

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Wednesday.
- 22,000-20,000 bales of cotton have arrived across India. This is likely to remain steady to low as plantation activity is going on across cotton growing areas.
- Cotton Plantation has reached 28.13 lakh hectares for 2013-14 amid good rainfall received in growing areas of cotton. This is above than the normal cropping area of 24.59 lakh hectares.
- Good buying from the local mills and export demand supported prices.

Cotton International Fundamentals

- Pakistan textile exports grew on good demand from US and European markets. The demand is likely to upset as economy is likely to dip.
- China cotton imports dip to 31% compared to the same time last year in May 2013.
- Cotton global stocks will be lowest level in 3 years. The global supplies of cotton have been getting tighter outside China.

Outlook: We expect domestic cotton prices to notice steady to firm tone in the near –term amid 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	-2.5	1,077.5	1,080.0	1,067.0	1073.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	0	0	2	0
Apr-14	1679	-178	3269	-178

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-2.10

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

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

Contract	+/-	Open	High	Low	Close
Apr-14	-1.80	1032	1035.5	1030.5	1035.5
May-14	-0.60	1070	1070	1062.5	1067.9

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	0	0	72	0
May-14	33	-41	548	-8

Spread	Apr-14	May-14
April-14	35.90	
May-14		3.50

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	0.98	19430	19620	19400	19560
31-Jul-13	0.56	19840	19980	19730	19880
31-Oct-13	1.25	20050	20360	20050	20270
29-Nov-13	1.72	19900	20150	19880	20130

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		26-Jun-13	25-Jun-13	
Amravati	Mech-1	5100	5100	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	5635	5660	-25
Fazilika	B.T. Cotton	4350	4350	Unch
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4300	4325	-25
Bhiwani*	B.T. Cotton	5200	5250	-50
Ahmedabad	Shankar-6	5375	5500	-125
Gondal	Shankar-6	5505	5500	5
Sri-Ganganagar	J-34	4370	4380	-10
Abohar	J-34	4480	4475	5
Muktsar	J-34	4475	4480	-5

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		26-Jun-13	25-Jun-13	
Amravati	Mech-1	600	700	-100
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	1300	1250	50
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	2000	2000	Unch
Gondal	Shankar-6	262	251	11
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: 25/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (25/6/2013)	Rs. Per Candy (24/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39000	39500	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39900	40400	-500
J-34(202)	26mm	3.5 - 4.9	23	40500	40600	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40300	40500	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	40700	40900	-200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41500	41700	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42500	42800	-300
DCH-32(107)	34mm	3.0 - 3.8	33	50500	50500	Unch

Cotlook Index: As on 25/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.65	-1.20

China Cotton Index: As on 26/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19312	-3
CCIndex(527)	16945	-3
CCIndex(229)	20063	-5

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

USDA Cotton Spot Rates: As on 25/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.7	86.95	1223
North Delta	82.95	85.45	NIL
South Delta	82.95	85.45	NIL

East TX-OK	80.75	83.5	NIL
West Texas	80.75	83.75	NIL
Desert SW	78.95	85.45	NIL
SJ Valley	79.95	90.6	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 25/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	84.04	85.09	83.17	85.09	2.11
13-Oct	84.14	85.95	84.14	85.95	1.93
13-Dec	83.18	85.00	83.05	84.95	1.77
14-Mar	82.45	83.60	82.20	83.50	1.00
14-May	81.81	83.01	81.80	82.86	0.81
14-Jul	81.89	82.76	81.62	82.52	0.70

Pakistan Cotton Spot rates: As on 25/6/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6400	155	6555
Equivalent	40 Kgs	6859	155	7014

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