



Gujcot Trade Association

WEEKLY REPORT

Market Movement from 17TH Sep 2018 to 22ND Sep 2018

- Gujarat Cotton prices of 29 mm remained between 46,750 to 47,750 Rs./Candy.
- Outstate arrivals from Madhya Pradesh and Maharashtra started in Small quantities.
- All India Daily Arrivals remained 14,000 to 15,000 bales.
- Gujarat Daily Pressing was approximately 1500 bales.
- NY December futures w/w lost 2.70 cents.
- International merchants are liquidating their stocks as new arrivals are putting pressure on the market.
- As merchants are selling in physical market, supply side got enough liquidity into market.
- During this week rupee was stable between 72 to 73 against dollar.
- This week was dominated by bear.
- Trade was not expecting such arrivals in September, but due to deficient rainfall arrival picked up faster than expected and is the main reason for the bear market coupled with lower futures.

ALL INDIA COTTON SOWING As On 19-09-2018

All India Cotton Sowing				
As on 19-09-2018				
STATE	(Area in Lakh Hectare)			
	2018-2019	2017-2018	Change	
Punjab	2.840	3.850	-1.010	-26.23%
Haryana	6.650	6.560	0.090	1.37%
Rajasthan	4.961	5.031	-0.070	-1.39%
North India	14.451	15.441	-0.990	-6.41%
Gujarat	27.086	26.363	0.723	2.74%
Maharashtra	41.233	42.046	-0.813	-1.93%
Madhya Pradesh	6.970	5.990	0.980	16.36%
Central India	75.289	74.399	0.890	1.20%
Telangana	17.943	18.660	-0.717	-3.84%
Andra Pradesh	5.510	5.950	-0.440	-7.39%
Karnataka	5.480	4.770	0.710	14.88%
Tamil Nadu	0.217	0.763	-0.546	-71.56%
South Zone	29.150	30.143	-0.993	-3.29%
Orissa	1.579	1.450	0.129	8.90%
Others	0.172	0.286	-0.114	-39.86%
All India	120.641	121.719	-1.078	-0.89%

Global

US Weekly Export Sales

- Net UPLAND sales of 97,800 RB for 2018-2019 were up 20 percent from the previous week, but down 24 percent from the prior 4-week average. Increases were reported for Vietnam (25,500 RB, including 900 RB switched from Taiwan), Mexico (18,500 RB), Pakistan (15,300 RB), Bangladesh (13,100 RB, including decreases of 100 RB), and Thailand (8,700 RB).
- Reductions were reported for Taiwan (900 RB). For 2019-2020, net sales of 32,900 RB were reported for Thailand (23,300 RB), Mexico (8,400 RB), Guatemala (800 RB), and China (400 RB).
- UPLAND Exports of 1,48,900 RB were up 10 percent from the previous week, but down 7 percent from the prior 4-week average. Exports were reported primarily to Vietnam (43,700 RB), Indonesia (19,200 RB), China (16,200 RB), Mexico (16,100 RB), and Pakistan (8,800 RB).
- Net sales of PIMA totaling 3,300 RB for 2018-2019 were down 42 percent from the previous week and 61 percent from the prior 4-week average. Increases reported for Peru (1,800 RB), India (800 RB), China (600 RB), and Vietnam (300 RB, switched from Japan), were partially offset by reductions for Japan (300 RB). For 2019-2020, net sales of 400 RB were reported for Peru.
- PIMA Exports of 8,700 RB were up noticeably from the previous week and 50 percent from the prior 4-week average. The primary destinations were India (3,500 RB), Thailand (2,400 RB), and Pakistan (1,200 RB).

US Export Sales	13-Sep-2018
Marketing Year 2018-19	
Upland Gross Sales	97,900
Cancellation	100
Net Upland Sales	97,800
PIMA Gross Sales	3,300
Cancellation	0
Net PIMA Sales	3,300
Total Gross Sales	1,01,200
Total Cancellation	100
Total Net Sales	1,01,100
Shipments	
UPLAND	1,48,900
PIMA	8,700
Total Shipment	1,57,600
Marketing Year 2019-20	
Net Upland Sales	32,900
Net PIMA Sales	400
Total Net Sales	33,300
All Figures in US Running Bale	

Cumulative Update of reserve auction of china

From March 12 to September 21, the cumulative turnover of reserve cotton was 2,011,500 tons, and the turnover rate was 58.60%.

China report from Reinhart weekly report

The ZCE cotton futures market followed ICE to the downside, breaking below nearby support at 16'500, but failed so far to confirm the break of the key support at 16'000. The short-term outlook turned negative. The long-term technical picture remained neutral, a confirmed break below 16'000 would void that view and change the outlook to negative.

