

## Cotton Domestic Fundamentals:

- Cotton area may remain low this year in Madhya Pradesh and Maharashtra as farmers has diverted to soya crop as per reports from traders and farmers.
- 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

- 576608 acres out of 600,000 acres have been planted which is 96% of cotton sowing target in Punjab state of Pakistan. In Sindh state 140793 acres out of 160615 acres of target has been sown, which is 88% of the target area.
- 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	-12.00	1055.00	1058.00	1031.00	1041.00

## Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	0	0
Mar-14	0	0	0	0
Apr-14	3176	227	3410	604

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

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

Contract	+/-	Open	High	Low	Close
Apr-14	-11.10	1055.20	1057.50	1030.10	1041.61
May-14	-	-	-	-	-

## Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	144	54	405	19
May-14	0	0	0	0

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

**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
		7/10/13	7/9/13	
Amravati	Mech-1	5350	5400	-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	-	6005	-
Fazilika	B.T. Cotton	4475	4535	-60
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4480	4450	30
Bhiwani*	B.T. Cotton	5460	5450	10
Ahmedabad	Shankar-6	-	5500	-
Gondal	Shankar-6	-	5715	-
Sri-Ganganagar	J-34	4435	4430	5
Abohar	J-34	4590	4545	45
Muktsar	J-34	4580	4545	35

\* New Crop

**Cotton Arrivals in Key Centers**

Centre	Variety	Arrivals		Change
		7/10/13	7/9/13	
Amravati	Mech-1	1000	450	550
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	-
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	-
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
				7/9/2013	7/8/2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39600	39400	200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40600	40400	200
J-34(202)	26mm	3.5 - 4.9	23	41500	41300	200
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	42500	42500	Unch
Shankar-6(105)	29mm	3.5 – 4.9	28	42500	42800	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43900	43700	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44500	44200	300
DCH-32(107)	34mm	3.0 - 3.8	33	51700	51000	700

**Cotlook Index: As on 9/7/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	92.55	+0.30

**China Cotton Index: As on 9/7/2013**

Index	RMB/Ton	Change
CCIndex(328)	19275	-2
CCIndex(527)	16926	-2
CCIndex(229)	20053	Unch

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

**USDA Cotton Spot Rates: As on 9/7/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.43	87.68	NIL
North Delta	83.68	86.18	NIL
South Delta	83.68	86.18	NIL
East TX-OK	81.75	84.5	NIL
West Texas	81.75	84.75	NIL
Desert SW	79.68	86.18	NIL
SJ Valley	80.68	91.33	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 9/7/2013**

Contract	Open	High	Low	Close	Change
13-Jul	84.19	84.19	83.90	83.90	0.07
13-Oct	86.44	86.84	86.27	86.68	0.31
13-Dec	85.10	86.23	85.09	85.98	0.65
14-Mar	83.99	85.12	83.99	85.02	0.78
14-May	84.40	84.77	84.33	84.70	0.72
14-Jul	84.29	84.46	84.02	84.44	0.64

**Pakistan Cotton Spot rates: As on 9/7/2013 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6500	155	6655
Equivalent	40 Kgs	6966	155	7121

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