



# Gujcot Trade Association

## WEEKLY REPORT

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### Market Movement from 22<sup>ND</sup> Oct 2018 to 27<sup>TH</sup> Oct 2018

- Gujarat Cotton prices of 29 mm sold between 46,750 to 47,100 Rs./Candy.
- Outstate arrivals of new Crop Kapas from Madhya Pradesh and Maharashtra have started in good quantities now.
- All India Daily Arrivals remained 1,00,000 to 1,20,000 bales.
- Gujarat Daily Pressing was approximately 20,000 bales.
- NY December futures w/w gain 0.61 cents.
- Rupee get stable between 73.15 to 73.56.
- All Indian arrivals are picking up very fast and market adjusted to new season rates between 46,000 - 47,000. Highest arrival is in north India so north cotton rate are more competitive.
- Indian domestic mills are running hand to mouth so everybody need current cotton so Indian cotton price remains firm.
- US Export Sales was poor. Despite poor sales US market remains stable.
- In Gujarat ginners have huge disparity so ginning are running slowly.

# Global

## US Weekly Export Sales

- Net UPLAND sales of 40,600 RB for 2018-2019 were up 24 percent from the previous week, but down 27 percent from the prior 4-week average. Increases were reported for Pakistan (22,900 RB), Turkey (11,600 RB), Mexico (9,900 RB), Costa Rica (9,400 RB), and Japan (8,000 RB), including decreases of 300 RB).
- Reductions were reported for China (41,900 RB), South Korea (3,000 RB), and Vietnam (2,800 RB). For 2019-2020, net sales of 4,600 RB were reported for Costa Rica (3,200 RB) and Peru (1,400 RB).
- UPLAND Exports of 1,39,200 RB were up 3 percent from the previous week, but down 16 percent from the prior 4-week average. Exports were primarily to Vietnam (42,500 RB), Mexico (18,900 RB), China (10,700 RB), Pakistan (9,200 RB), and Indonesia (8,700 RB).
- Net sales of PIMA totaling 11,400 RB for 2018-2019 were up noticeably from the previous week and up 62 percent from the prior 4-week average. Increases were reported for Vietnam (4,400 RB), China (4,000 RB, including decreases of 400 RB), Thailand (1,200 RB), and Pakistan (900 RB). Reductions were reported for Colombia (100 RB).
- PIMA Exports of 5,100 RB were down 20 percent from the previous week, but up 20 percent from the prior 4-week average. The primary destinations were China (2,100 RB), India (1,400 RB), Thailand (600 RB), and Turkey (600 RB).

US Export Sales	18-Oct-2018
<b>Marketing Year 2018-19</b>	
Upland Gross Sales	1,01,800
Cancellation	61,200
<b>Net Upland Sales</b>	<b>40,600</b>
PIMA Gross Sales	11,900
Cancellation	500
<b>Net PIMA Sales</b>	<b>11,400</b>
Total Gross Sales	1,13,700
Total Cancellation	61,700
<b>Total Net Sales</b>	<b>52,000</b>
<b>Shipments</b>	
UPLAND	1,39,200
PIMA	5,100
<b>Total Shipment</b>	<b>1,44,300</b>
<b>Marketing Year 2019-20</b>	
Net Upland Sales	4,600
Net PIMA Sales	0
<b>Total Net Sales</b>	<b>4,600</b>
All Figures in US Running Bale	

## China report from Reinhart weekly report

After a short consolidation around 15'500, the ZCE cotton futures market continued to trade to the downside (basis Jan19 contract). Prices reached the next minimum downside target sitting at 15'000-14'800. Short- and long-term trends remain negative.

The harvest in Xinjiang is now in full swing and prices for seed cotton are reported to be under pressure. Current prices for machine picked seed cotton are close to delivery parity against January ZCE, and first quantities are already moving into ZCE delivery warehouses in Xinjiang. So certified stocks are unlikely to decline further and may start increasing again.

There have been rumors about possible Reserve purchases in Xinjiang, but for now there is no confirmation available.

