

### Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed mixed tone on Saturday.
- Increase in arrivals in various mandis is adding to the weak tone of the market.
- Good buying by exporters and domestic mills lent some support to the market.
- Maharashtra State Cotton Grower's Cooperative Marketing Federation will start procurement of cotton from next week.
- Despite the fair prices this year, farmers in Punjab are facing loss as 30% of cotton crop has been damaged due to heavy rains in August.
- According to the market participants, consumption this year is likely to increase to 300 lakh bales, compared to 287 lakh bales last year.

### Cotton International Fundamentals:

- As per the market participants, world production would be around 25.7 million tons this year, which was earlier estimated to be around 25.5 million tons.
- Cotton prices noticed recovery in Pakistan amid buying by spinners and exporters on expected duty free market access to European Union countries.
- Production in China would be around 6.93 Million Tons, as per the China cotton association estimates.
- International Prices during the initial two month of season (Aug-Jul) remained higher compared to initial months of last two year.
- Major exporters this year would be United States, India and Australia followed by Uzbekistan, Brazil and Mali as per USDA estimates.
- International prices are likely to rule lower as consumption is following production because most of the countries are producing more of what was expected earlier.

**Outlook:** We expect domestic cotton prices to notice sideways to weak tone in the coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0	895.00	896.00	895.00	896.00
Mar-14	0	912.00	913.50	912.00	912.00
Apr-14	0	952.00	954.00	943.50	950.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	10	0
Mar-14	1	0	18	0
Apr-14	5,657	0	7658	8

#### Spread

	Feb-14	Mar-14	Apr-14
Feb-14	114		
Mar-14		98	
Apr-14			59.5

**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	-3.90	922.00	922.00	915.00	916.10
Apr-14	-0.40	958.00	958.00	952.00	955.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	45	-6	149	37
Apr-14	134	12	371	5

#### Spread

	Apr-14	May-14
Mar-14	93.9	
Apr-14		54.5

**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
29-Nov-13	-	-	-	-	-
31-Dec-13	-	-	-	-	-
31-Jan-14	-	-	-	-	-
27-Feb-14	-	-	-	-	-
31-Mar-14	-	-	-	-	-
30-Apr-14	-	-	-	-	-

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		9-Nov-13	8-Nov-13	
Amravati	Mech-1	4600	4400	200
Khandwa	Mech-1	-	4800	-
Khargaan	Mech-1	-	4800	-
Mahesana(Kadi)	B.T. Cotton	5000	5000	Unch
Muktsar	B.T. Cotton	5400	5400	Unch
Patan	B.T. Cotton	5110	Closed	-
Rajkot	B.T. Cotton	5050	5025	25
Fazilika*	B.T. Cotton(Narma)	5415	5375	40
Bhiwani	B.T. Cotton	4400	4580	-180
Bhiwani*	B.T. Cotton	5350	5450	-100
Sirsa*	B.T. Cotton	4270	4350	-80
Ahmedabad	Shankar-6	-	5000	-
Gondal*	Shankar-6	5000	5015	-15
Sri-Ganganagar	J-34	4270	4350	-80
Abohar*	J-34	4400	4480	-80
Muktsar	J-34	4500	4470	30
Fazilika*	J-34	4550	4550	Unch
Bhatinda	J-34	4500	4475	25
Mansa	J-34	4544	4470	74

\* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		9-Nov-13	8-Nov-13	
Amravati	Mech-1	1500	3500	-2000
Khandwa	Mech-1	-	2000	-
Khargaon	Mech-1	-	6000	-
Mahesana(Kadi)	B.T. Cotton	30000	35000	-5000
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	10760	Closed	-
Rajkot	B.T. Cotton	3000	3000	Unch
Fazilika*	B.T. Cotton	800	400	400
Bhiwani*	B.T. Cotton	1500	2000	-500
Sirsa*	B.T. Cotton	850	1190	-340
Ahmedabad	Shankar-6	-	7000	
Gondal*	Shankar-6	1904	1940	-36
Sri-Ganganagar	J-34	1500	1500	Unch
Abohar*	J-34	1360	850	510
Muktsar	J-34	340	85	255
Bhatinda	J-34	17000	11900	5100
Mansa	J-34	510	170	340

\* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				8-Nov-13	7-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	40800	40300	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41800	41300	500
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39800	39700	100
Shankar-6(105)	29mm	3.5 - 4.9	28	40500	40600	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40800	40800	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41200	41200	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	53000	53000	Unch



### China Cotton Index: As on 8/11/2013

#### Cotlook Index: As on 8/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	85.05	-0.25

Index	RMB/Ton	Change
CCIndex(328)	NQ	-
CCIndex(527)	NQ	-
CCIndex(229)	NQ	-

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

#### USDA Cotton Spot Rates: As on 8/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	75.13	78.63	NIL
North Delta	74.88	77.38	NIL
South Delta	74.88	77.38	NIL
East TX-OK	75.75	78	2014
West Texas	75.75	78.75	6021
Desert SW	71.88	78.63	NIL
SJ Valley	72.63	83.28	450

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 8/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	76.76	77.88	75.85	76.88	0.12
Mar-14	78.85	79.36	77.84	78.64	-0.22
May-14	79.39	79.85	78.53	79.33	-0.19
Jul-14	79.95	80.34	79.29	79.97	Unch
Oct-14	76.76	76.76	76.76	76.76	-0.26
Dec-14	76.97	76.97	76.36	76.59	-0.39

#### Pakistan Cotton Spot rates: As on 8/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6400	155	6555
Equivalent	40 Kgs	6859	155	7014

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