While ZCE was following ICE on the way down, prices for physical cotton declined by a lesser amount, and Reserve sales continued fairly active, probably boosted by the fact that auctions will end by next Thursday 27. September. Prices paid in XJ for first picked cotton reflect a lint price substantially higher than ZCE; but it's still early and large-scale machine picking will only start in October. The weather situation has normalized, and the outlook for a good crop as forecasted by the USDA is intact.

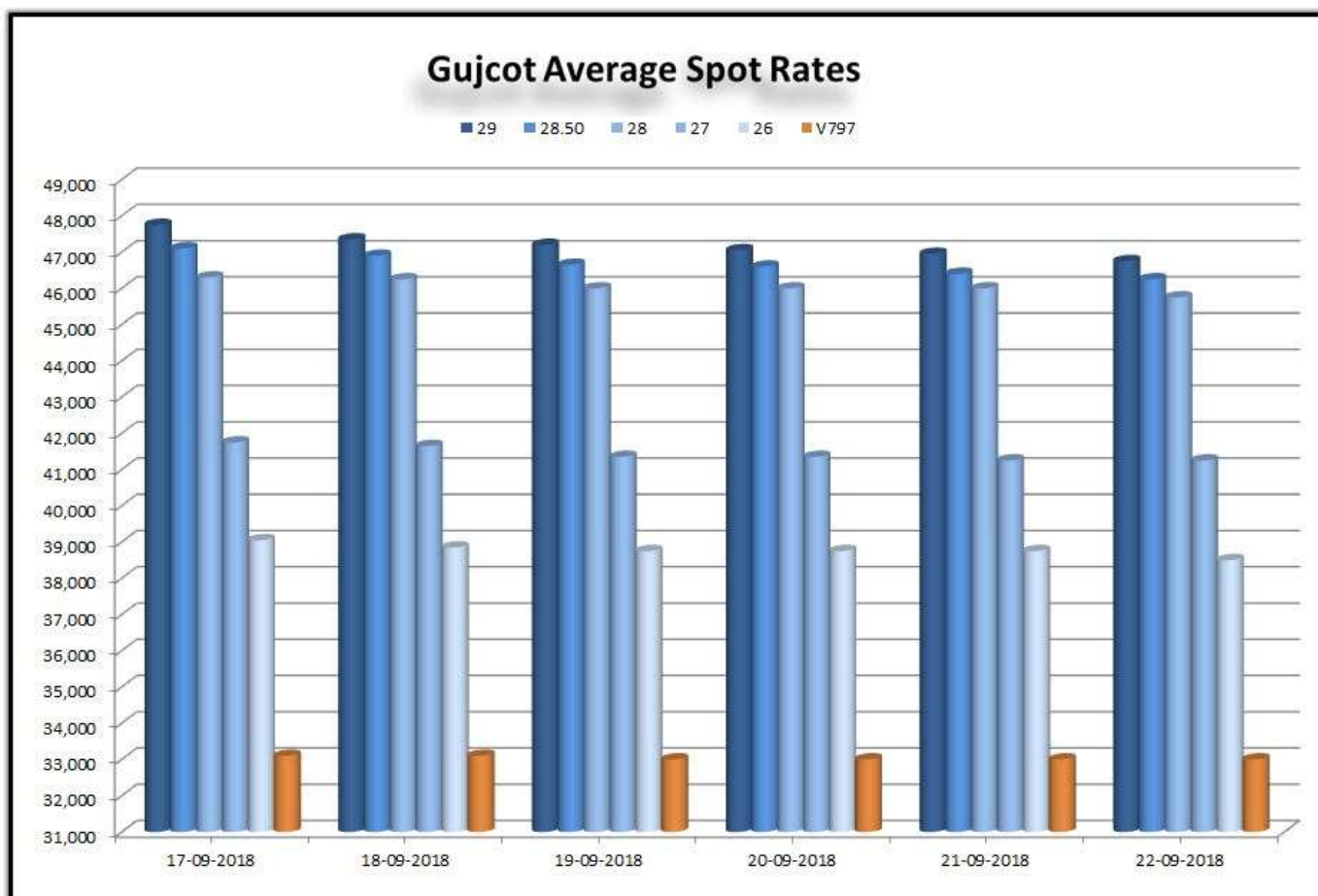
On the demand side, while there is a lot of concern about potential longer-term damage from the trade war with the USA, for now downstream consumption seems to continue unaffected. Cotton garments and home textiles seem not to be among the goods subject to the tariffs announced so far; but, of course, in case of a further escalation they may also be hit in the future.

The long-awaited allocation of the sliding-scale duty has still not happened, but it is generally seen as a given fact, which has also resulted in some import business for guaranteed arrival by February 2019, apparently mostly for Brazilian origin.

