

Cotton Domestic Fundamentals:

- Cotton prices noticed firm tone amid falling arrivals and rising demand on Wednesday.
- 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 5th 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	1,071.5	1,076.5	1,067.5	1071.50

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

Contract	+/-	Open	High	Low	Close
Apr-14	-4.30	1037.8	1041.5	1032.3	1034.9
May-14	-0.20	1062.1	1067.9	1058.7	1063.5

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	1633	-212	3091	-212

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-2	2	70	0
May-14	120	37	556	6

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-51.50

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

Spread	Apr-14	May-14
April-14	-14.90	
May-14		-43.50

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	-0.21	19170	19250	19060	19090
31-Jul-13	-0.31	19450	19550	19340	19370
31-Oct-13	-0.15	19480	19560	19390	19390
29-Nov-13	-0.26	19450	19450	19260	19300

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		12-Jun-13	11-Jun-13	
Amravati	Mech-1	4925	4900	25
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	4800	-
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	5205	5110	95
Fazilika	B.T. Cotton	4160	4150	10
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4000	4000	Unch
Bhiwani*	B.T. Cotton	4770	4750	20
Ahmedabad	Shankar-6	5100	5100	Unch
Gondal	Shankar-6	5055	4980	75
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	4250	4225	25
Muktsar	J-34	4250	4200	50

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		12-Jun-13	11-Jun-13	
Amravati	Mech-1	1000	1200	-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	400	650	-250
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	6000	Unch
Gondal	Shankar-6	24	28	-4
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	No Arrival	20	-
Muktsar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Association of India Spot Rates: 11/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (11/6/2013)	Rs. Per Candy (10/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38000	37500	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	38900	38400	500
J-34(202)	26mm	3.5 - 4.9	23	38400	38000	400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39300	38900	400
Shankar-6(105)	29mm	3.5 - 4.9	28	39500	39100	400
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40600	40200	400
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41600	41200	400
DCH-32(107)	34mm	3.0 - 3.8	33	49000	48500	500

Cotlook Index: As on 11/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	93.90	+0.7

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 11/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	87.06	90.31	+104
North Delta	86.31	88.81	NIL
South Delta	86.31	88.81	NIL
East TX-OK	83.25	86	NIL
West Texas	83.25	86.25	NIL
Desert SW	80.56	87.06	NIL
SJ Valley	81.81	92.46	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 11/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	86.80	90.49	86.46	88.06	1.41
13-Oct	86.48	88.55	86.48	86.85	0.37
13-Dec	85.68	86.97	84.80	85.18	-0.70
14-Mar	86.10	86.97	84.74	85.23	-0.87
14-May	85.66	86.90	85.32	85.32	-1.01
14-Jul	85.89	87.00	85.61	85.61	-1.00

Pakistan Cotton Spot rates: As on 11/6/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6500	155	665
Equivalent	40 Kgs	6966	155	7121

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