

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Wednesday except Muktsar and Fazilika.
- 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	-2.0	1,069.5	1,076.0	1,067.0	1071.00

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

Contract	+/-	Open	High	Low	Close
Apr-14	8.60	1020.5	1035.9	1020.5	1035.00
May-14	0.20	1062	1067	1055.1	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	1584	-122	3169	-122

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-8	8	73	0
May-14	95	23	542	1

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-41.00

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

Spread	Apr-14	May-14
April-14	-5.00	
May-14		-34.50

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	-0.05	19110	19180	19060	19120
31-Jul-13	-0.05	19390	19470	19340	19410
31-Oct-13	0.51	19650	19880	19650	19820
29-Nov-13	0.36	19650	19750	19590	19690

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		19-Jun-13	18-Jun-13	
Amravati	Mech-1	5000	5025	-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	No Arrival	-
Patan	B.T. Cotton	No Arrival	No Arrival	
Rajkot	B.T. Cotton	5210	5225	-15
Fazilika	B.T. Cotton	4285	4280	5
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4225	4250	-25
Bhiwani*	B.T. Cotton	5050	5070	-20
Ahmedabad	Shankar-6	5150	5200	-50
Gondal	Shankar-6	5205	5255	-50
Sri-Ganganagar	J-34	4200	4200	Unch
Abohar	J-34	4280	4280	Unch
Muktsar	J-34	4275	4270	5

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		19-Jun-13	18-Jun-13	
Amravati	Mech-1	250	1000	-750
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	850	450	
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	6000	-1000
Gondal	Shankar-6	450	144	-306
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: 18/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (18/6/2013)	Rs. Per Candy (17/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39000	39000	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39900	39900	Unch
J-34(202)	26mm	3.5 - 4.9	23	38800	39000	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39600	40200	-600
Shankar-6(105)	29mm	3.5 - 4.9	28	39800	40100	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40400	40700	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41700	42000	-300
DCH-32(107)	34mm	3.0 - 3.8	33	49500	50000	-500

Cotlook Index: As on 19/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	96.05	-0.60

China Cotton Index: As on 19/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19320	+1
CCIndex(527)	16953	-2
CCIndex(229)	20067	+1

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

USDA Cotton Spot Rates: As on 18/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.13	88.38	NIL
North Delta	84.38	86.88	NIL
South Delta	84.38	86.88	NIL
East TX-OK	81.75	84.50	NIL
West Texas	81.75	84.75	NIL

Desert SW	80.38	86.88	NIL
SJ Valley	81.38	92.03	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 18/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	87.2	87.2	84.98	84.98	-2
13-Oct	87.83	88.25	87.38	87.38	-1.66
13-Dec	88.87	88.87	86.86	87.32	-2
14-Mar	87.25	87.6	86.6	86.98	-2
14-May	86.9	87.19	86.73	86.73	-1.51
14-Jul	86.64	86.64	86.64	86.64	-1.4

Pakistan Cotton Spot rates: As on 18/6/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6500	155	6655
Equivalent	40 Kgs	6966	155	7121

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.