



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed steady to firm tone except slight weakness in Rajkot and Fazilika markets.
- Arrival of good quality crop in Gujarat lent support to the market.
- Prices are likely to be range –bound amid increase in arrivals and demand for the new crop from the spinning mills.
- Cotton output is likely to be lower than the earlier estimates amid rains in Gujarat and Maharashtra and likely 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 114.67 lakh hectares compared to 117.29 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.
- 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.

N.B.:- There will be no report dated 13th October 2013 as office remains closed following 'Dussehra'.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0	0.00	0.00	0.00	0.00
Mar-14	0	0.00	0.00	0.00	0.00
Apr-14	-6.5	1013.00	1013.00	1001.50	1005.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	15	0
Mar-14	0	-1	32	0
Apr-14	3,290	-2,175	6707	172

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		-	
Apr-14			145

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	0.00	0.00	0.00	0.00	0.00
Apr-14	-4.40	1014.10	1014.10	1006.00	1007.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	0	-4	82	0
Apr-14	57	-41	254	6

Spread

	Apr-14	May-14
Mar-14	-	
Apr-14		142.5

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	-0.09	21530	21560	21420	21490
29-Nov-13	0.1	20360	20360	20190	20280
31-Dec-13	0.15	20320	20380	20190	20270
31-Jan-14	0.05	20390	20430	20340	20400
27-Feb-14	0.15	20540	20590	20530	20570

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		12-Oct-13	11-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	5750	5750	Unch
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	6350	6255	95
Rajkot	B.T. Cotton	5750	5925	-175
Fazilika*	B.T. Cotton	3950	3980	-30
Fazilika*	B.T. Cotton(Narma)	5300	5225	75
Bhiwani	B.T. Cotton	4650	4650	Unch
Bhiwani*	B.T. Cotton	5450	5325	125
Sirsa*	B.T. Cotton	4615	4570	45
Ahmedabad	Shankar-6	5000	5000	Unch
Gondal*	Shankar-6	3005	3005	Unch
Sri-Ganganagar	J-34	4610	4560	50
Abohar*	J-34	4660	4630	30
Muktsar	J-34	4665	4600	65

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		12-Oct-13	11-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	12	10	2
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	2262	2590	-328
Rajkot	B.T. Cotton	6000	3600	2400
Fazilika*	B.T. Cotton	700	700	Unch
Bhiwani*	B.T. Cotton	3000	2000	1000
Sirsa*	B.T. Cotton	850	850	Unch
Ahmedabad	Shankar-6	5000	6000	-1000
Gondal*	Shankar-6	640	640	Unch
Sri-Ganganagar	J-34	2000	1500	500
Abohar*	J-34	1020	1020	Unch
Muktsar	J-34	213	255	-42

* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				11-Oct-13	10-Oct-13	
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	37000	37500	-500
Bengal Deshi (SG)(201)	<22mm	5.0 - 7.0	15	38000	38500	-500
J-34(202)	26mm	3.5 - 4.9	23	-	-	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	45800	45500	+300
Shankar-6(105)	29mm	3.5 - 4.9	28	45800	45500	+300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	46800	46500	+300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	57000	56500	+500



China Cotton Index: As on 30/9/2013

Cotlook Index: As on 11/10/2013

Cotlook Indices	Cents/Pound	Change
A-Index	89.40	Unch

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

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

		87.46	NIL
East TX-OK	85.00	87.25	814
West Texas	83.75	86.75	NIL
Desert SW	81.21	87.71	NIL
SJ Valley	81.71	92.36	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 11/10/2013

Contract	Open	High	Low	Close	Change
Oct-13	83.27	84.09	83.17	83.37	Unch
Dec-13	84.2	84.9	84.09	84.22	Unch
Mar-14	84.94	85.05	84.5	84.54	0.23
May-14	84.77	84.87	84.4	84.4	0.21
Jul-14	80.05	80.95	80.05	80.4	0.21
Oct-14	79.67	79.9	79.54	79.54	0.23

Pakistan Cotton Spot rates: As on 11/10/2013 (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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