

Cotton Domestic Fundamentals:

- Cotton prices in domestic market noticed mixed tone on Monday.
- Prices slipped down on higher arrivals amid concerns over release of China cotton stock.
- Millers are not buying much as they are waiting for the prices to slip further.
- Contracts have been signed by exporter to supply cotton to China at 82 Cents/Lb C&F.
- CCI (Cotton Corporation of India) offers 10500 bales of cotton to sell, through E-auction.
- Recent cyclone Helen, in Andhara Pradesh has damaged around 10 lakh acre of crop, including cotton.
- Gujarat is likely to produce 11.5 million bales of cotton this season (2013-14) whereas it was 8.7 million bales last season.

Cotton International Fundamentals:

- Turkey raw cotton imports stood 86210 tonnes during October this season versus 46876 tonnes last year during the same period.
- China stockpiles will reach around 11 million tons by the end of crop year 2013-14.
- At ICE, cotton ended the month with a slight gain, even prices fell to 10-month lows and open interest also decline to the lowest since 2012.
- In Pakistan, cotton arrivals are totaled at 9.5 million bales till November 15,2013 while, it is likely to reach at 11 million bales until November 30,2013-Traders Report.
- The bullish U.S. weekly export sales in recent weeks have shown that lower prices reignited demand.
- As per the NCMMS (National Cotton Market Monitoring System) report 94.2% of cotton crop in China has been harvested as on 22 Nov. 0.4% down on year on year basis.
- World cotton stockpiles next year would be around 19.81 million tones, 7% bigger than what was estimated in July this year, as reported by ICAC.

Outlook: We expect domestic cotton prices to remain weak to remain range bound in coming days.

NCDEX Kapas Futures : (Prices in Rs/20kg)

Contract	+/-	Open	High	Low	Close
Feb-14	3.00	844.00	844.00	844.00	844.00
Mar-14	0.00	0.00		0.00	0.00
Apr-14	6.00	910.00	916.50	904.00	914.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	1	-1	14	0
Mar-14	0	-2	6	0
Apr-14	5,415	3,763	10573	412

Spread

	Feb-14	Mar-14	Apr-14
Spot	118		
Feb-14			
Mar-14			914.5

NB: Spread was done by taking avg spot prices at Rajkot – B.T. Cotton market. Basis = Spot- Near Month Future

MCX Kapas Futures : (Prices in Rs/20kg)

Contract	+/-	Open	High	Low	Close
Mar-14	6.70	870.00	873.50	865.50	872.00
Apr-14	5.20	915.00	919.80	910.00	918.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	21	10	206	2
Apr-14	71	44	299	-4

Spread

	Mar-14	Apr-14
Spot	90	
Mar-14		46

NB: Spread was done by taking avg spot prices at Rajkot – B.T.Cotton market. Basis = Spot-Near Month Future

MCX Cotton Futures Closed (29 mm Variety):

Contract	% Change	Open	High	Low	Close
31-Dec-13	0.38	18380	18570	18370	18470
31-Jan-14	0.43	18680	18860	18670	18760
27-Feb-14	0.53	18990	19140	18980	19080
31-Mar-14	0.47	19320	19420	19310	19370
30-Apr-14	0.62	19480	19580	19480	19580

Cotton Prices at Key Spot Market:

Centre	Variety	Prices		Change
		2-Dec-13	30-Nov-13	
	Kapas	Prices (Rs./Qtl)		
Amravati	Mech-1	4250	4300	-50
Khandwa	Mech-1	4700	Closed	-
Khargaon	Mech-1	4750	Closed	-
	Kapas	Prices (Rs./Qtl.)		
Mahesana(Kadi)	B.T. Cotton	4900	4850	50
Rajkot	B.T. Cotton	4850	4810	40
Patan	B.T. Cotton	4795	4535	260
Muktsar	B.T. Cotton	5200	5250	-50
Fazilika	B.T. Cotton	NQ	4925	-
Bhiwani	B.T. Cotton	NQ	5000	-
	Kapas	Prices (Rs./Qtl.)		
Ahmedabad	Shankar-6	4800	4750	50
Gondal	Shankar-6	4800	4735	65
	Lint	Prices (Maund of 37.32kg each)		
Abohar	J-34	4110	4175	-65
Muktsar	J-34	4110	4180	-70
Fazilika	J-34	NQ	4100	-
Bhatinda	J-34	4115	4180	-65
Mansa	J-34	4110	4180	-70
Sirsa	J-34	4000	4060	-60
Sri-Ganganagar	J-34	3760	3807	-47

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		2-Dec-13	30-Nov-13	
Amravati	Mech-1	8000	7500	500
Khandwa	Mech-1	2000	Closed	-
Khargaon	Mech-1	8000	Closed	-
Mahesana(Kadi)	B.T. Cotton	20000	40000	-20000
Rajkot	B.T. Cotton	8000	7600	400
Patan	B.T. Cotton	12598	15210	-2612
Muktsar	B.T. Cotton	425	340	85
Fazilika	B.T. Cotton	NQ	1000	-
Bhiwani	B.T. Cotton	NQ	500	-
Ahmedabad	Shankar-6	85000	71400	13600
Gondal	Shankar-6	2088	1624	464
Abohar	J-34	1190	850	340
Bhatinda	J-34	22100	22100	Unch
Mansa	J-34	935	850	85
Sirsa	J-34	2040	2040	Unch
Sri-Ganganagar	J-34	1700	2550	-850

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				30-Nov-13	29-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	39600	39600	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	40400	Unch
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38100	38100	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	38800	38800	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39400	39400	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	39900	39900	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	56500	56500	Unch



China Cotton Index: As on 02/12/2013

Cotlook Index: As on 29/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	84.90	Unch

Index	RMB/Ton	Change
CCIndex(328)	19557	-46
CCIndex(527)	NQ	-
CCIndex(229)	20383	-44

RMB - Renminbi, 1RMB = 0.16 \$U.S.

USDA Cotton Spot Rates: As on 29/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	77.6	81.35	238
North Delta	76.6	79.1	Nil
South Delta	76.6	79.1	Nil
East TX-OK	75.5	77.75	948
West Texas	75.5	78.25	5120
Desert SW	73.6	80.35	Nil
SJ Valley	74.35	85	Nil

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

ICE Cotton Futures (Prices in cents/lb.): As on 29/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	77.05	78.14	77.05	78.14	1.39
Mar-14	78.5	79.62	78	79.35	0.91
May-14	79.1	79.93	78.47	79.85	0.9
Jul-14	79.8	80.35	79.09	80.3	0.8
Oct-14	77.89	77.89	77.89	77.89	0.81
Dec-14	75.96	76.99	75.96	76.96	0.82

Pakistan Cotton Spot rates: As on 30/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6400	155	6555
Equivalent	40 Kgs	6859	155	7014

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