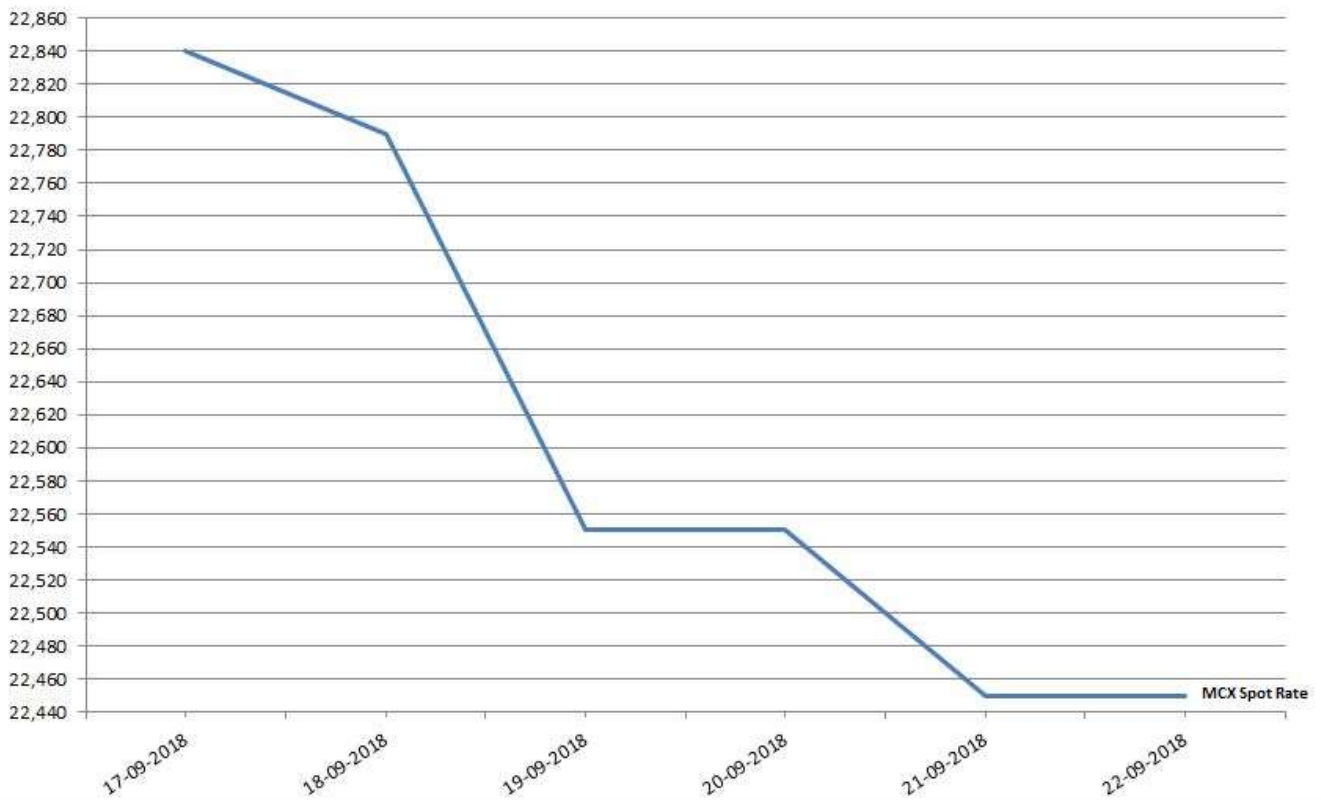
Average Rate Of Last week					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	46,750	47,750	47,175
Shankar 6	28.5	3.7	46,250	47,100	46,650
Shankar 6	28	3.6	45,750	46,300	46,050
Shankar 6	27	3.2	41,250	41,750	41,433
Shankar 6	26	3	38,500	39,050	38,775
V-797	13% Trash		33,000	33,100	33,033
MCX Spot Rate			22,450	22,840	22,605
USD Exchange Rate			72.20	72.97	72.44

Rate Of Last Week								
Date	29 3.8	28.5 3.7	28 3.6	27 3.2	26 3.0	V-797	MCX Spot Rate	USD-INR Exchange
17-09-2018	47,750	47,100	46,300	41,750	39,050	33,100	22,840	72.50
18-09-2018	47,350	46,900	46,250	41,650	38,850	33,100	22,790	72.97
19-09-2018	47,200	46,650	46,000	41,350	38,750	33,000	22,550	72.38
20-09-2018	47,050	46,600	46,000	41,350	38,750	33,000	22,550	72.38
21-09-2018	46,950	46,400	46,000	41,250	38,750	33,000	22,450	72.20
22-09-2018	46,750	46,250	45,750	41,250	38,500	33,000	22,450	72.20

