

Cotton Domestic Fundamentals:

- Cotton prices noticed firm mixed on Monday.
- 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

Cotton International Fundamentals

- China has sold 25 lakh tonnes of the raw cotton so far in ongoing marketing year, the cotton association of China said. Association said it plans to sell a total of 45 lakh tonnes by the end of July 2013.
- 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.

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	-20.5	1,077.5	1,078.5	1,060.5	1061.50

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

Contract	+/-	Open	High	Low	Close
Apr-14	-19.70	1026	1038	1023	1023
May-14	-20.40	1069	1070	1052.5	1053.5

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	2619	9	3218	9

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-5	5	72	2
May-14	109	90	543	-12

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-31.50

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	-2.11	19330	19330	18960	18980
31-Jul-13	-2.18	19550	19580	19230	19250
31-Oct-13	-1.77	19580	19650	19400	19410
29-Nov-13	-1.52	19530	19580	19400	19400

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		17-Jun-13	15-Jun-13	
Amravati	Mech-1	5045	5000	+45
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	5265	5255	+10
Fazilika	B.T. Cotton	4290	4320	-30
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4300	4290	+10
Bhiwani*	B.T. Cotton	5250	5200	+50
Ahmedabad	Shankar-6	5250	5125	+125
Gondal	Shankar-6	5125	5180	-55
Sri-Ganganagar	J-34	4200	4250	-50
Abohar	J-34	4290	4330	-40
Muktsar	J-34	4300	4325	-25

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		17-Jun-13	15-Jun-13	
Amravati	Mech-1	1000	3000	-2000
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	550	650	
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	7000	5000	+2000
Gondal	Shankar-6	23	67	-44
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 17/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19319	+1
CCIndex(527)	16956	Unch
CCIndex(229)	20065	+2

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 15/6/2013 (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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2013 Indian Agribusiness Systems Pvt Ltd.