

Cotton Domestic Fundamentals:

- Cotton prices noticed firm tone on Saturday except Ahmadabad.
- Import of long length cotton is firm even when the cost has increased due to rupee depreciation. This is because the cost that long staple imported cotton is lower when procured from Gujarat and Maharashtra. Landed cost of long staple cotton is Rs.66, 275 per candy.
- Cotton Plantation has reached to 15.85 lakh hectares in northern region. Plantations are about to start within next week, as monsoon has started.
- 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.

Cotton International Fundamentals

- USDA has cut the forecast the cotton forecast due to draught in Texas.
- China considers changes in domestic cotton policy; this could impact the Indian cotton exports.
- 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.

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	-4.5	1,084.5	1,086.0	1,080.0	1082.50

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

Contract	+/-	Open	High	Low	Close
Apr-14	-4.00	1038.2	1046.5	1038.2	1042.7
May-14	-3.50	1080	1080	1071.4	1073.9

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	-1	2	-1
Apr-14	1040	-33	3209	-33

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	6	-6	70	0
May-14	19	-62	555	-7

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-52.50

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

Spread	Apr-14	May-14
April-14	-12.70	
May-14		-43.90

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	-0.26	19360	19410	19350	19390
31-Jul-13	-0.25	19650	19700	19630	19680
31-Oct-13	-0.35	19720	19790	19720	19740
29-Nov-13	-0.4	19710	19710	19690	19690

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		15-Jun-13	14-Jun-13	
Amravati	Mech-1	5000	5000	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	No Arrival	No Arrival	-
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	5255	5195	60
Fazilika	B.T. Cotton	4320	4310	10
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4290	4260	30
Bhiwani*	B.T. Cotton	5200	5200	Unch
Ahmedabad	Shankar-6	5125	5150	-25
Gondal	Shankar-6	5180	5085	95
Sri-Ganganagar	J-34	4250	4230	20
Abohar	J-34	4330	4325	5
Muktsar	J-34	4325	4325	Unch

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		15-Jun-13	14-Jun-13	
Amravati	Mech-1	3000	3000	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	No Arrival	No Arrival	-

Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	650	750	-100
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	5000	5000	Unch
Gondal	Shankar-6	67	72	-5
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	No Arrival	No Arrival	-
Muktsar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Association of India Spot Rates: 14/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (14/6/2013)	Rs. Per Candy (13/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38500	38000	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39400	38900	500
J-34(202)	26mm	3.5 - 4.9	23	39200	39000	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40400	39700	700
Shankar-6(105)	29mm	3.5 - 4.9	28	40400	39700	700
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41000	40800	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42300	42100	200
DCH-32(107)	34mm	3.0 - 3.8	33	50000	49500	500

Cotlook Index: As on 14/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	96.40	+0.80

China Cotton Index: As on 14/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19318	Unch
CCIndex(527)	16956	-1
CCIndex(229)	20063	-4

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

USDA Cotton Spot Rates: As on 14/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	89.79	93.04	NIL
North Delta	89.04	91.54	2165
South Delta	89.04	91.54	NIL
East TX-OK	86.50	89.25	NIL

West Texas	86.50	89.50	NIL
Desert SW	83.79	90.29	NIL
SJ Valley	85.04	95.69	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 14/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	91.50	92.58	90.07	91.29	-0.43
13-Oct	90.63	90.69	89.63	90.64	+0.51
13-Dec	89.00	89.56	88.25	89.44	+0.29
14-Mar	88.81	89.21	86.95	88.40	-0.48
14-May	89.00	89.04	86.56	87.96	-0.72
14-Jul	88.99	88.99	86.50	87.79	-0.82

Pakistan Cotton Spot rates: As on 14/6/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6450	155	6605
Equivalent	40 Kgs	6912	155	7067

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