



### Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed sideways to bullish tone on Monday.
- In north India, cotton prices gained higher momentum whereas it remained almost sideways in other regions.
- 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 114.37 lakh hectares compared to 116.04 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 futures closed higher amid concerns of crop production in India, China and U.S.
- USDA World cotton production estimates for this month are higher as compared to previous month as India gains the higher production this year.
- Cotton prices in Pakistan noticed firm tone amid good demand from spinners.
- 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 steady to bullish tone in the near term amid delay in arrivals.

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

Contract	+/-	Open	High	Low	Close
Feb-14					
Mar-14	-1	939.50	965.00	939.50	965
Apr-14	7	988.00	995.00	982.00	994.00

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	-1	15	0
Mar-14	21	-1	5	1
Apr-14	3,994	1,381	5283	-26

#### Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		285	
Apr-14			256

**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	8.50	952.00	965.00	950.50	965.00
Apr-14	6.70	987.10	996.40	985.00	996.40

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	8	6	79	1
Apr-14	57	41	232	4

#### Spread

	Apr-14	May-14
Mar-14	285	
Apr-14		253.6

**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	0.74	21580	21750	21480	21700
29-Nov-13	0.93	20450	20610	20370	20600
31-Dec-13	0.84	20330	20490	20280	20460
31-Jan-14	0.93	20490	20670	20400	20660
27-Feb-14	0.78	20650	20800	20650	20800

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		29-Sep-13	28-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	6250	No Arrival	-
Muktsar	B.T. Cotton	4625	No Arrival	-
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	6250	6125	125
Fazilika*	B.T. Cotton	4650	4600	50
Fazilika*	B.T. Cotton(Narma)	5300	5250	50
Bhiwani	B.T. Cotton	4650	4650	Unch
Bhiwani*	B.T. Cotton	5400	5350	+50
Sirsa*	B.T. Cotton	4640	4630	+10
Ahmedabad	Shankar-6	6000	No Arrival	-
Gondal*	Shankar-6	No Arrival	No Arrival	-
Sri-Ganganagar	J-34	4645	4620	25
Abohar*	J-34	4640	4625	15
Muktsar	J-34	4625	No Arrival	-

### Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		29-Sep-13	29-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	1600	No Arrival	-
Patan	B.T. Cotton	No Arrival	No Arrival	-
Rajkot	B.T. Cotton	840	345	495
Fazilika*	B.T. Cotton	500	200	300
Bhiwani*	B.T. Cotton	1500	800	700
Sirsa*	B.T. Cotton	510	680	-170
Ahmedabad	Shankar-6	700	No Arrival	-
Gondal*	Shankar-6	-	-	-
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar*	J-34	340	510	170
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
				27-Sep-13	26-Sep-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38000	38000	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39000	39000	Unch
J-34(202)	26mm	3.5 - 4.9	23	42400	42100	300
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	47500	47500	Unch
Shankar-6(105)	29mm	3.5 – 4.9	28	48200	48200	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48700	48700	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	49300	49300	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	57500	57500	Unch



### China Cotton Index: As on 30/9/2013

Index	RMB/Ton	Change
CCIndex(328)	19158	-3
CCIndex(527)	16850	Unch
CCIndex(229)	19985	0

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

### Cotlook Index: As on 27/9/2013

Cotlook Indices	Cents/Pound	Change
A-Index	91.45	+0.90

### USDA Cotton Spot Rates: As on 27/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.63	87.88	NIL
North Delta	84.38	86.88	NIL
South Delta	84.38	86.88	NIL
East TX-OK	85.00	87.25	1866
West Texas	83.75	86.75	NIL
Desert SW	80.63	87.13	NIL
SJ Valley	81.13	91.78	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 27/9/2013

Contract	Open	High	Low	Close	Change
Oct-13	85.66	85.66	85.66	85.66	1.16
Dec-13	85.48	86.98	85.48	86.63	1.16
Mar-14	85.35	86.63	85.35	86.34	1.16
May-14	85.24	86.45	85.24	86.29	1.14
Jul-14	84.87	85.92	84.87	85.79	0.97
Oct-14	81.34	81.34	81.34	81.34	0.67

### Pakistan Cotton Spot rates: As on 28/9/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	7250	155	7405
Equivalent	40 Kgs	7770	155	7925

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