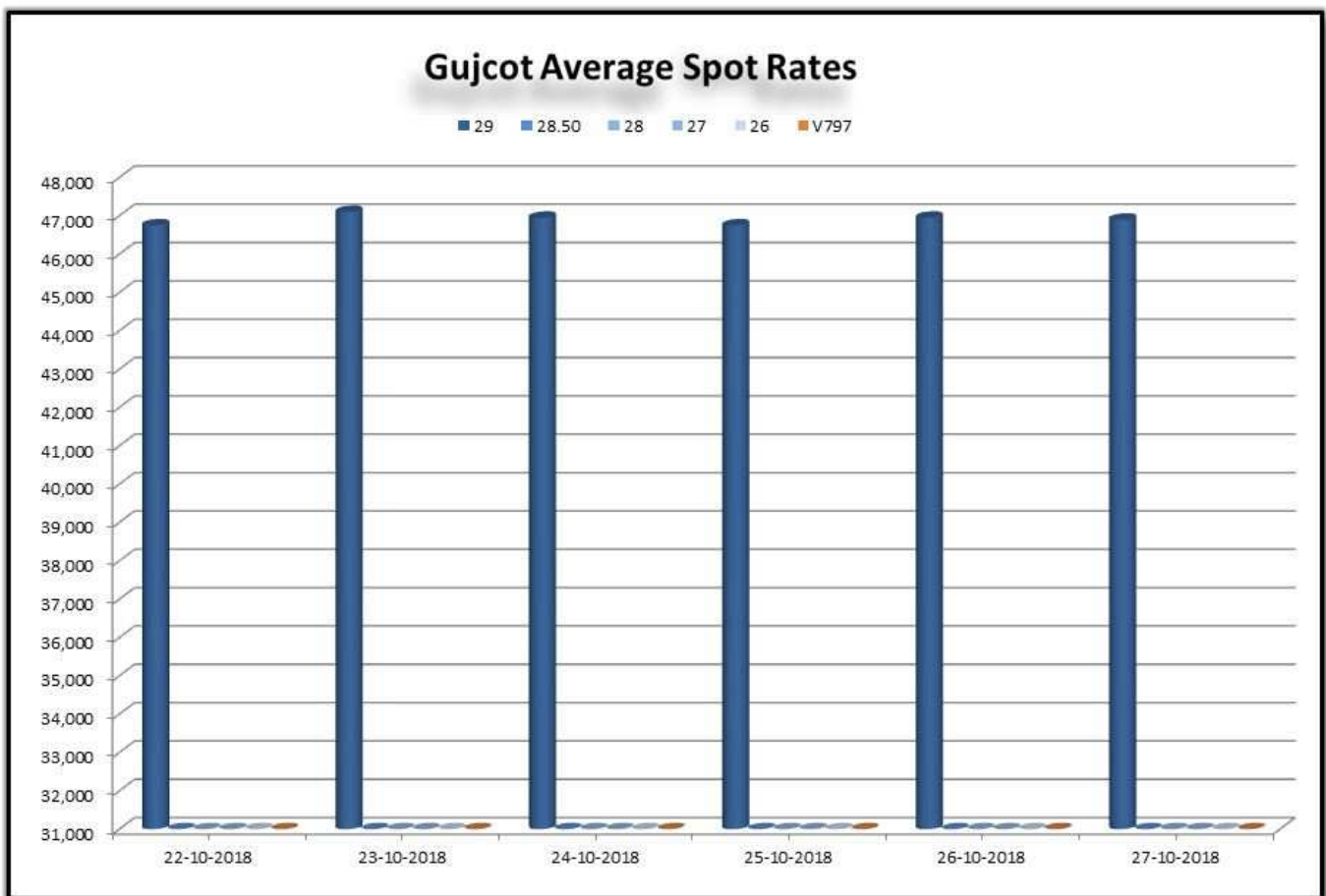
Import business has become very slow again, partly due to the physical impossibility of shipping more volume for arrival before quota expiry end February, and partly also due to higher ICE. Spinning mills remain extremely cautious buyers; although this year so far, they have enjoyed good business, the outlook for the future is extremely uncertain due to the trade dispute. Along the entire textile chain,

orders are kept strictly short term. Also, in import business, the Reserve may have been behind some of the buying by state trading companies in the recent past; but again, those are no hard facts, only rumors.

