



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed mixed tone on Monday.
- Prices of cotton in most of the market remained unchanged due to sluggish trade amid rain.
- New arrivals have started arriving in the markets of Punjab and Haryana.
- Cotton Area sown till date is approximately 113.60 lakh hectares compared to 114.44 lakh hectares during the same period last year.
- Cotton production is estimated to be 37 million bales as per the market participants, in year 2013-14.

Cotton International Fundamentals

- ICE cotton (December Contract) touched the range of 84.64 cents/lbs, gaining 0.12 cents cents/lbs.
- USDA World cotton production estimates for this month are higher as compared to previous as India gains the higher production this year.
- China cotton production is likely to decline by 5.7% in forthcoming cotton season, as reported by USDA.
- Global cotton production is likely to decline to 25.5 million tons in 2013-14, as reported by market participants.

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	-20	991.00	991.00	968.00	968
Apr-14	-14.5	1014.00	1015.00	993.00	996.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	14	0
Mar-14	6	-5	25	0
Apr-14	6,543	3,916	4984	294

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		257	
Apr-14			229

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	-7.30	984.00	984.00	960.80	971.50
Apr-14	-13.10	1013.50	1014.10	994.50	997.20

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	10	8	76	0
Apr-14	126	22	205	-6

Spread

	Apr-14	May-14	
Mar-14	253.5		
Apr-14		227.8	

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	1.93	20750	21240	20750	21150
29-Nov-13	0.2	20090	20230	19990	20070
31-Dec-13	0.2	20130	20230	20010	20100
31-Jan-14	0.2	20300	20380	20130	20240
27-Feb-14	-0.15	20510	20510	20210	20400

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		23-Sep-13	21-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	6125	6060	65
Fazilika*	B.T. Cotton	4500	4450	50
Fazilika*	B.T. Cotton(Narma)	5000	5050	-50
Bhiwani	B.T. Cotton	4500	4500	Unch
Bhiwani*	B.T. Cotton	5150	5200	-50
Sirsa*	B.T. Cotton	4540	4520	20
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	5750	5755	-5
Sri-Ganganagar	J-34	4550	No Arrival	-
Abohar*	J-34	4480	4500	-20
Muktsar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		23-Sep-13	21-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	240	540	-300
Fazilika*	B.T. Cotton	200	80	120
Bhiwani*	B.T. Cotton	400	300	100
Sirsa*	B.T. Cotton	200	150	50
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	10	101	-91
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	200	300	-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
				21-Sep-13	19-Sep-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38500	38500	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39500	39500	Unch
J-34(202)	26mm	3.5 - 4.9	23	41900	42400	-500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	46400	46400	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	46900	46900	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	47500	47500	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	48500	48500	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	57300	57300	Unch

China Cotton Index: As on 23/9/2013

Cotlook Index: As on 20/9/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.75	-0.70

Index	RMB/Ton	Change
CCIndex(328)	19155	5
CCIndex(527)	16841	2
CCIndex(229)	19982	2

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

USDA Cotton Spot Rates: As on 20/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.52	85.77	NIL
North Delta	82.27	84.77	NIL
South Delta	82.27	84.77	NIL
East TX-OK	82.5	84.75	762
West Texas	81.25	84.25	NIL
Desert SW	78.52	85.02	NIL
SJ Valley	79.02	89.67	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 20/9/2013

Contract	Open	High	Low	Close	Change
Oct-13	84.88	84.88	82.84	83.33	-2.01
Dec-13	84.66	85.3	84.07	84.52	-0.20
Mar-14	84.54	85.05	84.05	84.41	-0.05
May-14	84.76	84.76	83.86	84.25	unch
Jul-14	84.3	84.3	83.65	83.88	0.05
Oct-14	79.78	79.78	79.78	79.78	unch

Pakistan Cotton Spot rates: As on 21/9/2013 (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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