

Cotton Domestic Fundamentals:

- Cotton domestic prices have been trading steady to firm owing to seasonal factors and supportive local and export demand.
- 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.

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	+3.00	1041	1047.50	1037	1043.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	0	0
Mar-14	0	0	0	0
Apr-14	2277	899	3199	-211

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	+2.4	1060	1060	1039.1	1044
May-14	-	-	-	-	-

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	142	4	400	-5
May-14	0	0	0	0

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

MCX Cotton Futures Closed (29 mm Variety): Prices in Bales

Contract	% Change	Open	High	Low	Close
31-Jul-13	-0.25	20230	20260	20130	20210
31-Oct-13	0	20340	20430	20310	20370
29-Nov-13	-0.05	20830	20930	20790	20870
31-Dec-13	-0.3	20000	20030	19920	19970

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		11-7-2013	10-7-2013	
Amravati	Mech-1	-	5350	-
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	5810	-	-
Fazilika	B.T. Cotton	4475	4475	-
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4450	4480	-30
Bhiwani*	B.T. Cotton	5450	5460	-10
Ahmedabad	Shankar-6	-	-	-
Gondal	Shankar-6	5705	-	-
Sri-Ganganagar	J-34	4530	4435	+95
Abohar	J-34	4625	4590	+35
Muktsar	J-34	4625	4580	+45

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		11-7-2013	10-7-2013	
Amravati	Mech-1	-	1000	-
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	-	-
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	50	-	-
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
				10-7-2013	9-7-2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39800	39600	200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40800	40600	200
J-34(202)	26mm	3.5 - 4.9	23	41900	41500	400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	42500	42500	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	43000	42500	500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43600	43900	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44700	44500	300
DCH-32(107)	34mm	3.0 - 3.8	33	52000	51700	300

Cotlook Index: As on 10/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	93.30	+0.75

China Cotton Index: As on 11/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19273	-2
CCIndex(527)	16926	0
CCIndex(229)	20051	-2

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

USDA Cotton Spot Rates: As on 10/7/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.05	88.30	789
North Delta	84.30	86.80	88
South Delta	84.30	86.80	88
East TX-OK	82.50	85.25	NIL
West Texas	82.50	85.50	NIL
Desert SW	80.30	86.80	NIL
SJ Valley	81.30	91.95	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 10/7/2013

Contract	Open	High	Low	Close	Change
13-Jul	86.50	87.30	86.50	87.30	+0.62
13-Oct	85.83	86.89	85.20	86.79	+0.81
13-Dec	84.89	85.75	84.30	85.62	+0.60
14-Mar	84.42	85.22	84.30	85.09	+0.39
14-May	84.10	84.70	84.10	84.65	+0.21
14-Jul	81.11	81.11	81.11	81.11	+0.07

Pakistan Cotton Spot rates: As on 10/7/2013 (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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