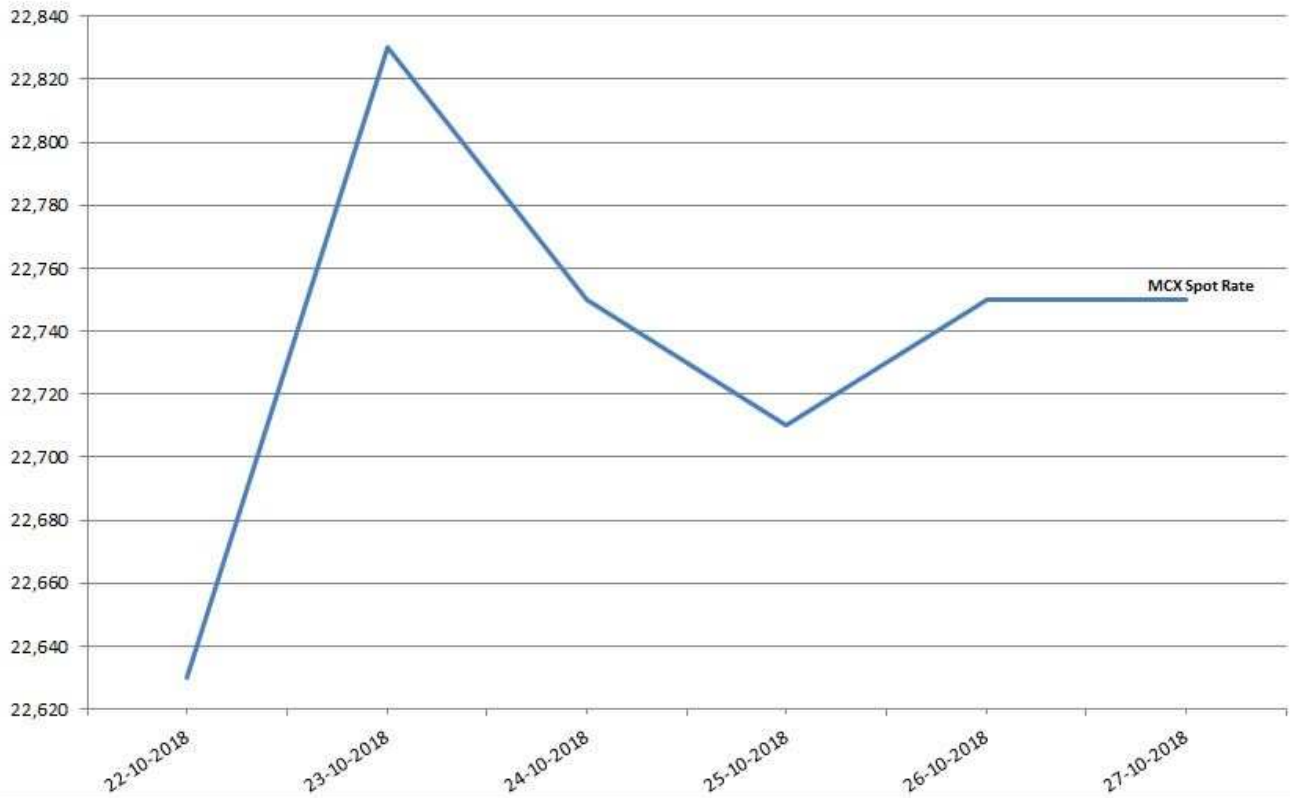
<b>Average Rate Of Last week</b>					
Variety	Staple Length	Mic.	Price Range		Average Of 6 Days
			Low	High	
Shankar 6	29	3.8	46,750	47,100	46,900
Shankar 6	28.5	3.7	No Quote	No Quote	No Quote
Shankar 6	28	3.6	No Quote	No Quote	No Quote
Shankar 6	27	3.2	No Quote	No Quote	No Quote
Shankar 6	26	3	No Quote	No Quote	No Quote
V-797	13% Trash		No Quote	No Quote	No Quote
<b>MCX Spot Rate</b>			22,630	22,830	22,737
<b>USD Exchange Rate</b>			73.15	73.56	73.41

<b>Rate Of Last Week</b>								
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
22-10-2018	46,750	No Quote	No Quote	No Quote	No Quote	No Quote	22,630	73.55
23-10-2018	47,100	No Quote	No Quote	No Quote	No Quote	No Quote	22,830	73.56
24-10-2018	46,950	No Quote	No Quote	No Quote	No Quote	No Quote	22,750	73.15
25-10-2018	46,750	No Quote	No Quote	No Quote	No Quote	No Quote	22,710	73.28
26-10-2018	46,950	No Quote	No Quote	No Quote	No Quote	No Quote	22,750	73.46
27-10-2018	46,900	No Quote	No Quote	No Quote	No Quote	No Quote	22,750	73.46

