



### Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed a slight uptrend on Friday.
- New arrivals have been arrived in few of the market leading to buying activities.
- Demands are likely to improve in near term as reported by traders.
- 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	-6	954.50	954.50	926.50	926.50
Mar-14	0.00	0.00	0.00	0.00	0.00
Apr-14	9.5	995.50	1015.00	993.00	1007.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	2	-3	15	0
Mar-14	0	-23	32	0
Apr-14	5,808	74	5441	231

#### Spread

	Feb-14	Mar-14	Apr-14
Feb-14	383.5		
Mar-14		--	
Apr-14			302.5

**NB:** Spread was done by taking avg spot prices at Rajkot – B.T. Cotton market. Basis = Spot- April

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

Contract	+/-	Open	High	Low	Close
Mar-14	7.00	964.30	978.00	960.00	973.50
Apr-14	10.10	988.00	1016.90	988.00	1010.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	24	-11	87	10
Apr-14	117	-15	234	4

#### Spread

	Apr-14	May-14
Mar-14	336.5	
Apr-14		299.5

**NB:** Spread was done by taking avg spot prices at Rajkot – B.T. Cotton market. Basis = Spot- April

**MCX Cotton Futures Closed (29 mm Variety):**

Contract	% Change	Open	High	Low	Close
31-Oct-13	0.65	21600	21870	21560	21830
29-Nov-13	0.15	20500	20630	20390	20570
31-Dec-13	0.44	20300	20470	20230	20440
31-Jan-14	0.54	20480	20680	20430	20650
27-Feb-14	0.53	20670	20850	20630	20830
31-Mar-14	0.67	20990	20990	20990	20990

**Cotton Prices at Key Spot Market:**

Centre	Variety	Prices (Rs/Qtl)		Change
		4-10-2013	3-10-2013	
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	6550	6375	175
Fazilika	B.T. Cotton	4640	4675	-35
Fazilika*	B.T. Cotton	5250	5225	25
Bhiwani	B.T. Cotton	4650	4550	100
Bhiwani*	B.T. Cotton	5300	5300	Unch
Sirsa	B.T. Cotton	4660	4670	-10
Ahmedabad	Shankar-6	5750	5750	Unch
Gondal	Shankar-6	6405	6305	100
Sri-Ganganagar	J-34	4640	4625	15
Abohar	J-34	4650	4680	-30
Muktsar	J-34	4650	4680	-30

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals		Change
		4-10-2013	3-10-2013	
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	1550	1400	150
Fazilika	B.T. Cotton	No Arrival	No Arrival	-
Fazilika*	B.T. Cotton	250	700	-450
Bhiwani*	B.T. Cotton	1200	2000	-800
Sirsa	B.T. Cotton	500	1020	-520
Ahmedabad	Shankar-6	6000	1000	5000
Gondal	Shankar-6	552	325	227
Sri-Ganganagar	J-34	No Arrival	No Arrival	-
Abohar	J-34	1020	1190	-170
Muktsar	J-34	255	255	Unch

\* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				03-Oct-13	01-Oct-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	38000	38000	Unch
Bengal Deshi (SG)(201)	<22mm	5.0 - 7.0	15	39000	39000	Unch
J-34(202)	26mm	3.5 - 4.9	23	43400	42900	+500
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	47500	47800	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	48200	48500	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	48600	48900	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	49200	49500	-300
DCH-32(107)	34mm	3.0 - 3.8	33	57500	57500	Unch



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

#### Cotlook Index: As on 3/10/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.65	<b>+0.25</b>

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

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

#### USDA Cotton Spot Rates: As on 30/9/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.21	88.46	<b>NIL</b>
North Delta	84.96	87.46	<b>NIL</b>
South Delta	84.96	87.46	<b>NIL</b>
East TX-OK	85.00	87.25	<b>814</b>
West Texas	83.75	86.75	<b>NIL</b>
Desert SW	81.21	87.71	<b>NIL</b>
SJ Valley	81.71	92.36	<b>NIL</b>

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 3/10/2013

Contract	Open	High	Low	Close	Change
<b>Oct-13</b>	85.79	85.79	85.79	85.79	<b>+0.57</b>
<b>Dec-13</b>	87.00	87.78	86.82	87.44	<b>+0.57</b>
<b>Mar-14</b>	86.86	87.62	86.83	87.37	<b>+0.58</b>
<b>May-14</b>	86.79	87.54	86.76	87.39	<b>+0.66</b>
<b>Jul-14</b>	86.28	87.02	86.24	87.02	<b>+0.74</b>
<b>Oct-14</b>	82.52	82.52	82.52	82.52	<b>+0.44</b>

#### Pakistan Cotton Spot rates: As on 3/10/2013 (in Pakistan Rupees)

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

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