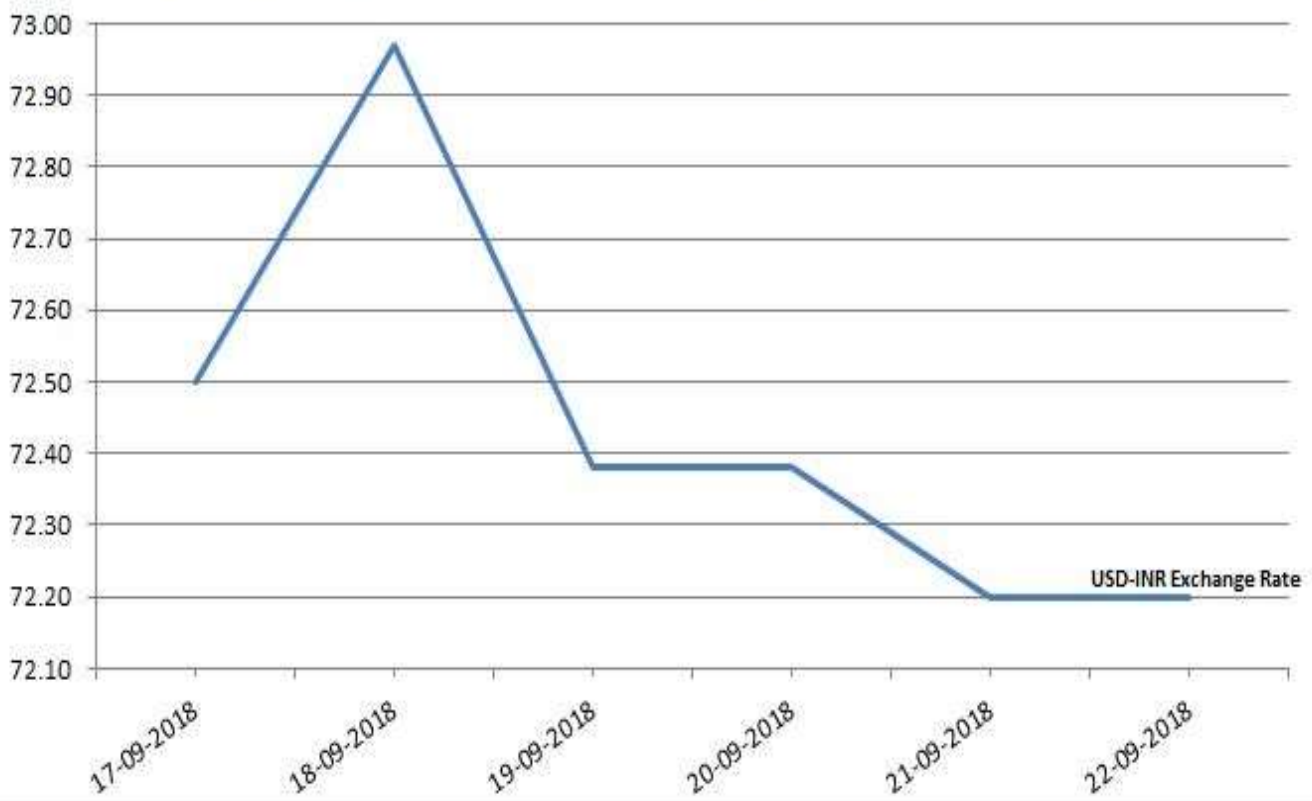
Cotton Price Movement during the Last Week



MCX Spot Rate Closing Of The Days'

