

Cotton Domestic Fundamentals:

- Cotton prices noticed mixed tone on Friday.
- 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	1,020.0
Mar-14	0.0	0.0	0.0	0.0	1,046.5
Apr-14	8.0	1,072.0	1,083.5	1,065.5	1,081.0

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

Contract	+/-	Open	High	Low	Close
Apr-14	11.90	1038	1045	1038.8	1041.9
May-14	8.50	1061.5	1079	1056.5	1073.5

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	1417	54	3222	54

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-1	1	73	0
May-14	52	33	548	8

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		-16.50	
Apr-14			-51.0

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

Spread	Apr-14	May-14
April-14	11.90	
May-14		-43.50

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		19270	19440	19080	19370
31-Jul-13		19430	19720	19370	19660
31-Oct-13		19850	19960	19760	19950
29-Nov-13		19700	19850	19680	19820

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		21-Jun-13	20-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	5050	-	-
Fazilika	B.T. Cotton	4300	4280	20
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4200	4200	Unch
Bhiwani*	B.T. Cotton	5000	5050	-50
Ahmedabad	Shankar-6	5150	5150	Unch
Gondal	Shankar-6	5200	-	-
Sri-Ganganagar	J-34	4220	4230	-10
Abohar	J-34	4330	4300	30
Muktsar	J-34	4325	4300	25

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		21-Jun-13	20-Jun-13	
Amravati	Mech-1	500	500	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	865	-	-
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	4000	5000	-1000
Gondal	Shankar-6	520	-	-
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: 20/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (20/6/2013)	Rs. Per Candy (19/6/2013)	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	39200	39000	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39500	39200	300
Shankar-6(105)	29mm	3.5 - 4.9	28	40000	39700	300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40600	40300	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42000	41700	300
DCH-32(107)	34mm	3.0 - 3.8	33	49500	49500	Unch

Cotlook Index: As on 20/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	96.60	-0.70

China Cotton Index: As on 21/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19321	-1
CCIndex(527)	16950	-1
CCIndex(229)	20069	+1

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

USDA Cotton Spot Rates: As on 20/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.67	86.92	NIL
North Delta	82.92	85.42	1144
South Delta	82.92	85.42	615
East TX-OK	80.5	83.25	352
West Texas	80.5	83.5	NIL
Desert SW	78.92	85.42	NIL
SJ Valley	79.92	90.57	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 20/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	86.21	86.21	84.35	84.92	-0.48
13-Oct	87.14	87.14	85.15	85.92	-1.22
13-Dec	86.67	86.67	84.37	85.36	-1.24
14-Mar	85.83	85.83	84.10	84.99	-1.19
14-May	85.57	85.57	84.00	84.67	-1.34
14-Jul	85.60	85.60	84.30	84.66	-1.37

Pakistan Cotton Spot rates: As on 20/6/2013 (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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