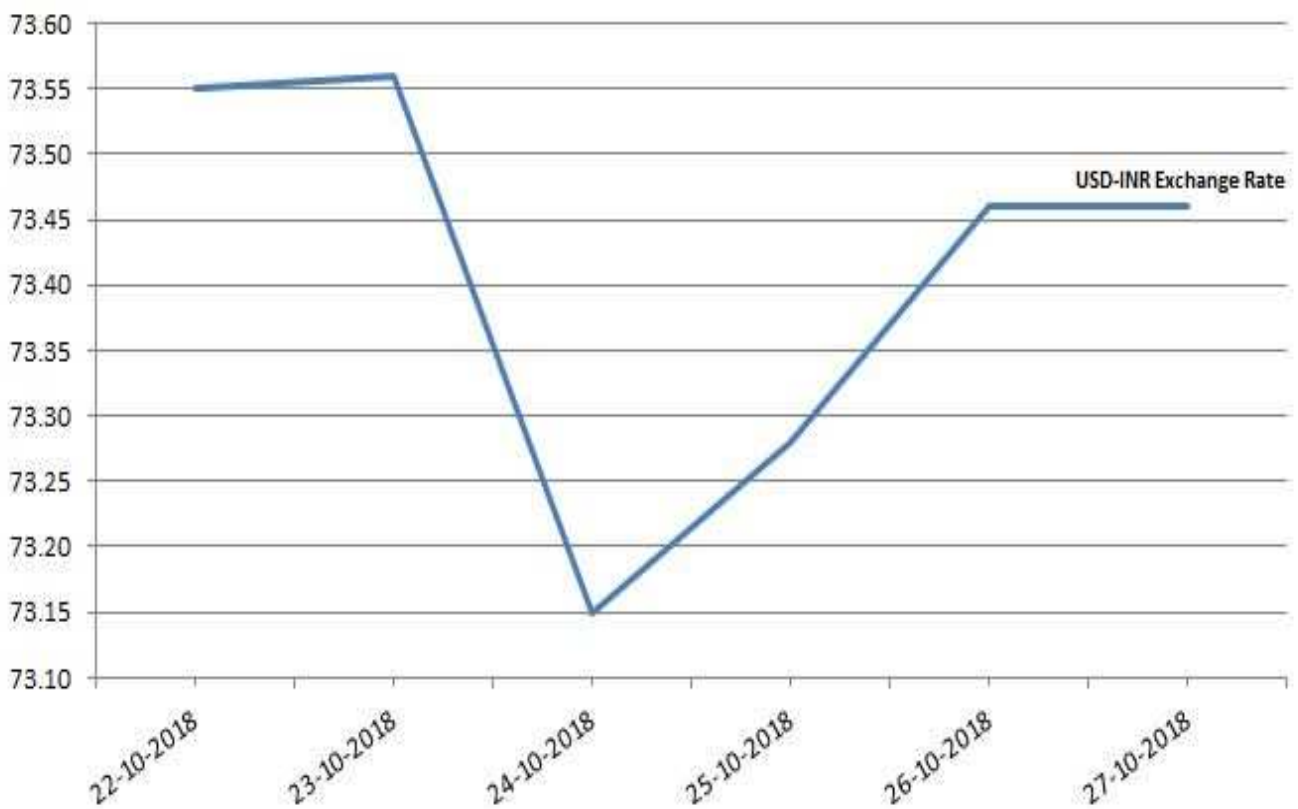
# Cotton Price Movement during the Last Week