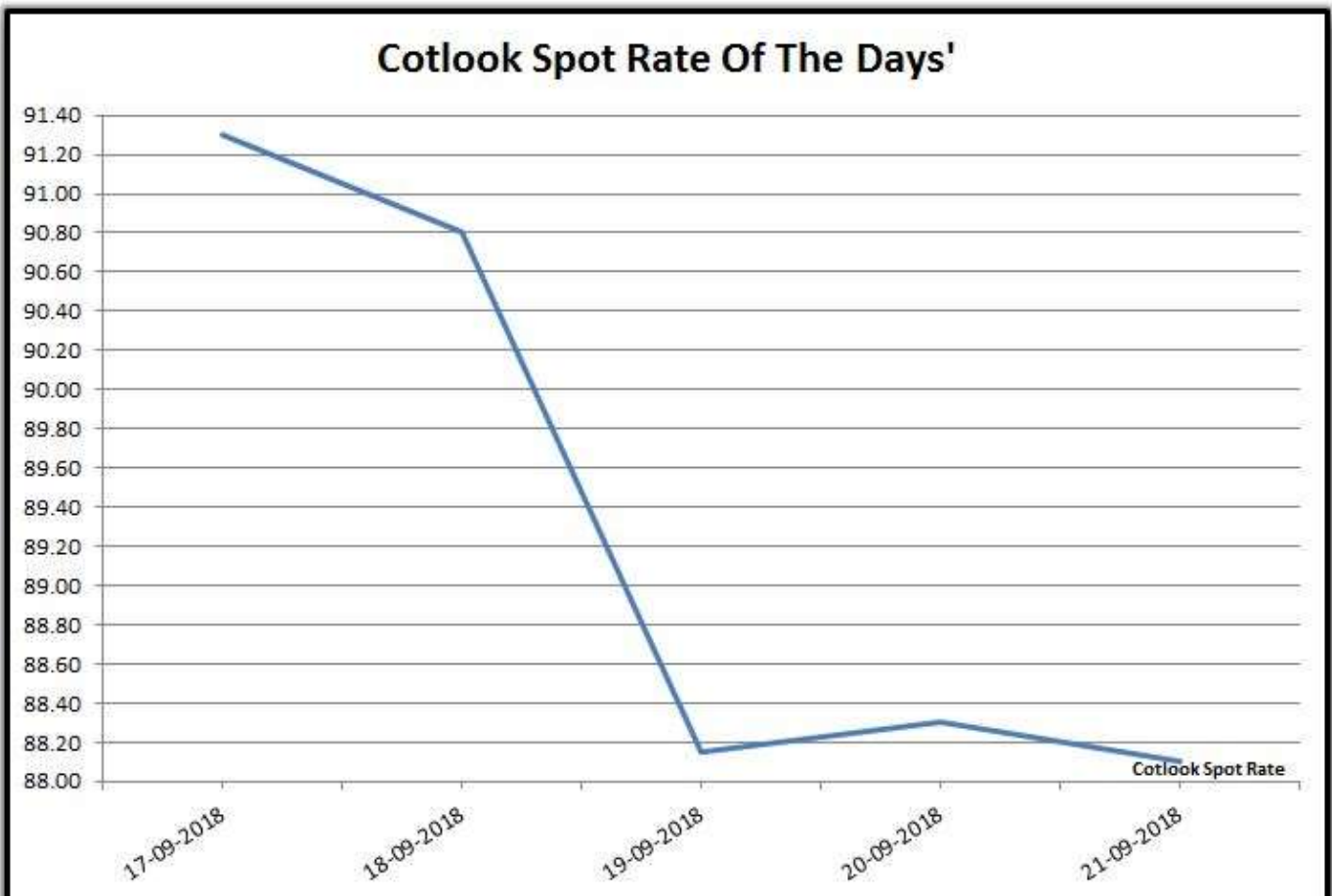


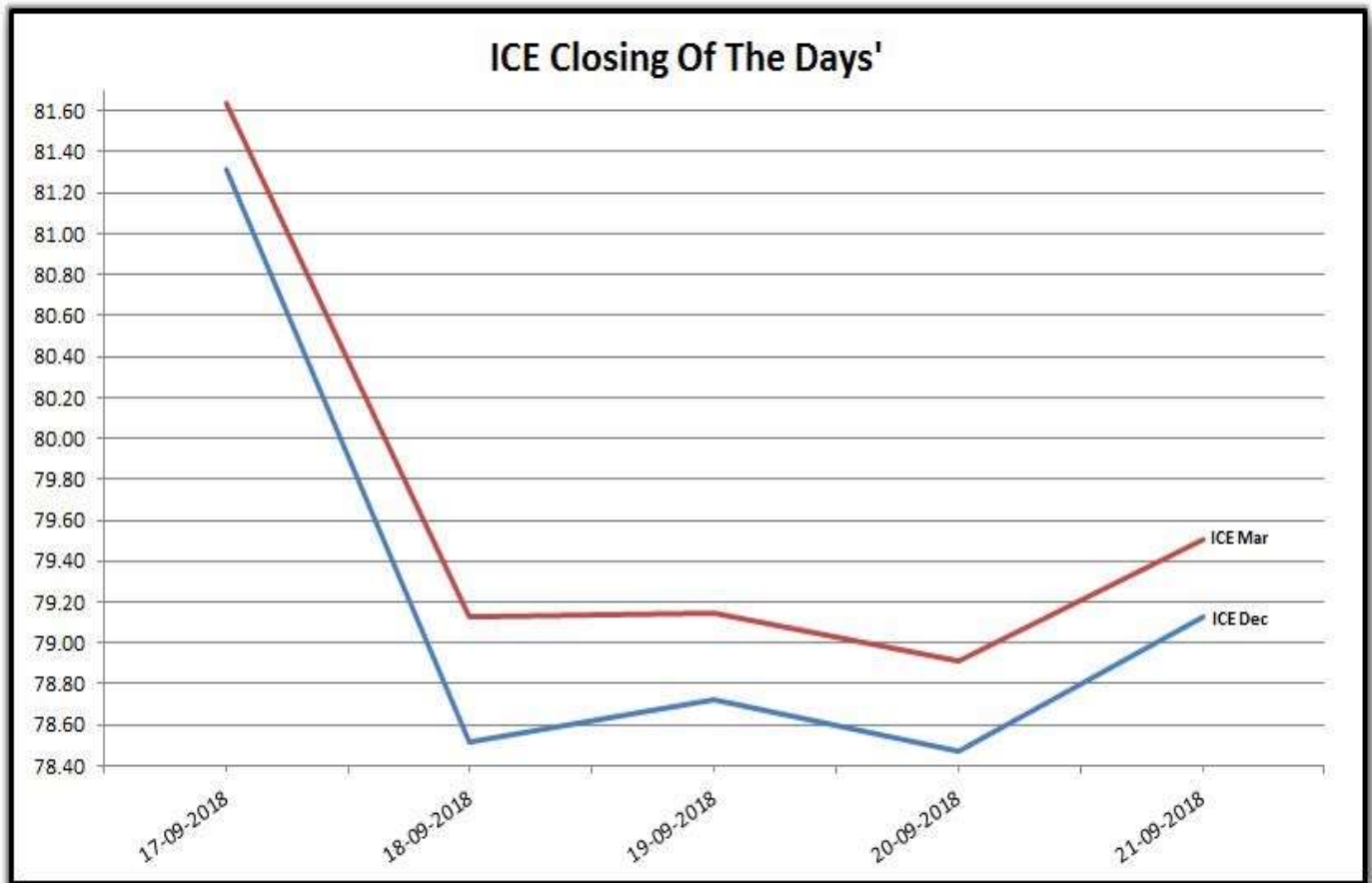
USD-INR Exchange Rate Closing Of The Days'



