

## 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	-14.504	1007.00	1009.00	993.50	997.00

### 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	1083	3152	169

Spread	Feb-14	Mar-14	Apr-14
Feb-14	-		
Mar-14		-	
Apr-14			129

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

Contract	+/-	Open	High	Low	Close
Apr-14	-16.80	981.00	981.00	976.00	976.00
May-14	-15.20	1009.00	1010.70	996.10	1000.00

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	5	23	51	0
May-14	174	43	394	-13

Spread	Apr-14	May-14
April-14	150.00	
May-14		126.00

**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	-0.72	19290	19300	19140	19190
31-Oct-13	-1.04	20170	20200	19960	20010
29-Nov-13	-1.22	19660	19700	19510	19510
31-Dec-13	-1.01	19650	19670	19530	19540

**Cotton Prices at Key Spot Markets**

Centre	Variety	Prices (Rs/Qtl)		Change
		17-Jul-13	16-Jul-13	
Amravati	Mech-1	5350	5350	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	5630	5675	-45
Fazilika	B.T. Cotton	4525	4560	-35
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4300	4300	Unch
Bhiwani*	B.T. Cotton	5200	5200	Unch
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	5635	5680	-45
Sri-Ganganagar	J-34	4470	4500	-30
Abohar	J-34	4550	4560	-10
Muktsar	J-34	4555	4565	-10

\* New Crop

**Cotton Arrivals in Key Centers**

Centre	Variety	Arrivals		Change
		17-Jul-13	16-Jul-13	
Amravati	Mech-1	250	300	-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	450	1510	-1060
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	152	54	98
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
				16-7-2013	15-7-2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39900	39400	+500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40900	40400	+500
J-34(202)	26mm	3.5 - 4.9	23	41600	41700	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	42100	42700	-100
Shankar-6(105)	29mm	3.5 - 4.9	28	42600	42900	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43200	43700	-500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44300	44300	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	52200	52200	Unch

## Cotlook Index: As on 16/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.45	Unch

## China Cotton Index: As on 17/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19263	-2
CCIndex(527)	16920	-3
CCIndex(229)	20047	Unch

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

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.42	85.67	NIL
North Delta	81.67	84.17	NIL
South Delta	81.67	84.17	NIL
East TX-OK	80.25	83	88
West Texas	80.25	83.25	NIL
Desert SW	77.67	84.17	NIL
SJ Valley	78.67	89.32	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 16/7/2013

Contract	Open	High	Low	Close	Change
Oct-13	84.67	84.67	84.67	84.67	-0.68
Dec-13	85.1	85.89	83.91	84.37	-0.73
Mar-14	83.8	84.2	82.59	82.8	-1
May-14	82.86	83.28	82.14	82.14	-0.99
Jul-14	82.51	82.76	81.77	81.77	-1.03
Oct-14	78.83	78.83	78.83	78.83	-0.74

## Pakistan Cotton Spot rates: As on 16/7/2013 (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

### 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.