

Cotton Domestic Fundamentals:

- Cotton market was seen firm across the country on Thursday.
- 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	-	-	-	-	-
Mar-14	-	-	-	-	-
Apr-14	-2.5004	1068.00	1069.00	1059.50	1067.00

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	-17	1051.50	0

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			43

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	8	8.00	59	0
May-14	127	54.00	382	9

Spread	Apr-14	May-14
April-14	-	
May-14		37.50

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

Contract	% Change	Open	High	Low	Close
31-Jul-13	0.51	19650	19800	19610	19800
31-Oct-13	0.24	20540	20570	20410	20530
29-Nov-13	0.1	20340	20370	20230	20330
31-Dec-13	0.05	20130	20200	20100	20200

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		7/4/13	7/3/13	
Amravati	Mech-1	5150	5150	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	5600	5610	-10
Fazilika	B.T. Cotton	4470	4325	145
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4400	4280	120
Bhiwani*	B.T. Cotton	5400	5170	230
Ahmedabad	Shankar-6	5500	5500	Unch
Gondal	Shankar-6	5600	5850	-250
Sri-Ganganagar	J-34	4000	No Arrival	-
Abohar	J-34	4525	4480	45
Muktsar	J-34	4500	4470	30

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		7/4/13	7/3/13	
Amravati	Mech-1	500	No Arrival	-
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	700	600	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	500	1000	-500
Gondal	Shankar-6	90	123	-33
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
				7/3/2013	7/2/2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38900	39400	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39900	40400	-500
J-34(202)	26mm	3.5 - 4.9	23	40600	40400	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	41100	40800	300
Shankar-6(105)	29mm	3.5 - 4.9	28	41500	41300	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	42500	42200	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43000	42800	200
DCH-32(107)	34mm	3.0 - 3.8	33	51000	51000	Unch

China Cotton Index: As on 4/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19279	-6
CCIndex(527)	16931	-7
CCIndex(229)	20056	-1

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

Cotlook Index: As on 3/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.00	-0.70

USDA Cotton Spot Rates: As on 3/7/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
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	cents/lb.		bales
Southeast	84.89	88.14	564
North Delta	84.14	86.64	NIL
South Delta	84.14	86.64	NIL
East TX-OK	82.50	85.25	NIL
West Texas	82.50	85.50	NIL
Desert SW	80.14	86.64	NIL
SJ Valley	81.14	91.79	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 3/7/2013

Contract	Open	High	Low	Close	Change
13-Jul	84.39	84.39	84.39	84.39	1.17
13-Oct	86.16	87.45	86.16	87.14	0.92
13-Dec	84.72	85.89	84.57	85.74	1.02
14-Mar	84.05	85.02	83.56	84.96	1.43
14-May	83.52	84.95	83.52	84.89	1.72
14-Jul	83.17	84.91	83.17	84.84	2.15

Pakistan Cotton Spot rates: As on 3/7/2013 (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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