



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed bullish tone on Monday.
- Cotton prices are likely to move higher further amid active trading in the market.
- Cotton production is estimated to be 37 million bales as per the market participants, in year 2013-14.
- Cotton Area sown till date is approximately 113.50 lakh hectares compared to 114.44 lakh hectares during the same period last year.

Cotton International Fundamentals

- Global cotton production is likely to decline to 25.5 million tons in 2013-14, as reported by market participants.
- Cotton ICE future moved three months lower amid log liquidation in market.
- Chinese cotton textile manufacturers have asked the government to introduce direct subsidies to farmers and stabilize domestic prices.
- USDA lowers the forecast for 2013/14 world cotton production to 116.4 million bales, which are 1.6 million bales below the previous month's projection.

Outlook: We expect domestic cotton prices to notice sideways to bearish tone amid new arrivals in the market.

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

Contract	+/-	Open	High	Low	Close
Feb-14	-	0.00	0.00	0.00	0.00
Mar-14	-	995.00	0.00	0.00	0.00
Apr-14	1	1027.00	1037.00	1020.00	1031.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	14	0
Mar-14	2	2	4	0
Apr-14	3,195	1,795	5321	343

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		--	
Apr-14			216

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

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

Contract	+/-	Open	High	Low	Close
Mar-14	-4.40	980.00	1003.90	980.00	992.00
Apr-14	3.10	1027.00	1039.50	1024.80	1034.40

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	6	-1	81	2
Apr-14	52	32	177	-9

Spread

	Apr-14	May-14	
Mar-14	255		
Apr-14		212.6	

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

MCX Cotton Futures Closed (29 mm Variety):

Contract	% Change	Open	High	Low	Close
31-Oct-13	-1.92	21190	21290	20900	20900
29-Nov-13	-1.23	20350	20380	20150	20150
31-Dec-13	-1.27	20300	20400	20180	20180
31-Jan-14	-1.02	20470	20550	20400	20400
27-Feb-14	-1.01	20600	20700	20570	20600

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		16-Sep-13	14-Sep-13	
Amravati	Mech-1	No Arrival	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	6235	6175	60
Fazilika*	B.T. Cotton	4625	4660	-35
Fazilika*	B.T. Cotton(Narma)	5100	4900	200
Bhiwani	B.T. Cotton	4800	4550	250
Bhiwani*	B.T. Cotton	5200	5000	200
Sirsa*	B.T. Cotton	4650	4625	25
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	5880	5500	380
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	4625	4600	25
Muktsar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		16-Sep-13	14-Sep-13	
Amravati	Mech-1	No Arrival	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	220	85	135
Fazilika	B.T. Cotton	No Arrival	No Arrival	-
Fazilika*	B.T. Cotton	50	40	10
Bhiwani*	B.T. Cotton	300	200	100
Sirsa*	B.T. Cotton	400	200	200
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	70	2	68
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	100	200	-100
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
				13-Sep-13	12-Sep-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39400	39400	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39900	39900	Unch
J-34(202)	26mm	3.5 - 4.9	23	43800	43600	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	47200	47100	100
Shankar-6(105)	29mm	3.5 - 4.9	28	47500	47400	100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48200	48100	100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	49300	49200	100
DCH-32(107)	34mm	3.0 - 3.8	33	57300	57500	-200



China Cotton Index: As on 16/9/2013

Cotlook Index: As on 13/9/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.35	+0.50

Index	RMB/Ton	Change
CCIndex(328)	19142	+5
CCIndex(527)	16836	Unch
CCIndex(229)	19976	+2

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

USDA Cotton Spot Rates: As on 13/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.96	87.21	NIL
North Delta	82.96	85.46	NIL
South Delta	82.96	85.46	NIL
East TX-OK	82.75	85	157
West Texas	81.5	84.5	NIL
Desert SW	78.71	85.21	NIL
SJ Valley	79.21	89.86	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 13/9/2013:

Contract	Open	High	Low	Close	Change
Oct-13	85.79	85.79	85.02	85.21	-0.67
Dec-13	84.75	85.15	84.25	84.46	-0.29
Mar-14	84.32	84.74	84	84.16	-0.27
May-14	84	84.33	83.61	83.72	-0.26
Jul-14	83.51	83.8	83.1	83.22	-0.26
Oct-14	78.87	78.87	78.87	78.87	-0.41

Pakistan Cotton Spot rates: As on 14/9/2013 (in Pakistan Rupees):

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6900	155	7055
Equivalent	40 Kgs	7395	155	7550

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