

## Cotton Domestic Fundamentals:

- Cotton prices noticed mix tone on Tuesday.
- Cotton Association of India (CAI), has pegged cotton production at 352 lakh bales as on May 31,2013
- Good buying from the mills amid export demand supported prices.
- Kharif cotton acreage till 5<sup>th</sup> June, 2013 is reported at 11.70 lakh hectares compared to 11.76 lakh hectares during the same period previous year.
- Sowing is progressing well in the northern states of Punjab, Uttar Pradesh, Haryana and Rajasthan.
- Exports of Cotton Yarn are projected to raise, 1150 million kg in current fiscal.
- Spinning mills are in market driving demand.

## Cotton International Fundamentals

- US law maker are in pursuit of ending subsidy on US cotton that would, make prices at par with developing countries.
- Cotton futures at NYMEX closed lower amid selling interest around current levels.
- Planting across cotton growing region Mississippi, Oklahoma, Tennessee and Kansas, further delayed while major cotton growing state of Texas has picked up plantation to 49 percent.

**Outlook:** We expect domestic cotton prices to continue steady to firm tone amid good demand from the exporters.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0.0	0.0	0.0	0.0	0.0
Mar-14	0.0	0.0	0.0	0.0	0.0
Apr-14	0.0	1,075.0	1,078.0	1,067.0	1070.00

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

Contract	+/-	Open	High	Low	Close
Apr-14	9.50	1044.9	1044.9	1032	1036.1
May-14	0.30	1064.9	1068	1061.1	1062

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	2892	343	3303	343

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	6	-6	70	-3
May-14	83	-128	550	-2

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-50

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

Spread	Apr-14	May-14
April-14	-16.10	
May-14		-42.00

**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
28-Jun-13	-0.57	19250	19390	19050	19080
31-Jul-13	-0.51	19530	19670	19340	19360
31-Oct-13	-0.15	19540	19660	19370	19400
29-Nov-13	1.04	19410	19500	19300	19340

**Cotton Prices at Key Spot Markets**

Centre	Variety	Prices (Rs/Qtl)		Change
		11-Jun-13	10-Jun-13	
Amravati	Mech-1	4900	4900	Unch
Khandwa	Mech-1	No Arrival	No Arrival	-
Khargaon	Mech-1	No Arrival	No Arrival	-
Mahesana(Kadi)	B.T. Cotton	No Arrival	No Arrival	-
Muktsar	B.T. Cotton	4800	4900	-100
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	5110	5090	20
Fazilika	B.T. Cotton	4150	4145	5
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4000	4000	Unch
Bhiwani*	B.T. Cotton	4750	4750	Unch
Ahmedabad	Shankar-6	5100	5100	Unch
Gondal	Shankar-6	4980	5020	-40
Sri-Ganganagar	J-34	No Arrival	4010	-
Abohar	J-34	4225	4180	45
Muktsar	J-34	4200	4190	10

\* New Crop

**Cotton Arrivals in Key Centers**

Centre	Variety	Arrivals		Change
		11-Jun-13	10-Jun-13	
Amravati	Mech-1	1200	1000	200
Khandwa	Mech-1	No Arrival	No Arrival	-

Khargaon	Mech-1	No Arrival	No Arrival	-
Mahesana(Kadi)	B.T. Cotton	No Arrival	No Arrival	-
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	650	800	-150
Fazilika	B.T. Cotton	No Arrival	No Arrival	-
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani*	B.T. Cotton	No Arrival	No Arrival	-
Ahmedabad	Shankar-6	6000	7000	-1000
Gondal	Shankar-6	28	224	-196
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	20	20	Unch
Muktsar	J-34	No Arrival	No Arrival	-

\* New Crop

**Cotton Association of India Spot Rates: 10/6/2013**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (010/6/2013)	Rs. Per Candy (08/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	37500	37100	400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	38400	38000	400
J-34(202)	26mm	3.5 - 4.9	23	38000	37700	300
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38900	38700	200
Shankar-6(105)	29mm	3.5 - 4.9	28	39100	38900	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40200	40000	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41200	41000	200
DCH-32(107)	34mm	3.0 - 3.8	33	48500	48500	Unch

**Cotlook Index: As on 10/6/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	93.20	Unch

**China Cotton Index: As on 10/6/2013**

Index	RMB/Ton	Change
CCIndex(328)	19321	-2
CCIndex(527)	16958	-3
CCIndex(229)	20069	-1

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

**USDA Cotton Spot Rates: As on 10/6/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.65	88.9	NIL
North Delta	84.9	87.4	NIL
South Delta	84.9	87.4	NIL
East TX-OK	81.75	84.5	NIL
West Texas	81.75	84.75	NIL
Desert SW	79.15	85.65	NIL
SJ Valley	80.4	91.05	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 10/6/2013**

Contract	Open	High	Low	Close	Change
<b>13-Jul</b>	84.75	86.90	84.59	86.65	<b>1.79</b>
<b>13-Oct</b>	86.20	86.48	86.20	86.48	<b>0.74</b>
<b>13-Dec</b>	85.18	85.97	84.78	85.88	<b>0.70</b>
<b>14-Mar</b>	85.04	86.13	85.01	86.10	<b>0.75</b>
<b>14-May</b>	85.74	86.33	85.74	86.33	<b>0.61</b>
<b>14-Jul</b>	86.10	86.70	86.10	86.61	<b>0.47</b>

**Pakistan Cotton Spot rates: As on 10/6/2013 (in Pakistan Rupees)**

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

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