

Cotton Domestic Fundamentals:

- Cotton prices noticed mixed sentiments on Saturday.
- 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	1,020.0	1,020.0	1,020.0
Mar-14	0.0	0.0	1,050.0	1,050.0	1050.00
Apr-14	-8.0	1,058.0	1,061.5	1,050.5	1,052.5

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	90.0		
Mar-14		60.0	
Apr-14			57.50

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	-3.90	1030.00	1020.00	1026.10	1030.00
May-14	-10.00	1060.00	1050.00	1050.60	1060.60

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	-17	17	65	-7
May-14	404	371	404	-144

Spread	Apr-14	May-14
April-14	73.90	
May-14		49.40

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	-270.00	19750.00	19750.00	19230.00	19330.00
31-Oct-13	-210.00	20180.00	20210.00	19840.00	19940.00
29-Nov-13	-80	20080.00	20140.00	19800.00	19940.00

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		6/29/13	6/28/13	
Amravati	Mech-1	5200	5100	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	5560	5625	-65
Fazilika	B.T. Cotton	4430	4470	-40
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4450	4430	20
Bhiwani*	B.T. Cotton	5425	5400	25
Ahmedabad	Shankar-6	5500	5500	Unch
Gondal	Shankar-6	5555	5570	-15
Sri-Ganganagar	J-34	4400	4400	Unch
Abohar	J-34	4470	4490	-20
Muktsar	J-34	4500	4500	Unch

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		6/29/13	6/28/13	
Amravati	Mech-1	450	400	50
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	550	1260	-710
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	1000	2000	-1000
Gondal	Shankar-6	237	132	105
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: 28/6/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (28/6/2013)	Rs. Per Candy (27/6/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39300	39000	300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40200	39900	300
J-34(202)	26mm	3.5 - 4.9	23	40700	40500	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40900	40600	300
Shankar-6(105)	29mm	3.5 - 4.9	28	41500	41100	400
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42000	41800	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42600	42600	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	51000	51000	Unch

Cotlook Index: As on 28/6/2013

Cotlook Indices	Cents/Pound	Change
A-Index	91.30	+0.20

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 27/6/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.88	87.13	1386
North Delta	83.13	85.63	1270
South Delta	83.13	85.63	NIL
East TX-OK	81.5	84.25	176
West Texas	81.5	84.5	NIL
Desert SW	79.13	85.63	NIL
SJ Valley	80.13	90.78	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 28/6/2013

Contract	Open	High	Low	Close	Change
13-Jul	82.81	83.85	82.71	82.71	-0.42
13-Oct	86.10	86.31	85.23	85.61	-0.52
13-Dec	84.07	84.63	83.31	84.01	0.13
14-Mar	82.25	82.79	81.64	82.48	0.34
14-May	81.90	82.18	81.39	81.86	0.36
14-Jul	81.55	81.75	81.23	81.43	0.21

Pakistan Cotton Spot rates: As on 27/6/2013 (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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