

**Cotton Domestic Fundamentals:**

- Cotton prices noticed mixed tone on Saturday.
- Good demand from the millers amid expectation of higher yarn export lent support to prices.
- Lower stocks in the ready market added to the positive tone of the market.
- Cotton stock of around only 4000 quintals is remaining in Bhiwani Mandi, which is a week's stock.
- Acreage under cotton during the current kharif season till date has been reported 9.35 lakh hectares compared to 9.13 lakh hectares during the same period previous year.
- Higher acreage has been reported in the states of Punjab and Haryana.

**Cotton International Fundamentals**

- Cotton has been planted in 39 percent of the total planted area in USA which was 59 percent in same time last year.
- Cotton futures at NYMEX closed lower amid sluggish demand in the global market.
- China garment industry made growth 12.2 percent higher than last year same period. China garment industry exported garments and accessories worth US\$35.31 billion dollars which is 19.4 percent higher than same period last year. This growing trend is likely to impact a continued demand of raw cotton from India.

**Outlook:** We expect domestic cotton prices to notice sideways to firm tone amid expectation of demand for yarn.

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

Contract	+/-	Open	High	Low	Close
Feb-14	-	-	-	-	-
Mar-14	-	-	-	-	-
Apr-14	-	-	-	-	-

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-14	-	-	-	-
Mar-14	-	-	-	-
Apr-14	-	-	-	-

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			-

**NB:** Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

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

Contract	+/-	Open	High	Low	Close
Apr-14	-	-	-	-	-
May-14	-	-	-	-	-

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Apr-14	-	-	-	-
May-14	-	-	-	-

Spread	Apr-14	May-14
April-14	-	
May-14		-

**NB:** Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

**MCX Cotton Futures Closed (29 mm Variety): Prices in Bales**

Contract	% Change	Open	High	Low	Close
31-May-13	-	-	-	-	-
28-Jun-13	-	-	-	-	-
31-Jul-13	-	-	-	-	-
31-Oct-13	-	-	-	-	-

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	25-May-13	24-May-13	
Amravati–Vunni Mech-1#	-	4600	-
Mahesana-Kadi–Bt Cotton#	4750	4700	50
Abohar–J-34*	4145	4130	15
Muktsar–J-34 *(Cotton )	4130	4125	5
*(Kapas BT Cotton)	4600	-	-
Ahmedabad–Shankar-6#	-	-	-
Fajlika *(Cotton New)	-	4090	-
*(Kapas BT Cotton)	-	-	-
Khandwa-(M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Gondal	4915	4925	-10
Rajkot-(B.T)	4925	4950	-25
Sri-Ganganagar	-	-	-
Patan (B.T. Cotton)	-	-	-
Bhiwani– *(Cotton )	4020	3920	100
*(Kapas BT Cotton)	4600	4600	Unch

\*-Rs/maund, #-Rs.qtl,

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	25-May-13	24-May-13	
Amravati –Vunni Mech-1#	-	1000	-
Mahesana-Kadi –Bt Cotton	15	25	-10
Abohar–J-34*	100	60	40
Muktsar–J-34 *(Kapas BT Cotton)	-	-	-
Ahmedabad – Shankar-6#	-	-	-
Fajlika*(Kapas BT Cotton)	-	-	-
Khandwa (M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Gondal	741	709	32

Rajkot-(B.T)	1230	1620	<b>-390</b>
Sri-Ganganagar	-	-	-
Patan(B.T. Cotton)	-	-	-
Bhiwani #(Kapas BT Cotton)	-	-	-

**Cotton Association of India Spot Rates: 24/5/2013**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (24/5/2013)	Rs. Per Candy (23/5/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	34600	34600	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	35600	35600	Unch
J-34(202)	26mm	3.5 - 4.9	23	37000	36700	<b>+300</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37200	37000	<b>+200</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	38100	37900	<b>+200</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39600	39400	<b>+200</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40700	40500	<b>+200</b>
DCH-32(107)	34mm	3.0 - 3.8	33	48500	48500	Unch

**Cotlook Index: As on 24/5/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	90.10	<b>-1.40</b>

**China Cotton Index: As on 24/5/2013**

Index	RMB/Ton	Change
CCIndex(328)	19350	<b>-2</b>
CCIndex(527)	16981	<b>-2</b>
CCIndex(229)	20075	Unch

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

**USDA Cotton Spot Rates: As on 24/5/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	79.99	83.24	NIL
North Delta	78.99	81.49	NIL
South Delta	78.99	81.49	NIL
East TX-OK	76.00	78.75	NIL
West Texas	76.00	79.00	NIL
Desert SW	73.99	80.49	NIL
SJ Valley	75.24	85.89	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 24/5/2013**

Contract	Open	High	Low	Close	Change
13-Jul	81.78	82.38	81.03	81.49	-0.29
13-Oct	82.96	83.3	82.96	83.3	0.09
13-Dec	83.65	83.99	83.02	83.77	0.13
14-Mar	83.00	83.58	82.66	83.58	0.23
14-May	83.00	83.89	82.66	83.89	0.50
14-Jul	83.57	84.18	82.7	84.18	0.54

**Pakistan Cotton Spot rates: As on 24/5/2013 (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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