

Cotton Domestic Fundamentals:

- Mixed pattern of prices was seen in cotton market across the country on Friday.
- Cotton Plantation has reached 55.76 lakh hectares for 2013-14 amid good rainfall received in growing areas of cotton. This is above than the cropping area in 2012-13 was 31.38 lakh hectares.
- 38,000-40,000 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	1.00	1066.50	1069.00	1061.00	1065.00

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	1627	1051.50	-1644

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			45

NB: Spread was done by taking avg spot prices at

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

Contract	+/-	Open	High	Low	Close
Apr-14					
May-14	1.7	1063.00	1067.70	1060.00	1064.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	0	0.00	59	0
May-14	73	19.00	373	-2

Spread	Apr-14	May-14
April-14	-	
May-14		35.50

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
31-Jul-13	0.76	19800	19920	19710	19920
31-Oct-13	0.73	20540	20690	20480	20670
29-Nov-13	0.39	20320	20440	20300	20410
31-Dec-13	0.35	20200	20260	20200	20250

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		7/5/13	7/4/13	
Amravati	Mech-1	5175	5150	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	5675	5600	75
Fazilika	B.T. Cotton	4470	4470	Unch
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4450	4400	50
Bhiwani*	B.T. Cotton	5350	5400	-50
Ahmedabad	Shankar-6	5500	5500	Unch
Gondal	Shankar-6	5625	5600	25
Sri-Ganganagar	J-34	4010	4000	10
Abohar	J-34	4500	4525	-25
Muktsar	J-34	4510	4500	10

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		7/5/13	7/4/13	
Amravati	Mech-1	500	500	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	350	700	-350
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	500	Unch
Gondal	Shankar-6	201	90	111
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
				7/4/2013	7/3/2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39400	38900	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	39900	500
J-34(202)	26mm	3.5 - 4.9	23	40900	40600	300
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	41500	41100	400
Shankar-6(105)	29mm	3.5 – 4.9	28	42000	41500	500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43000	42500	500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	43500	43000	500
DCH-32(107)	34mm	3.0 - 3.8	33	51000	51000	Unch

China Cotton Index: As on 5/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19280	+1
CCIndex(527)	16930	-1
CCIndex(229)	20057	+1

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

Cotlook Index: As on 4/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	93.00	+1.00

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 4/7/2013 (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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