



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed a slight uptrend on Thursday.
- Expectation of delay in arrivals raised the prices of cotton in many of the key markets.
- Country is expecting good yield due to good rain and BT cotton this year, which would lower down the prices of cotton in future.
- 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

- Cotton production in China is expected to be around 6.3 million metric tons this year, down by 5.6% from previous year.
- ICE cotton December contract touched the value of 84.50 cents/lbs, 0.21 points higher.
- USDA World cotton production estimates for this month are higher as compared to previous as India gains the higher production this year.
- 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 bullish tone amid delay in the arrivals due to rains.

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

Contract	+/-	Open	High	Low	Close
	0.00	0.00	0.00	0.00	0.00
Mar-14	-7	968.00	968.00	968.00	968
Apr-14	-9.5	1008.00	1010.00	995.50	998.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
	--	--	15	0
Mar-14	1	0	4	1
Apr-14	4,709	-929	5593	427

Spread

	Apr-14	May-14	
Mar-14	272		
Apr-14		242	

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
Feb-14	--	--	--	--	--
Mar-14	-5.20	973.50	984.00	965.00	967.60
Apr-14	-9.20	1007.80	1012.50	998.00	999.60

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	--	--	--	--
Mar-14	13	5	79	2
Apr-14	90	-42	229	10

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		272.4	
Apr-14			240.4

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	-0.78	21700	21810	21280	21500
29-Nov-13	-0.1	20340	20420	20230	20320
31-Dec-13	-0.1	20260	20340	20160	20240
31-Jan-14	-0.1	20440	20510	20350	20430
27-Feb-14	-0.15	20530	20670	20530	20580

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		26-Sep-13	25-Sep-13	
Amravati	Mech-1	No Arrival	No Arrival	-
Khandwa	Mech-1	No Arrival	No Arrival	-
Khargaoon	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	-	6200	-
Fazilika*	B.T. Cotton	4550	4500	50
Fazilika*	B.T. Cotton(Narma)	5200	5150	50
Bhiwani	B.T. Cotton	4600	4600	Unch
Bhiwani*	B.T. Cotton	5350	5350	Unch
Sirsa*	B.T. Cotton	4600	4580	20
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	-	-	-
Sri-Ganganagar	J-34	4600	4590	10
Abohar*	J-34	4475	4535	-60
Muktsar	J-34	No Arrival	No Arrival	-

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		26-Sep-13	25-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	-	535	-
Fazilika*	B.T. Cotton	250	200	50
Bhiwani*	B.T. Cotton	600	1000	-400
Sirsa*	B.T. Cotton	200	200	Unch
Ahmedabad	Shankar-6	No Arrival	No Arrival	-
Gondal*	Shankar-6	-	-	-
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	510	510	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
				25-Sep-13	24-Sep-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38000	37500	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39000	38500	500
J-34(202)	26mm	3.5 - 4.9	23	41800	41500	300
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	47000	46500	500
Shankar-6(105)	29mm	3.5 – 4.9	28	47500	47100	400
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48200	47600	600
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	48800	48300	500
DCH-32(107)	34mm	3.0 - 3.8	33	57000	56500	500



Cotlook Index: As on 25/9/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.30	Unch

China Cotton Index: As on 26/9/2013

Index	RMB/Ton	Change
CCIndex(328)	19160	+3
CCIndex(527)	16853	+2
CCIndex(229)	19985	+3

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

USDA Cotton Spot Rates: As on 25/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.65	85.90	427
North Delta	82.40	84.90	NIL
South Delta	82.40	84.90	NIL
East TX-OK	83.00	85.25	2997
West Texas	81.75	84.75	NIL
Desert SW	78.65	85.15	NIL
SJ Valley	79.15	89.80	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 25/9/2013

Contract	Open	High	Low	Close	Change
Oct-13	83.73	83.73	83.73	83.73	0.30
Dec-13	84.38	85.31	84.21	84.65	0.27
Mar-14	84.44	85.01	83.97	84.42	0.13
May-14	84.47	84.90	84.05	84.50	0.11
Jul-14	84.24	84.50	83.95	84.37	0.14
Oct-14	80.27	80.27	80.27	80.27	0.15

Pakistan Cotton Spot rates: As on 25/9/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7000	155	7155
Equivalent	40 Kgs	7502	155	7657

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2013 Indian Agribusiness Systems Pvt Ltd.