

## Cotton Domestic Fundamentals:

- 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.
- 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.
- 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 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	22.5	17.0	04	1,055.0	1,074.5

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	1020.00	1070
Mar-14	0	0	1050.00	1049
Apr-14	1068	1654	1051.50	-1671

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			35.50

**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	1	-7.00	60	1
May-14	70	-57.00	390	8

Spread	Apr-14	May-14
April-14	60.00	
May-14		33

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

Contract	% Change	Open	High	Low	Close
<b>31-Jul-13</b>	0.92	19600	19730	19520	19710
<b>31-Oct-13</b>	1.13	20320	20500	20300	20500
<b>29-Nov-13</b>	1.09	20240	20340	20160	20340
<b>31-Dec-13</b>	1.3	20140	20240	20130	20230

**Cotton Prices at Key Spot Markets**

Centre	Variety	Prices (Rs/Qtl)		Change
		7/3/13	7/2/13	
Amravati	Mech-1	5150	5100	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	5610	5615	-5
Fazilika	B.T. Cotton	4325	4325	Unch
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4280	4325	-45
Bhiwani*	B.T. Cotton	5170	5200	-30
Ahmedabad	Shankar-6	5500	5500	Unch
Gondal	Shankar-6	5850	5600	250
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	4480	4460	20
Muktsar	J-34	4470	4455	15

\* New Crop

**Cotton Arrivals in Key Centers**

Centre	Variety	Arrivals		Change
		7/3/13	7/2/13	
Amravati	Mech-1	No Arrival	700	-
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	600	550	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	1000	2000	-1000
Gondal	Shankar-6	123	145	-22
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:**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				7/2/2013	7/1/2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39400	39900	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	40900	-500
J-34(202)	26mm	3.5 - 4.9	23	40400	40400	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40800	40500	300
Shankar-6(105)	29mm	3.5 - 4.9	28	41300	41000	300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42200	41700	500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42800	42300	500
DCH-32(107)	34mm	3.0 - 3.8	33	51000	51000	Unch

**Cotlook Index: As on 2/7/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	92.70	+1.40

**China Cotton Index: As on 3/7/2013**

Index	RMB/Ton	Change
CCIndex(328)	19285	-5
CCIndex(527)	16938	-1
CCIndex(229)	20057	-1

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

**USDA Cotton Spot Rates: As on 2/7/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.97	87.22	850
North Delta	83.22	85.72	NIL
South Delta	83.22	85.72	NIL
East TX-OK	81.50	84.25	NIL
West Texas	81.50	84.50	NIL
Desert SW	79.22	85.72	NIL
SJ Valley	80.22	90.87	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 2/7/2013**

Contract	Open	High	Low	Close	Change
13-Jul	84.25	84.25	83.22	83.22	-1.07
13-Oct	86.44	86.71	86.22	86.22	-0.7
13-Dec	85.49	85.58	84.54	84.72	-0.82
14-Mar	83.3	83.9	83.24	83.53	-0.29
14-May	82.83	83.41	82.83	83.17	-0.16
14-Jul	82.41	82.9	82.34	82.69	-0.23

**Pakistan Cotton Spot rates: As on 2/7/2013 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6300	155	6455
Equivalent	40 Kgs	6752	155	6907

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