### MCX Spot Rate Closing Of The Days'

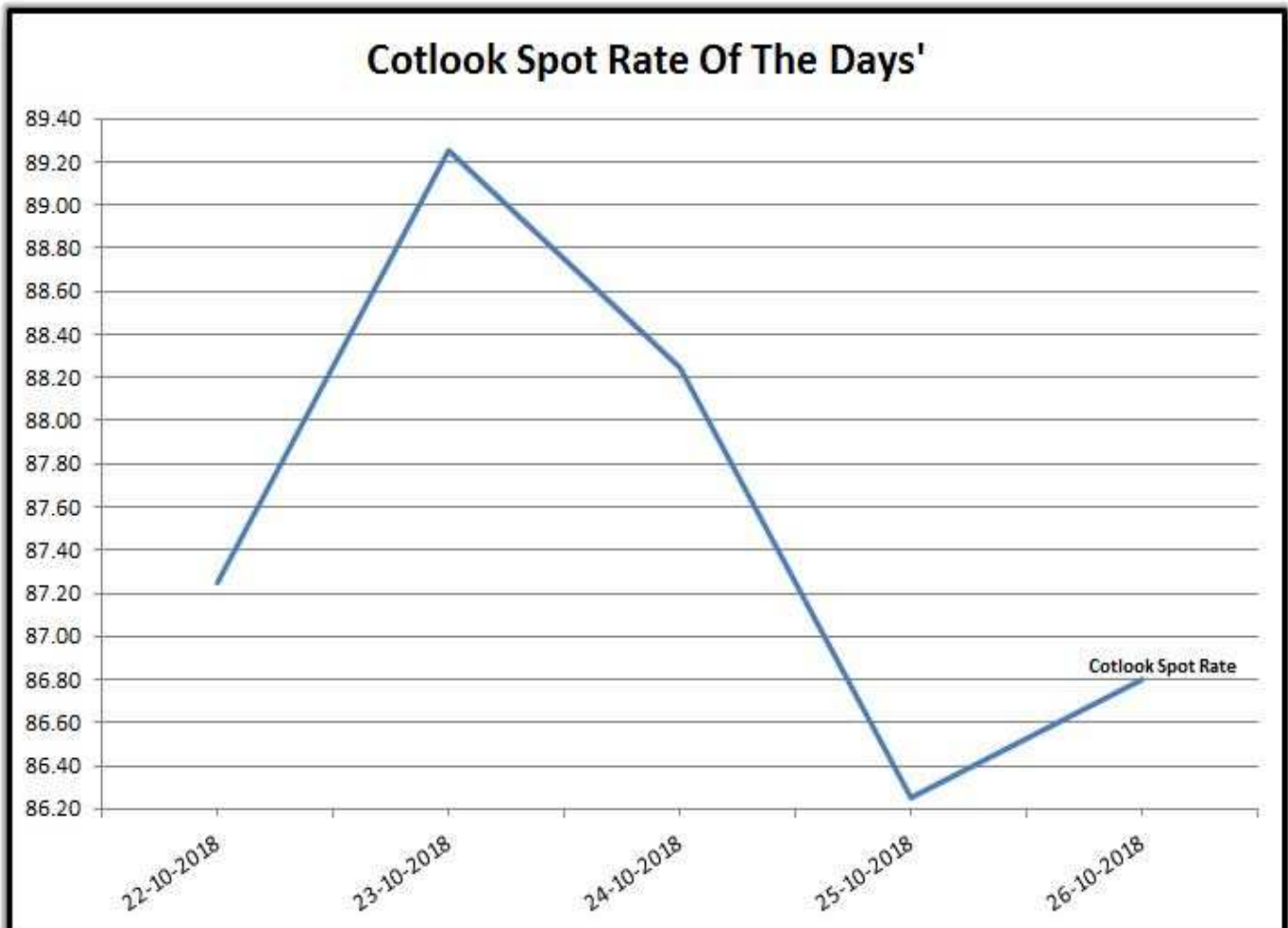


