

Cotton Domestic Fundamentals:

- Cotton kharif area is approximately 81.73 (Lakh Hectares) as compare to 46.61 (Lakh Hectares) last year which is approximately 75% higher than last year. .
- 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.
- Cotton global stocks will be lowest level in 3 years. The global supplies of cotton have been getting tighter outside China.
- China cotton imports dip to 31% compared to the same time last year in May 2013.

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	-5.50	1058.00	1059.00	1049.00	1053.00

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	1820	1051.50	-1755

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	47

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

Contract	+/-	Open	High	Low	Close
Apr-14	-	-	-	-	-
May-14	+90	1026.80	1026.80	1024.90	1024.90

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	00	0.00	0	0
May-14	3	-4	56	-3

Spread	Apr-14	May-14
April-14	-	
May-14		75.10

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	0.5	20020	20130	19970	20050
31-Oct-13	1.26	20700	20950	20660	20880
29-Nov-13	0.98	20440	20630	20440	20540
31-Dec-13	1.04	20300	20410	20280	20380

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		7/9/13	7/8/13	
Amravati	Mech-1	5400	5200	200
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	6005	5660	345
Fazilika	B.T. Cotton	4535	4525	10
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4450	4450	Unch
Bhiwani*	B.T. Cotton	5450	5450	Unch
Ahmedabad	Shankar-6	5500	5600	-100
Gondal	Shankar-6	5715	5700	15
Sri-Ganganagar	J-34	4430	4430	Unch
Abohar	J-34	4545	4530	15
Muktsar	J-34	4545	4525	20

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		7/9/13	7/8/13	
Amravati	Mech-1	450	2000	-1550
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	650	550	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	No Arrival	No Arrival	-
Gondal	Shankar-6	870	103	767
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
				7/8/2013	7/6/2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39400	39400	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	40400	Unch
J-34(202)	26mm	3.5 - 4.9	23	41300	41100	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	42500	41800	700
Shankar-6(105)	29mm	3.5 - 4.9	28	42800	42300	500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43700	43300	400
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44200	43800	400
DCH-32(107)	34mm	3.0 - 3.8	33	51000	51000	Unch

Cotlook Index: As on 8/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.25	-0.75

China Cotton Index: As on 9/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19277	-3
CCIndex(527)	16928	-2
CCIndex(229)	20053	-2

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

USDA Cotton Spot Rates: As on 8/7/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.12	87.37	NIL
North Delta	83.37	85.87	NIL
South Delta	83.37	85.87	NIL
East TX-OK	81.75	84.5	NIL
West Texas	81.75	84.75	440
Desert SW	79.37	85.87	NIL
SJ Valley	80.37	91.02	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 8/7/2013

Contract	Open	High	Low	Close	Change
13-Jul	83.75	83.83	83.46	83.83	0.15
13-Oct	86.54	87.00	86.04	86.37	-0.06
13-Dec	85.40	85.95	84.32	85.33	0.30
14-Mar	83.80	84.72	83.13	84.24	0.31
14-May	84.04	84.23	83.26	83.98	0.08
14-Jul	84.00	84.00	82.87	83.80	-0.09

Pakistan Cotton Spot rates: As on 8/7/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6450	155	6605
Equivalent	40 Kgs	6912	155	7067

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