



### Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed bullish tone on Friday.
- Prices ruled higher in north India amid demand derived by threat of crop damages due to heavy rain in Gujarat and cyclone in Andhra Pradesh.
- Cotton production is estimated to be 37-37.5 million bales in year 2013-14, as Textile Minister K.S. Rao said.
- Union Textile Minister K.S.Rao would soon take up with the Ministry of Commerce the issue of restoration of export incentives given to cotton and cotton yarn under Focus Market Scheme (FMS).
- Cotton Area sown till date is approximately 114.51 lakh hectares compared to 116.04 lakh hectares during the same period last year

### Cotton International Fundamentals

- Vietnam has emerged as fifth largest cotton Importer, with import sentiments of 6 lakh tons in year 2013.
- In Australia, cotton sowing area is expected to decline by 2% in season 2013-14.
- Global cotton prices are above their long term average, as China keeps its domestic prices 50 percent above the current international prices.
- USDA World cotton production estimates for this month are higher as compared to previous month 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 threat of crop losses.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0.00	0.00	0.00	0.00	0.00
Mar-14	10	975.00	975.00	975.00	975.00
Apr-14	9	1005.00	1014.50	1001.50	1012.00

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	15	0
Mar-14	1	0	32	0
Apr-14	5,465	-985	6535	610

#### Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		210	
Apr-14			173

**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	10.20	972.00	976.90	972.00	976.90
Apr-14	8.00	1008.00	1015.00	1004.00	1012.00

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	4	1	82	1
Apr-14	98	-33	248	14

#### Spread

	Apr-14	May-14	
Mar-14	208.1		
Apr-14		173	

**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	0.61	21250	21550	21250	21510
29-Nov-13	0.5	20100	20290	20100	20260
31-Dec-13	0.45	20090	20290	20080	20240
31-Jan-14	0.25	20290	20440	20290	20390
27-Feb-14	0.29	20480	20580	20480	20560

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		11-Oct-13	10-Oct-13	
Amravati	Mech-1	No Arrival	No Arrival	-
Khandwa	Mech-1	No Arrival	No Arrival	-
Khargaan	Mech-1	No Arrival	No Arrival	-
Mahesana(Kadi)	B.T. Cotton	5750	6000	-250
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	6255	6205	50
Rajkot	B.T. Cotton	5925	5900	25
Fazilika*	B.T. Cotton	3980	3950	30
Fazilika*	B.T. Cotton(Narma)	5225	4950	275
Bhiwani	B.T. Cotton	4650	4625	25
Bhiwani*	B.T. Cotton	5325	5250	75
Sirsa*	B.T. Cotton	4570	4500	70
Ahmedabad	Shankar-6	5000	5000	Unch
Gondal*	Shankar-6	3005	No Arrival	-
Sri-Ganganagar	J-34	4560	4510	50
Abohar*	J-34	4630	4530	100
Muktsar	J-34	4600	4530	70

\* New Crop

### Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		11-Oct-13	10-Oct-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	10	5	5
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	2590	1657	933
Rajkot	B.T. Cotton	3600	5000	-1400
Fazilika*	B.T. Cotton	700	500	200
Bhiwani*	B.T. Cotton	2000	2000	Unch
Sirsa*	B.T. Cotton	850	1360	-510
Ahmedabad	Shankar-6	6000	7000	-1000
Gondal*	Shankar-6	640	No Arrival	-
Sri-Ganganagar	J-34	1500	2000	-500
Abohar*	J-34	1020	1020	Unch
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
				10-Oct-13	9-Oct-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	37500	37500	Unch
Bengal Deshi (SG)(201)	<22mm	5.0 - 7.0	15	38500	38500	Unch
J-34(202)	26mm	3.5 - 4.9	23	-	-	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	45500	45500	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	45500	45500	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	46500	46500	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	56500	56500	Unch



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

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

Cotlook Indices	Cents/Pound	Change
A-Index	89.40	<b>-0.30</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 10/10/2013

Contract	Open	High	Low	Close	Change
<b>Oct-13</b>	83.34	84.26	83.13	83.17	<b>-0.03</b>
<b>Dec-13</b>	84.08	84.92	83.99	84.01	<b>0.03</b>
<b>Mar-14</b>	84.4	84.96	84.14	84.31	<b>0.14</b>
<b>May-14</b>	84.32	84.71	84.18	84.19	<b>0.15</b>
<b>Jul-14</b>	80.19	80.19	80.19	80.19	<b>0.15</b>
<b>Oct-14</b>	79.14	79.31	79.14	79.31	<b>0.2</b>

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

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	37.32 Kgs	6950	155	7105
<b>Equivalent</b>	40 Kgs	7448	155	7603

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