

## 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 sown area is approximately 92.44 (Lakh Hectares) as compare to 65.22 (Lakh Hectares) last year which is approximately 41% 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	-4.5	1010.00	1019.00	1007.00	1008.00

### 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	3144	1073	3152	317

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			127

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

Contract	+/-	Open	High	Low	Close
Apr-14	-8.20	999.00	999.00	990.00	990.00
May-14	-3.70	1009.00	1020.00	1009.00	1010.70

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	4	1	52	-1
May-14	122	52	420	26

Spread	Apr-14	May-14
April-14	145.00	
May-14		124.30

**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	-1.43	19440	19550	19250	19250
31-Oct-13	-1.03	20310	20420	20160	20160
29-Nov-13	-1.06	19880	19940	19690	19690
31-Dec-13	-0.56	19760	19860	19690	19690

**Cotton Prices at Key Spot Markets**

Centre	Variety	Prices (Rs/Qtl)		Change
		16-Jul-13	15-Jul-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	5675	5710	-35
Fazilika	B.T. Cotton	4560	4575	-15
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4300	4270	+30
Bhiwani*	B.T. Cotton	5200	5170	+30
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	5680	5815	-135
Sri-Ganganagar	J-34	4500	4500	Unch
Abohar	J-34	4560	4580	-20
Muktsar	J-34	4565	4580	-15

\* New Crop

**Cotton Arrivals in Key Centers**

Centre	Variety	Arrivals		Change
		15-Jul-13	13-Jul-13	
Amravati	Mech-1	300	No Arrival	-
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	1510	625	+885
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	54	135	-81
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
				15-7-2013	12-7-2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39400	39800	-400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	40800	-400
J-34(202)	26mm	3.5 - 4.9	23	41700	41900	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	42700	42800	-100
Shankar-6(105)	29mm	3.5 - 4.9	28	42900	43000	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43700	44100	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44300	44700	-400
DCH-32(107)	34mm	3.0 - 3.8	33	52200	52200	Unch

**Cotlook Index: As on 15/7/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	92.45	+0.30

**China Cotton Index: As on 16/7/2013**

Index	RMB/Ton	Change
CCIndex(328)	19265	Unch
CCIndex(527)	16923	Unch
CCIndex(229)	20047	-3

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

**USDA Cotton Spot Rates: As on 15/7/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.1	86.35	1056
North Delta	82.35	84.85	NIL
South Delta	82.35	84.85	NIL
East TX-OK	80.75	83.5	NIL
West Texas	80.75	83.75	NIL
Desert SW	78.35	84.85	NIL
SJ Valley	79.35	79.35	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 15/7/2013**

Contract	Open	High	Low	Close	Change
Oct-13	84.99	85.48	84.30	85.35	+0.22
Dec-13	84.69	85.21	84.52	85.10	+0.02
Mar-14	83.74	83.95	83.40	83.80	-0.11
May-14	83.21	83.27	82.76	83.13	-0.31
Jul-14	82.53	82.80	82.53	82.80	-0.45
Oct-14	79.57	79.57	79.57	79.57	-0.29

**Pakistan Cotton Spot rates: As on 15/7/2013 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6600	155	6755
Equivalent	40 Kgs	7073	155	7228

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