NA	NA
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	NA	NA
	Rawatsar	B.T. Cotton	NA	NA	NA	NA
Madhya Pradesh	Khandwa	Mech-1	NA	NA	NR	NA
	Khargaon	Mech-1	NR	NR	NR	NA
Maharashtra	Amravati	Mech-1	NA	5250	5100	NA
	Jamner	Medium Staple	NR	NR	NR	5271
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	NA	NA
	Hathras	Desi	NA	NA	NA	NA
Telangana	Adilabad	Un-Ginned	NR	4320	NA	5100
Andhra Pradesh	Guntur	Un-Ginned	NA	NA	NA	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	NR	5456	NA	5859
	Hubli	D.C.H.	NR	NR	NA	5650
	Hubli	B.T. Cotton	NR	NR	NR	NR
	Raichur	H-44 Cotton	NR	5275	NA	5600
Commodity	Lint		Today	Week Ago	Month Ago	Year Ago
State	Centre	Variety	31-May-18	24-May-18	1-May-18	31-May-17



Punjab	Bhatinda	J-34	4610	4430	4330	4760
	Abohar	J-34	4610	4440	4330	4750
	Mansa	J-34	4600	4415	4200	NA
	Muktsar	J-34	NR	NR	NR	NR
	Fazilika	J-34	NR	NR	NR	NR
Haryana	Sirsa	J-34	4590	4415	4290	4660
Rajasthan	Sri-Ganganagar	J-34	NA	NA	NA	NA

Cotton Arrivals in Key Centers:

Commodity	Kapas		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	25thMay to 31stMay 2018	18thMay to 24thMay 2018	
Gujarat	Ahmedabad	Shankar-6	115600	139400	-23800
	Gondal	Shankar-6	1960	1565	395
	Rajkot	B.T. Cotton	5800	7100	-1300
	Patan	B.T. Cotton	NA	2152	-
	Kadi	B.T. Cotton	25000	85000	-60000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	96	146	-50
Punjab	Fazilika	B.T. Cotton	NR	NR	-
	Muktsar	B.T. Cotton	NR	NR	-
Haryana	Bhiwani	B.T. Cotton	1500	1250	250
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	3000	27200	-24200
	Fatehabad	B.T. Cotton	1800	2550	-750
	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	700	4600	-3900
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	181	-



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	7243	9546	-2303
	Hubli	D.C.H.	24	1	23
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	1993	2368	-375
Commodity	Lint		Weekly Sum Arrivals (Quintal)		Change
State	Centre	Variety	25thMay to 31stMay 2018	18thMay to 24thMay 2018	
Punjab	Bhatinda	J-34	3995	4590	-595
	Abohar	J-34	1190	1318	-128
	Mansa	J-34	1275	935	340
Haryana	Sirsa	J-34	1615	1955	-340
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Weekly Average Prices		+/- Change
				24thMay to 30thMay 2018	10thMay to 16thMay 2018	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	42567	42067	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	43067	42567	500
J-34(202)	26mm	3.5 - 4.9	23	43017	41850	1167
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40233	39100	1133
Shankar-6(105)	29mm	3.5 - 4.9	28	43150	42133	1017
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	44617	43617	1000
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	45650	44867	783
DCH-32(107)	34mm	3.0 - 3.8	33	56467	55650	817

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