Foreign Indices

Date	Cotlook	ICE	
	Spot Rate	Dec-18	Mar-19
17-09-2018	91.30	81.31	81.64
18-09-2018	90.80	78.52	79.13
19-09-2018	88.15	78.72	79.15
20-09-2018	88.30	78.47	78.91
21-09-2018	88.10	79.13	79.51

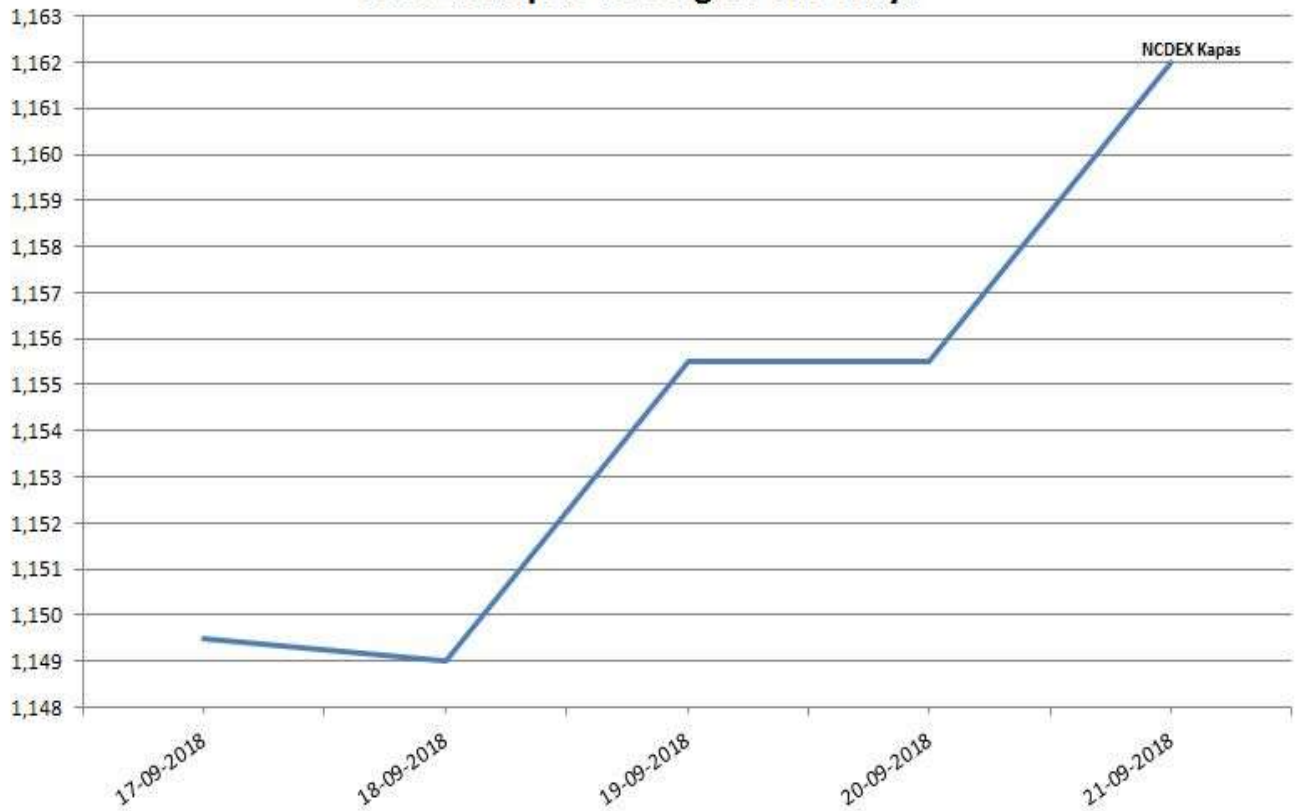




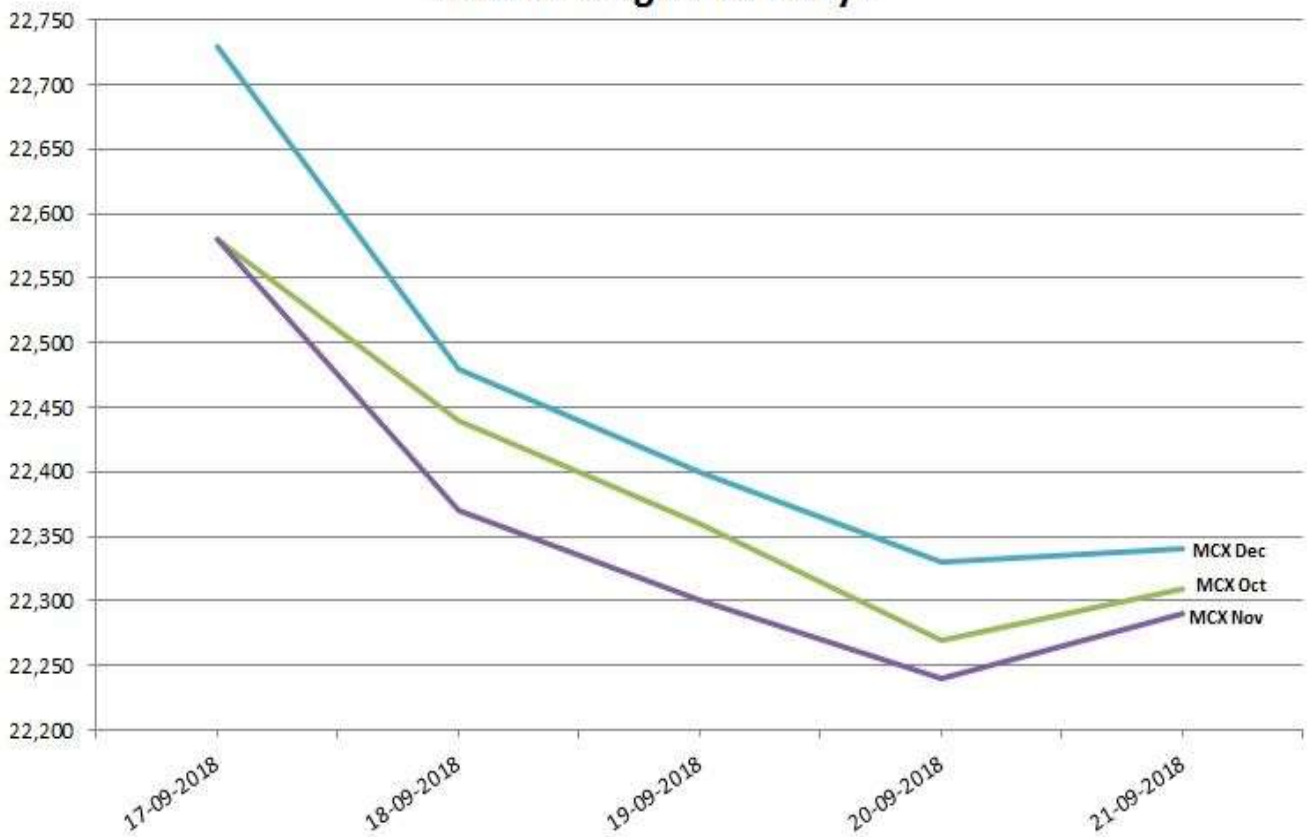
Indian Indices

Date	NCDEX Kapas	MCX		
	30-Apr-19	Oct-18	Nov-18	Dec-18
17-09-2018	1149.5	22,580	22,580	22,730
18-09-2018	1149	22,440	22,370	22,480
19-09-2018	1155.5	22,360	22,300	22,400
20-09-2018	1155.5	22,270	22,240	22,330
21-09-2018	1162	22,310	22,290	22,340

NCDEX Kapas Closing Of The Days'