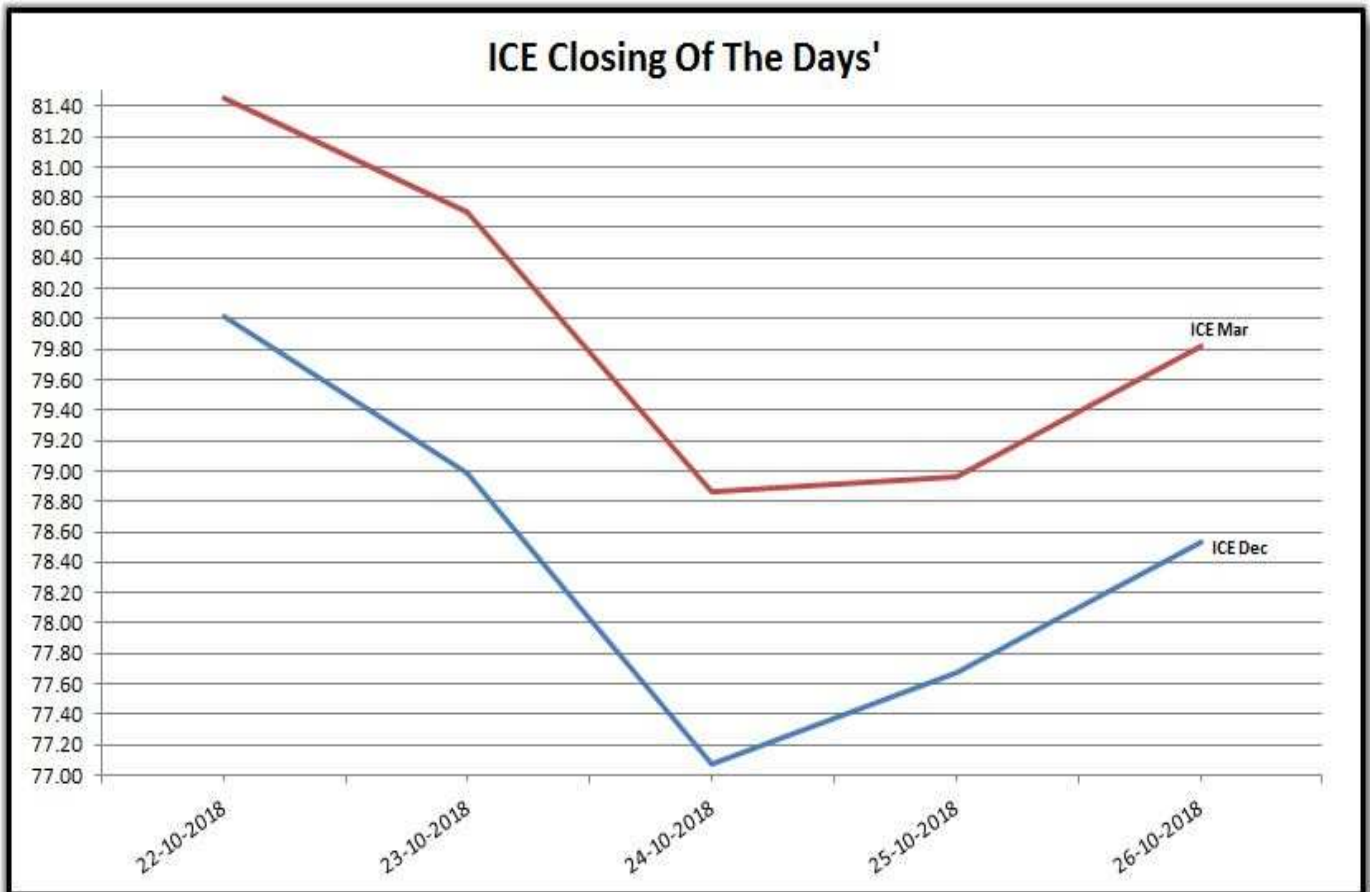
### USD-INR Exchange Rate Closing Of The Days'



