

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.
- Cotton prices have fallen in most of the market across the country.

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 fall for next couple of weeks amid less export demand.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0.00	968.50	990.00	968.50	990.00
Mar-14					
Apr-14	0.00	998.00	1003.00	994.50	996.00

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	-2324	3152	78

Spread	Feb-14	Mar-14	Apr-14
Feb-14	125.0		
Mar-14		1,115.0	
Apr-14			119.00

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

Contract	+/-	Open	High	Low	Close
Apr-14	-480	980.00	980.00	975.00	975.00
May-14	-0.4	1005.00	1005.20	997.40	998.40

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	28	-25	51	1
May-14	217	-99	407	4

Spread	Apr-14	May-14
April-14	140.00	
May-14		116.60

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	1.56	19200	19490	19190	19480
31-Oct-13	0.85	20070	20220	20000	20180
29-Nov-13	0.72	19760	19770	19530	19670
31-Dec-13	0.61	19540	19690	19540	19660

Cotton Prices at Key Spot Market

Centre	Variety	Prices (Rs/Qtl)		Change
		18-Jul-13	17-Jul-13	
Amravati	Mech-1	5325	5350	-25
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	5575	5630	-55
Fazilika	B.T. Cotton	4520	4525	-5
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4275	4300	-25
Bhiwani*	B.T. Cotton	5180	5200	-20
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	5505	5635	-130
Sri-Ganganagar	J-34	4460	4470	-10
Abohar	J-34	4550	4550	Unch
Muktsar	J-34	4550	4555	-5

* New Crop

Cotton Arrivals in Key Centers

Centre	Variety	Arrivals		Change
		18-Jul-13	17-Jul-13	
Amravati	Mech-1	300	250	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	400	450	-50
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	100	152	-52
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
				17-7-2013	16-7-2013	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39900	39900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40900	40900	Unch
J-34(202)	26mm	3.5 - 4.9	23	41400	41600	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	41800	42100	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	42400	42600	-200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43000	43200	-200
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 17/7/2013

Cotlook Indices	Cents/Pound	Change
A-Index	91.80	-0.65

China Cotton Index: As on 18/7/2013

Index	RMB/Ton	Change
CCIndex(328)	19260	-3
CCIndex(527)	16917	-3
CCIndex(229)	20045	-2

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

USDA Cotton Spot Rates: As on 17/7/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	81.82	85.07	534
North Delta	81.07	83.57	424
South Delta	81.07	83.57	NIL
East TX-OK	79.75	82.5	NIL
West Texas	79.75	82.75	NIL
Desert SW	77.07	83.57	NIL
SJ Valley	78.07	88.72	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 17/7/2013

Contract	Open	High	Low	Close	Change
Oct-13	84.3	84.3	84.05	84.07	-0.6
Dec-13	84.48	84.65	83.58	83.67	-0.7
Mar-14	82.82	83.03	82.17	82.17	-0.63
May-14	82.08	82.08	81.5	81.5	-0.64
Jul-14	81.82	81.82	81.08	81.09	-0.68
Oct-14	77.8	77.8	77.8	77.8	-1.03

Pakistan Cotton Spot rates: As on 17/7/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6700	155	6855
Equivalent	40 Kgs	7180	155	7335

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