

Cotton Domestic Fundamentals:

- Cotton Corporation of India, is to release the entire stock of 14 lakh bales(170kg each) of cotton in domestic market after the green signal given by Textiles Ministry
- 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. .
- Good buying from the local mills and export demand supported prices.

Cotton International Fundamentals

- As per USDA report, world output is seen at 118.02 million bales, more than 117.6 bales estimated in June 2013.
- 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.

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	-6.0004	1017.50	1025.00	1010.00	1013.50

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	3144	1047	3152	176

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

Feb-14	-		
Mar-14		-	-1013.5

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

Contract	+/-	Open	High	Low	Close
Apr-14	8.30	1013.60	1014.90	1003.00	1003.00
May-14	-5.30	1040.00	1040.00	1024.10	1025.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	1	3	52	0
May-14	30	92	414	-6

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

April-14	-1001.30	
May-14		-1016.00

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	-0.56	19660	19670	19500	19540
31-Oct-13	-0.1	20400	20500	20300	20400
29-Nov-13	-0.1	19960	20000	19780	19890
31-Dec-13	-0.2	19820	19890	19700	19780

Cotton Prices at Key Spot Markets

Centre	Variety	Prices (Rs/Qtl)		Change
		15-Jul-13	13-Jul-13	
Amravati	Mech-1	5400	5400	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	5710	5705	5
Fazilika	B.T. Cotton	4575	4605	-30
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4270	4270	Unch
Bhiwani*	B.T. Cotton	5170	5150	20
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	5815	-	-
Sri-Ganganagar	J-34	4500	4525	-25
Abohar	J-34	4580	4580	Unch
Muktsar	J-34	4580	4580	Unch

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		15-Jul-13	13-Jul-13	
Amravati	Mech-1	No Arrival	2000	-
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	625	450	175
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	135	-	-
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
				12-7-2013	11-7-2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39800	39800	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40800	40800	Unch
J-34(202)	26mm	3.5 - 4.9	23	41900	42100	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	42800	42700	+100
Shankar-6(105)	29mm	3.5 - 4.9	28	43000	43200	-200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	44100	44300	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44700	44900	-200
DCH-32(107)	34mm	3.0 - 3.8	33	52200	52200	Unch

Cotlook Index: As on 12/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.15	-1.80

China Cotton Index: As on 15/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19265	-1
CCIndex(527)	16923	-2
CCIndex(229)	20050	-1

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

USDA Cotton Spot Rates: As on 12/7/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.88	86.13	NIL
North Delta	82.13	84.63	NIL
South Delta	82.13	84.63	NIL
East TX-OK	80.5	83.25	NIL
West Texas	80.5	83.5	NIL
Desert SW	78.13	84.63	NIL
SJ Valley	79.13	89.78	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 12/7/2013

Contract	Open	High	Low	Close	Change
13-Jul	85	85	84.42	85.13	-0.05
13-Oct	85	85.32	84.18	85.08	0.34
13-Dec	84	84.21	83.16	83.91	0.33
14-Mar	83	83.79	82.92	83.44	0.11
14-May	83	83.49	82.82	83.25	0.06
14-Jul	80	79.86	79.86	79.86	-0.31

Pakistan Cotton Spot rates: As on 13/7/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6550	155	6555
Equivalent	40 Kgs	7020	155	7121

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2013 Indian Agribusiness Systems Pvt Ltd.