## Foreign Indices

Date	Cotlook	ICE	
	Spot Rate	Dec-18	Mar-19
22-10-2018	87.25	80.02	81.45
23-10-2018	89.25	78.99	80.70
24-10-2018	88.25	77.07	78.87
25-10-2018	86.25	77.68	78.96
26-10-2018	86.80	78.53	79.82

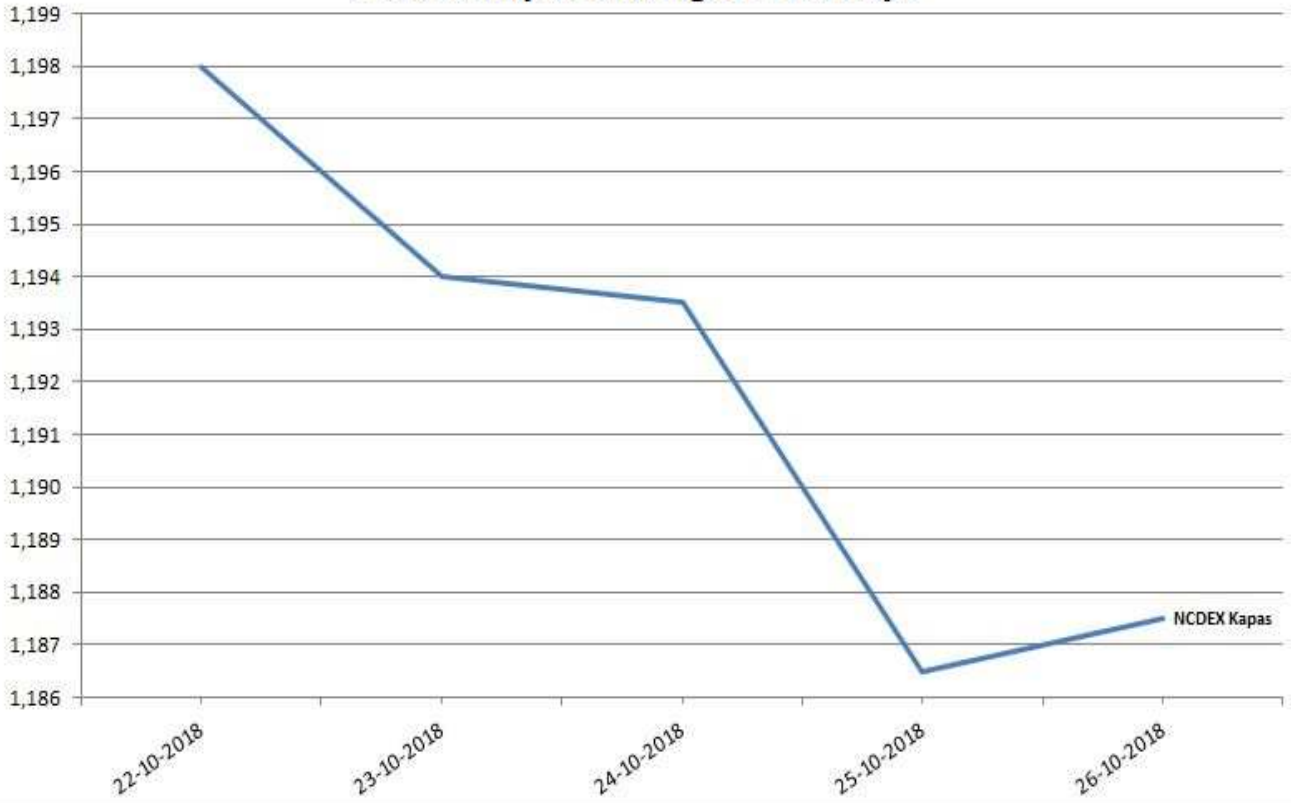




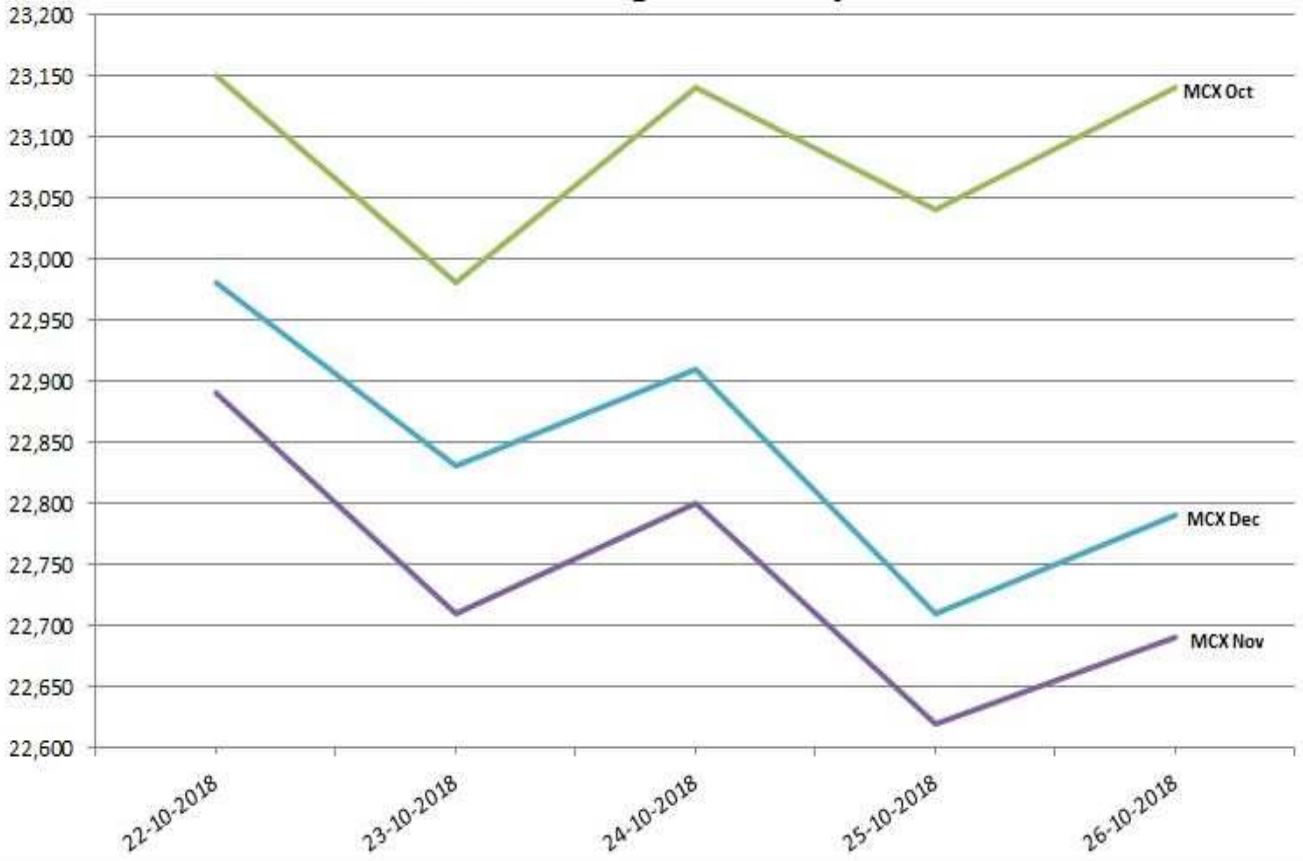
### Indian Indices

Date	NCDEX Kapas	MCX		
	30-Apr-19	Oct-18	Nov-18	Dec-18
22-10-2018	1198	23,150	22,890	22,980
23-10-2018	1194	22,980	22,710	22,830
24-10-2018	1193.5	23,140	22,800	22,910
25-10-2018	1186.5	23,040	22,620	22,710
26-10-2018	1187.5	23,140	22,690	22,790

