

**Cotton Domestic Fundamentals:**

- Cotton prices in domestic markets noticed bullish trends on Thursday.
- Cotton prices are expected to climb higher this week amid late arrivals and higher demand from millers.
- Acreage of cotton in Maharashtra has declined by 6.3% due to previous year's drought in state.
- Cotton production is expected to rise by 4.56% to 37.2 million bales in 2013-14.
- As per the USDA report, India's domestic cotton consumption seems strong until September.
- Cotton Area sown till date is approximately 111.34 lakh hectares compared to 111.53 lakh hectares during the same period last year.

**Cotton International Fundamentals**

- Pakistan total textile exports rose by 11% to USD 1.21 billion this year.
- As per USDA report, the world cotton stock in 2013/14 would reach to 93.8 million bales, 7.4 million bales higher than previous season.
- USDA lowers the forecast for 2013/14 world cotton production to 116.4 million bales, which is 1.6 million bales below the previous month's projection.

**Outlook:** We expect domestic cotton prices to notice bullish trends in the market

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

Contract	+/-	Open	High	Low	Close
Feb-14	0	976.00	998.00	976.00	996.00
Mar-14	1.50	1003.00	1003.00	1003.00	1003.00
Apr-14	-19	1040.00	1051.50	1027.00	1029.00

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-14	3	-1	13	0
Mar-14	1	1	4	0
Apr-14	5,495	-1,781	5063	-16

Spread	Feb-14	Mar-14	Apr-14
Feb-14	177		
Mar-14		170	
Apr-14			144

**NB:** Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

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

Contract	+/-	Open	High	Low	Close
Mar-14	-16.00	1005.00	1023.00	1005.00	1005.00
Apr-14	-18.10	1044.00	1055.40	1031.80	1033.60

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-14	6	-2	78	1
Apr-14	312	4	190	-12

Spread	Apr-14	May-14
Mar-14	168	
Apr-14		139.4

**NB:** Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

Contract	% Change	Open	High	Low	Close
<b>31-Jul-13</b>	0.93	22700	22920	22560	22810
<b>31-Oct-13</b>	1.53	21650	21910	21580	21840
<b>29-Nov-13</b>	1.5	21480	21660	21380	21610
<b>31-Dec-13</b>	1.4	21580	21750	21470	21690

**Cotton Prices at Key Spot Market:**

Centre	Variety	Prices (Rs/Qtl)		Change
		29-Aug-13	27-Aug-13	
Amravati	Mech-1	6150	6150	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	Closed	Closed	-
Fazilika	B.T. Cotton	4950	4840	110
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	4870	4800	70
Bhiwani*	B.T. Cotton	5700	5800	-100
Sirsa	B.T. Cotton	5700	5800	-100
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	Closed	Closed	-
Sri-Ganganagar	J-34	Closed	Closed	-
Abohar	J-34	5100	5000	100
Muktsar	J-34	5075	5000	75

\* New Crop

**Cotton Arrivals in Key Centers:**

Centre	Variety	Arrivals		Change
		29-Aug-13	27-Aug-13	
Amravati	Mech-1	200	300	-100
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	Closed	Closed	-
Fazilika	B.T. Cotton	No Arrival	No Arrival	-
Fazilika*	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani	B.T. Cotton	No Arrival	No Arrival	-
Bhiwani*	B.T. Cotton	No Arrival	No Arrival	-
Sirsa	B.T. Cotton	No Arrival	No Arrival	-
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal	Shankar-6	Closed	Closed	-
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
				28-Aug-13	27-Aug-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	40400	40000	+400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40900	40900	Unch
J-34(202)	26mm	3.5 - 4.9	23	45000	44600	+400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	48800	48000	+800
Shankar-6(105)	29mm	3.5 - 4.9	28	48500	47700	+800
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	49700	49200	+500
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	50500	50000	+500
DCH-32(107)	34mm	3.0 - 3.8	33	56000	55500	+500

## China Cotton Index: As on 29/8/2013

### Cotlook Index: As on 28/8/2013

Cotlook Indices	Cents/Pound	Change
A-Index	89.95	-0.55

Index	RMB/Ton	Change
CCIndex(328)	19158	-4
CCIndex(527)	16850	Unch
CCIndex(229)	20000	-4

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

### USDA Cotton Spot Rates: As on 28/8/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.76	86.01	NIL
North Delta	81.76	84.26	NIL
South Delta	81.76	84.26	NIL
East TX-OK	80.5	83.25	NIL
West Texas	80.5	83.5	NIL
Desert SW	77.01	83.51	NIL
SJ Valley	78.01	88.66	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 28/8/2013

Contract	Open	High	Low	Close	Change
Oct-13	85.12	85.12	83.86	84.01	-0.49
Dec-13	84.15	84.94	83.71	83.75	-0.40
Mar-14	83.25	83.89	82.75	82.82	-0.54
May-14	82.93	83.38	82.61	82.66	-0.48
Jul-14	82.75	82.75	82.26	82.39	-0.34
Oct-14	77.75	77.75	77.75	77.75	-0.13

### Pakistan Cotton Spot rates: As on 28/8/2013 (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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