

Cotton Domestic Fundamentals:

- Cotton prices noticed firm tone on Thursday except Rajkot.
- 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	1,050.0	1,050.0	1,050.0	1,050.0
Apr-14	6.0	1,072.5	1,082.5	1,068.5	1079.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	3	0
Mar-14	1	0	2	0
Apr-14	2016	21	3290	21

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		60	
Apr-14			30.50

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	4.80	1039	1047.8	1037.5	1037.50
May-14	9.20	1067.3	1078	1064.3	1076.9

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-4	4	72	0
May-14	231	198	458	-90

Spread	Apr-14	May-14
April-14	72.50	
May-14		33.10

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
31-Jul-13	-0.65	19900	19950	19660	19740
31-Oct-13	0.1	20250	20460	20240	20300
29-Nov-13	0	20150	20220	20080	20100

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		6/27/13	6/26/13	
Amravati	Mech-1	5125	5100	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	5615	5635	-20
Fazilika	B.T. Cotton	4470	4350	120
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4300	4300	Unch
Bhiwani*	B.T. Cotton	5350	5200	150
Ahmedabad	Shankar-6	5550	5375	175
Gondal	Shankar-6	5625	5505	120
Sri-Ganganagar	J-34	4370	4370	Unch
Abohar	J-34	4480	4480	Unch
Muktsar	J-34	4500	4475	25

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		6/27/13	6/26/13	
Amravati	Mech-1	700	600	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	1200	1300	-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	2000	2000	Unch
Gondal	Shankar-6	197	262	-65
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	No Arrival	No Arrival	-
Muksar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Association of India Spot Rates: 26/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (26/6/2013)	Rs. Per Candy (25/6/2013)	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	40500	40500	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40600	40300	300
Shankar-6(105)	29mm	3.5 - 4.9	28	41100	40700	400
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41800	41500	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42600	42500	100
DCH-32(107)	34mm	3.0 - 3.8	33	51000	50500	500

Cotlook Index: As on 26/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.25	+1.60

China Cotton Index: As on 27/6/2013

Index	RMB/Ton	Change
CCIndex(328)	19305	-7
CCIndex(527)	16942	-3
CCIndex(229)	20062	-1

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

USDA Cotton Spot Rates: As on 26/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.04	86.29	NIL
North Delta	82.29	84.79	NIL
South Delta	82.29	84.79	NIL
East TX-OK	80.75	83.5	354

West Texas	80.75	83.75	NIL
Desert SW	78.29	84.79	NIL
SJ Valley	79.29	89.94	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 26/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	85.10	85.10	83.68	83.68	-1.41
13-Oct	85.75	86.36	85.29	85.29	-0.66
13-Dec	84.65	84.99	83.60	83.70	-1.25
14-Mar	83.19	83.63	82.02	82.10	-1.40
14-May	82.68	82.95	81.36	81.47	-1.39
14-Jul	82.29	82.60	81.00	81.13	-1.39

Pakistan Cotton Spot rates: As on 26/6/2013 (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

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.