### NCDEX Kapas Closing Of The Days'



### MCX Closing Of The Days'

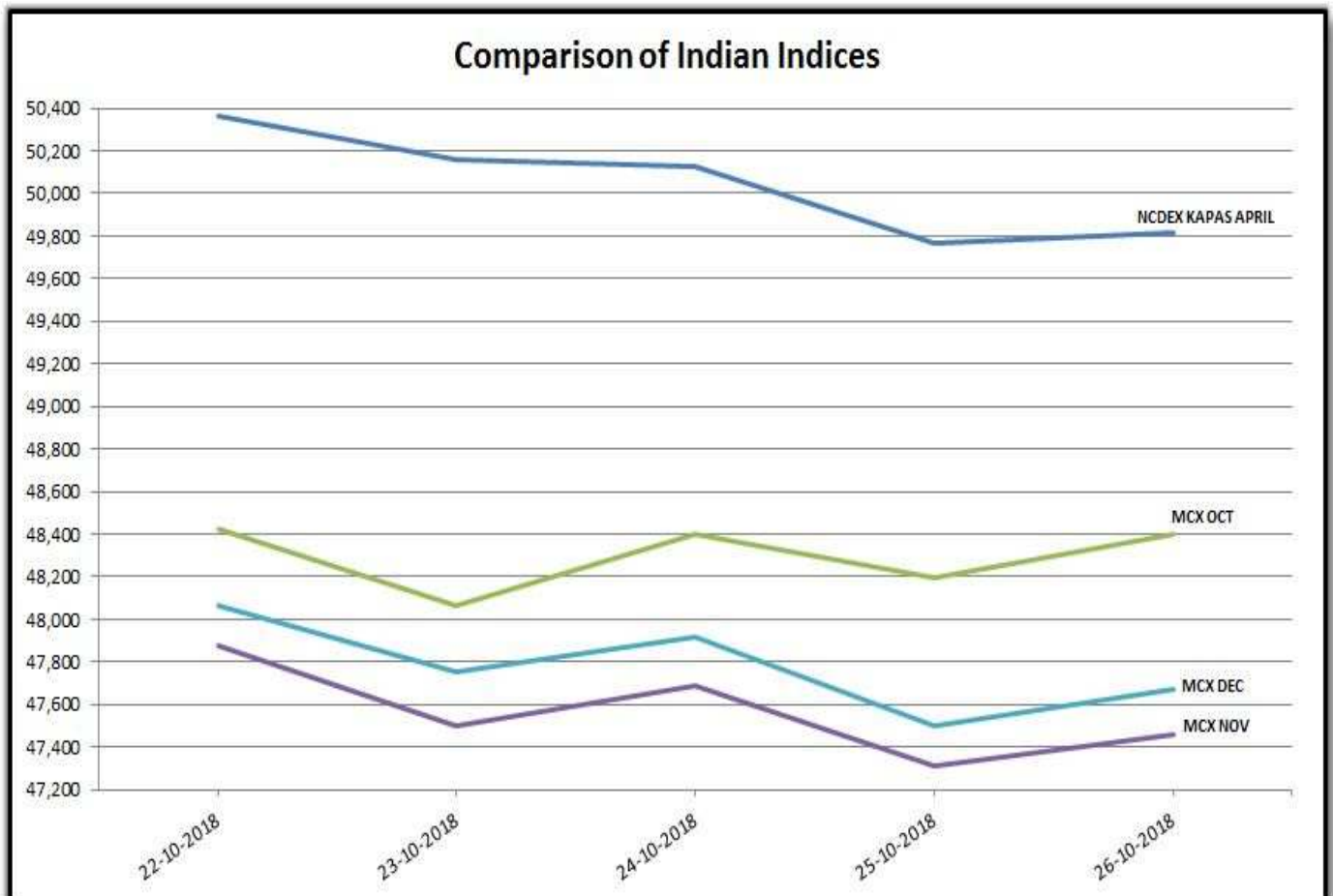




## Indian Indices in Candy Rate

Date	NCDEX Kapas	MCX		
	April	Oct	Nov	Dec
22-10-2018	50,366	48,423	47,879	48,067
23-10-2018	50,157	48,067	47,503	47,754
24-10-2018	50,130	48,402	47,691	47,921
25-10-2018	49,764	48,193	47,314	47,503
26-10-2018	49,817	48,402	47,461	47,670

**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 CFTC Cotton On-Call report will be released Thursday at 2:30 p.m. Central Time.
- The Export Sales report will be released Thursday at 7:30 a.m. Central Time.
- The CFTC's Commitments-of-Traders will be released Friday at 2:30 p.m. Central Time.

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**Gujcot Trade Association**