

Cotton Domestic Fundamentals:

- Cotton prices noticed mixed tone on Thursday.
- Due to heavy rainfall in cotton growing region arrivals have been in mandis.
- 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 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.

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	3.5	1,067.0	1,075.0	1,062.0	1073.50

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

Contract	+/-	Open	High	Low	Close
Apr-14	1.70	1030	1030	1030	1030
May-14	1.20	1061	1068	1057	1064

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	1108	-1	3168	-1

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	9	-9	73	0
May-14	19	-76	540	-2

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-43.50

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

Spread	Apr-14	May-14
April-14	0.00	
May-14		-34.00

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

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
		20-Jun-13	19-Jun-13	
Amravati	Mech-1	5025	5000	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	-
Fazilika	B.T. Cotton	4280	4285	-5
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4200	4225	-25
Bhiwani*	B.T. Cotton	5050	5050	Unch
Ahmedabad	Shankar-6	5150	5150	Unch
Gondal	Shankar-6	-	5205	-
Sri-Ganganagar	J-34	4230	4200	30
Abohar	J-34	4300	4280	20
Muktsar	J-34	4300	4275	25

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		20-Jun-13	19-Jun-13	
Amravati	Mech-1	500	250	250
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	-
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	-	450	-
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: 19/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (19/6/2013)	Rs. Per Candy (18/6/2013)	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	39000	38800	+200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39200	39600	-400
Shankar-6(105)	29mm	3.5 - 4.9	28	39700	39800	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40300	40400	-100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41700	41700	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	49500	49500	Unch

Cotlook Index: As on 19/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	94.30	-1.75

China Cotton Index: As on 20/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19322	+2
CCIndex(527)	16951	-2
CCIndex(229)	20068	+1

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

USDA Cotton Spot Rates: As on 19/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.89	88.14	NIL
North Delta	84.14	86.64	NIL
South Delta	84.14	86.64	NIL
East TX-OK	81.50	84.25	NIL
West Texas	81.50	84.50	NIL
Desert SW	80.14	84.64	NIL
SJ Valley	81.14	91.79	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 19/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	85.02	85.93	84.4	85.4	0.42
13-Oct	87.27	87.69	86.5	87	0
13-Dec	87.13	87.47	85.8	87	-1
14-Mar	86.41	86.99	85.5	86.18	-1
14-May	86.2	86.66	85.5	86.01	-1
14-Jul	86.18	86.24	85.49	86.03	-0.61

Pakistan Cotton Spot rates: As on 19/6/2013 (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

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