



### Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed mixed tone on Tuesday.
- Cotton arrivals are expected to get delay due to heavy rains in many of the cotton growing regions.
- Delay in cotton arrivals will boost the local prices, as reported by the traders.
- 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

- Cotlook 'A' Index touched the level of 90.55 cents/pound, 0.22 points lower on weekly basis.
- 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	-17.5	940.50	940.50	940.50	940.50
Mar-14	-14	964.50	967.50	962.50	965
Apr-14	-1	999.50	1002.00	989.00	997.00

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	1	1	14	0
Mar-14	24	18	4	-21
Apr-14	5,482	-1,061	4928	-56

#### Spread

	Feb-14	Mar-14	Apr-14
Feb-14	283.5		
Mar-14		259	
Apr-14			227

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	-5.80	978.00	978.00	960.00	967.00
Apr-14	-2.20	999.70	1003.80	990.00	996.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	8	-2	76	0
Apr-14	95	-31	215	10

#### Spread

	Apr-14	May-14	
Mar-14	257		
Apr-14		227.5	

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	0.57	21270	21380	20960	21270
29-Nov-13	0.3	20130	20220	19940	20150
31-Dec-13	0.2	20130	20230	19910	20150
31-Jan-14	0.54	20310	20370	20120	20350
27-Feb-14	0.34	20500	20570	20230	20490

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		24-Sep-13	23-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	6120	6125	-5
Fazilika*	B.T. Cotton	4500	4500	Unch
Fazilika*	B.T. Cotton(Narma)	5200	5000	200
Bhiwani	B.T. Cotton	4550	4500	50
Bhiwani*	B.T. Cotton	5200	5150	50
Sirsa*	B.T. Cotton	4550	4540	10
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	5755	5750	5
Sri-Ganganagar	J-34	4550	4550	Unch
Abohar*	J-34	4490	4480	10
Muktsar	J-34	No Arrival	No Arrival	-

\* New Crop

### Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		24-Sep-13	23-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	300	240	60
Fazilika*	B.T. Cotton	200	200	Unch
Bhiwani*	B.T. Cotton	900	400	500
Sirsa*	B.T. Cotton	551	200	351
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	160	10	150
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	340	340	Unch
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
				23-Sep-13	21-Sep-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38000	38500	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39000	39500	-500
J-34(202)	26mm	3.5 - 4.9	23	41400	41900	-500
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	46300	46400	-100
Shankar-6(105)	29mm	3.5 – 4.9	28	46900	46900	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	47400	47500	-100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	48200	48500	-300
DCH-32(107)	34mm	3.0 - 3.8	33	57000	57300	-300

### China Cotton Index: As on 24/9/2013

### Cotlook Index: As on 23/9/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.55	-0.20

Index	RMB/Ton	Change
CCIndex(328)	19152	-3
CCIndex(527)	16850	9
CCIndex(229)	19980	-2

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

### USDA Cotton Spot Rates: As on 23/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.27	85.52	NIL
North Delta	82.02	84.52	NIL
South Delta	82.02	84.52	NIL
East TX-OK	82.25	84.50	NIL
West Texas	81	84.00	NIL
Desert SW	78.27	84.77	NIL
SJ Valley	78.77	89.42	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 23/9/2013

Contract	Open	High	Low	Close	Change
Oct-13	82.87	83.51	82.84	83.01	-0.32
Dec-13	84.50	84.64	84.10	84.27	-0.25
Mar-14	84.22	84.62	84.05	84.18	-0.23
May-14	83.94	84.28	83.92	84.21	-0.04
Jul-14	83.62	84.02	83.59	84.00	0.12
Oct-14	80.01	80.01	80.01	80.01	0.23

### Pakistan Cotton Spot rates: As on 23/9/2013 (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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