

## Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Tuesday except Gondal.
- Cotton prices might fall amid good monsoon rains and traders are reluctant to buy at current levels.
- Plantation is almost complete in Haryana, Rajasthan and Punjab
- 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 International Fundamentals

- As on 16 June, 2013 Cotton plantation has been completed in 98% of the total area in USA and germination stage is said to be fair to good.
- Plantation prospects of cotton in Australian are above average in current season as fields are having good water availability.
- 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.

**Outlook:** We expect domestic cotton prices to decline amid weak demand from the traders and 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	10.0	1,060.0	1,074.5	1,057.0	1073.00

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

Contract	+/-	Open	High	Low	Close
Apr-14	-1.50	1023	1029.8	1023	1029.8
May-14	9.70	1056	1066.5	1051	1064.5

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	2706	73	3291	73

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	10	-10	73	1
May-14	72	-37	541	-2

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-33.00

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

Spread	Apr-14	May-14
April-14	10.20	
May-14		-24.50

**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	0.58	18960	19180	18940	19130
31-Jul-13	0.62	19250	19470	19230	19420
31-Oct-13	1.59	19450	19750	19420	19750
29-Nov-13	1.03	19400	19690	19400	19640

## Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jun-13	17-Jun-13	
Amravati	Mech-1	5025	5045	-20
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	5225	5265	-40
Fazilika	B.T. Cotton	4280	4290	-10
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4250	4300	-50
Bhiwani*	B.T. Cotton	5070	5250	-180
Ahmedabad	Shankar-6	5200	5250	-50
Gondal	Shankar-6	5255	5125	130
Sri-Ganganagar	J-34	4200	4200	Unch
Abohar	J-34	4280	4290	-10
Muktsar	J-34	4270	4300	-30

\* New Crop

## Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		18-Jun-13	17-Jun-13	
Amravati	Mech-1	1000	1000	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	450	550	-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	6000	7000	-1000
Gondal	Shankar-6	144	23	121
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: 17/6/2013**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (17/6/2013)	Rs. Per Candy (15/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39000	38500	+500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39900	39400	+500
J-34(202)	26mm	3.5 - 4.9	23	39000	39400	-400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40200	40400	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	40100	40400	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40700	41000	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42000	42300	-300
DCH-32(107)	34mm	3.0 - 3.8	33	50000	50000	Unch

**Cotlook Index: As on 17/6/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	96.65	+0.25

**China Cotton Index: As on 18/6/2013**

Index	RMB/Ton	Change
CCIndex(328)	19319	Unch
CCIndex(527)	16955	-1
CCIndex(229)	20066	+1

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

**USDA Cotton Spot Rates: As on 17/6/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	86.79	90.04	1203
North Delta	86.04	88.54	2547
South Delta	86.04	88.54	NIL

East TX-OK	83.50	86.25	<b>NIL</b>
West Texas	83.5	86.5	<b>NIL</b>
Desert SW	82.04	88.54	<b>NIL</b>
SJ Valley	83.04	93.69	<b>NIL</b>

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 17/6/2013**

Contract	Open	High	Low	Close	Change
<b>13-Jul</b>	90.41	90.41	87.29	87.43	<b>-3.86</b>
<b>13-Oct</b>	90.64	90.64	87.05	89.04	<b>-1.6</b>
<b>13-Dec</b>	88.5	89.46	87.38	88.99	<b>-0.45</b>
<b>14-Mar</b>	87.6	88.9	86.72	88.59	<b>0.19</b>
<b>14-May</b>	86.41	88.25	86.38	88.24	<b>0.28</b>
<b>14-Jul</b>	86.35	88.04	86.33	88.04	<b>0.25</b>

**Pakistan Cotton Spot rates: As on 17/6/2013 (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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