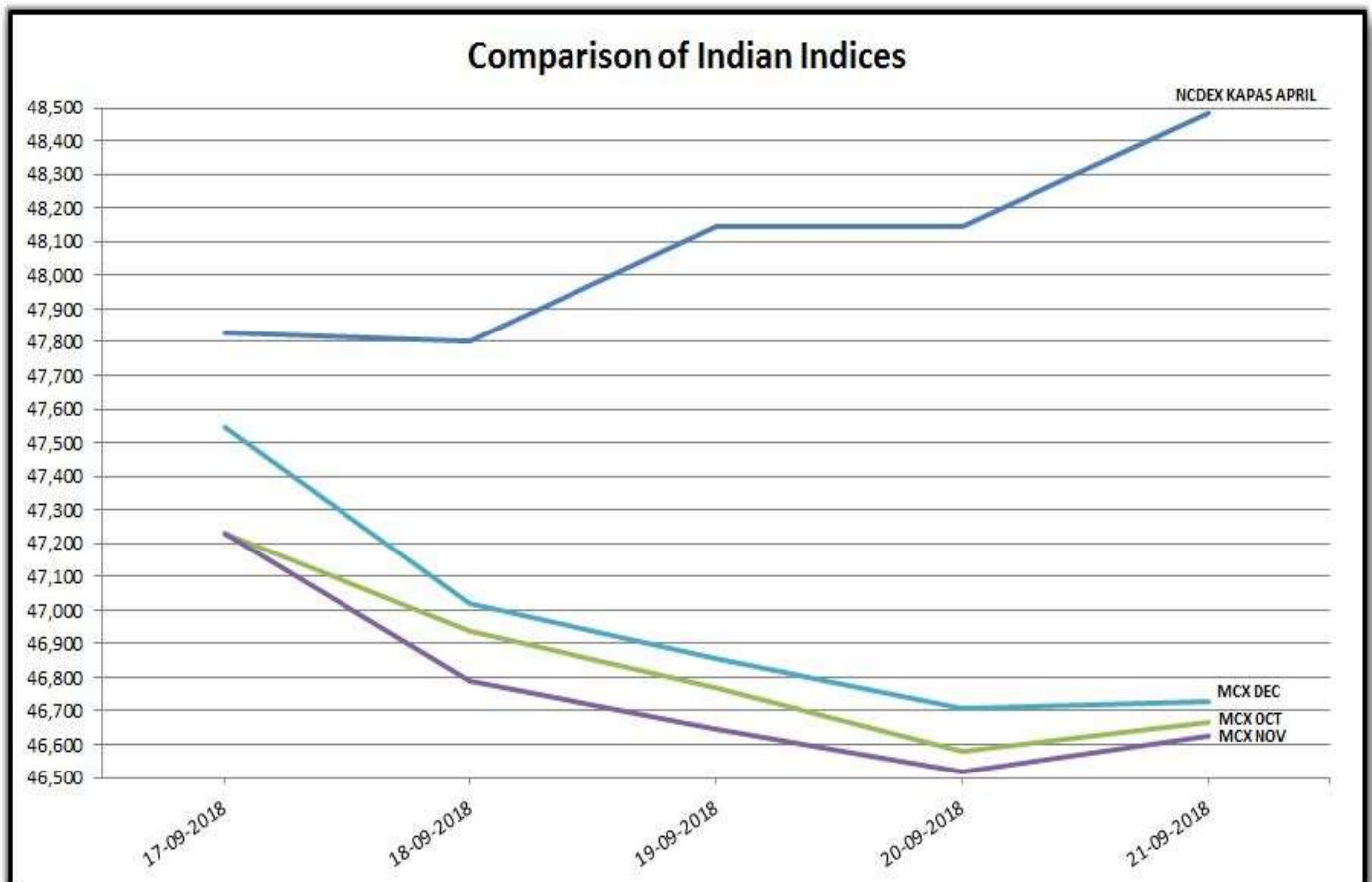
MCX Closing Of The Days'



Indian Indices in Candy Rate

Date	NCDEX Kapas	MCX		
	April	Oct	Nov	Dec
17-09-2018	47,830	47,231	47,231	47,544
18-09-2018	47,803	46,938	46,791	47,021
19-09-2018	48,143	46,770	46,645	46,854
20-09-2018	48,143	46,582	46,519	46,708
21-09-2018	48,483	46,666	46,624	46,729

Remark :- For NCDEX Kapas we have taken seed rate 425/20 Kg to convert in Candy.



IN THE WEEK AHEAD:

- Crop Progress and Condition will be released Monday at 3:00 p.m. Central Time.
- The Export Sales report will be released Thursday at 7:30 a.m. Central Time.
- The CFTC Cotton On-Call report to be released Thursday at 2:30 p.m. Central Time.
- The CFTC's Commitments-of-Traders report will be released Friday at 2:30 p.m. Central Time.

One stop solution for all cotton related reports and information.

Visit <https://www.gujcot.com>. It's updated every day in real time.

You can view

- Gujarat Daily Spot Rate at 5:30 pm and Historical Data
- Gujarat Latest Pressing Report and Historical Data
- Daily Weather Report
- Cotton Advisory Board Balancesheet and Area, Production, Yield reports from cotton season 1991-1992 to 2017-2018 estimate available from Menu->Reports
- All Historical Gujcot Weekly Reports Menu->Reports
- All India Cotton Sowing data
- Gujarat Cotton Sowing District wise Report
- US Export Sales Report
- US Crop Progress Report
- China Cotton AuctionDailyUpdate
- International Cotton Indices and Spot Rates.
- USDA WASDE Report
- ICE Cotton On Call Report
- And All other National & International reports and upcoming events

Report prepared by

Kalpesh Patel

Manager

GujcotTrade Association