

**Cotton Domestic Fundamentals:**

- Cotton prices in domestic markets noticed mixed tone on Monday.
- Cotton prices ruled steady in most of the markets due to heavy arrivals and strong demand.
- CCI has announced that it is ready to buy cotton at MSP, if need for the same arises.
- 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:**

- Cotton production in China during the year 2013-14 would be 6.678 million tones, 12.3% lesser than previous year.
- World cotton stockpiles next year would be around 19.81 million tones, 7% bigger than what was estimated in July this year, as reported by ICAC.
- 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.
- International Prices during the initial two month of season (Aug-Jul) remained higher compared to initial months of last two year.
- 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 remain range bound in coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	21.5	880.00	916.50	880.00	916.50
Mar-14	6	919.50	919.50	919.50	919.50
Apr-14	8	948.00	960.00	948.00	958.00

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-14	2	2	10	0
Mar-14	1	0	17	-1
Apr-14	4,470	-1,187	7488	-170

**Spread**

	Feb-14	Mar-14	Apr-14
Feb-14	93.5		
Mar-14		90.5	
Apr-14			52

**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	4.40	920.00	920.50	911.10	920.50
Apr-14	6.80	954.00	964.50	953.00	962.30

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-14	56	11	158	9
Apr-14	127	-7	367	-4

**Spread**

	Apr-14	May-14
Mar-14	89.5	
Apr-14		47.7

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

Contract	% Change	Open	High	Low	Close
29-Nov-13	1.42	19020	19280	18930	19240
31-Dec-13	1.57	19030	19400	19030	19350
31-Jan-14	1.67	19200	19600	19200	19510
27-Feb-14	1.55	19430	19770	19410	19680
31-Mar-14	1.99	19920	20040	19820	20030
30-Apr-14	2.02	20100	20200	20100	20200

**Cotton Prices at Key Spot Market:**

Centre	Variety	Prices (Rs/Qtl)		Change
		11-Nov-13	9-Nov-13	
Amravati	Mech-1	4600	4600	Unch
Khandwa	Mech-1	4800	Closed	-
Khargaon	Mech-1	4800	Closed	-
<b>Mahesana(Kadi)</b>				
	B.T. Cotton	5050	5000	50
Muktsar	B.T. Cotton	5300	5400	-100
Patan	B.T. Cotton	4950	5110	-160
Rajkot	B.T. Cotton	5000	5050	-50
Fazilika*	B.T. Cotton(Narma)	5300	5415	-115
Bhiwani	B.T. Cotton	4350	4400	-50
Bhiwani*	B.T. Cotton	5400	5350	50
Sirsa*	B.T. Cotton	4270	4270	Unch
<b>Ahmedabad</b>				
	Shankar-6	4975	NR	-
Gondal*	Shankar-6	NR	5000	-
<b>Sri-Ganganagar</b>				
	J-34	4200	4270	-70
Abohar*	J-34	4380	4400	-20
Muktsar	J-34	4380	4500	-120
Fazilika*	J-34	4380	4550	-170
Bhatinda	J-34	4385	4500	-115
Mansa	J-34	4380	4544	-164

\* New Crop



### Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		11-Nov-13	9-Nov-13	
Amravati	Mech-1	4500	1500	3000
Khandwa	Mech-1	1500	Closed	-
Khargaon	Mech-1	5000	Closed	-
<b>Mahesana(Kadi)</b>				
Mahesana(Kadi)	B.T. Cotton	55000	30000	25000
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	20000	10760	9240
Rajkot	B.T. Cotton	8000	3000	5000
Fazilika*	B.T. Cotton	700	800	-100
Bhiwani*	B.T. Cotton	1000	1500	-500
Sirsa*	B.T. Cotton	1020	850	170
<b>Ahmedabad</b>				
Ahmedabad	Shankar-6	30000	NR	-
Gondal*	Shankar-6	NR	1904	-
<b>Sri-Ganganagar</b>				
Sri-Ganganagar	J-34	2000	1500	500
Abohar*	J-34	1700	1360	340
Muktsar	J-34	340	340	Unch
Bhatinda	J-34	25500	17000	8500
Mansa	J-34	850	510	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	<b>-0.25</b>

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	<b>NIL</b>
North Delta	74.88	77.38	<b>NIL</b>
South Delta	74.88	77.38	<b>NIL</b>
East TX-OK	75.75	78	<b>2014</b>
West Texas	75.75	78.75	<b>6021</b>
Desert SW	71.88	78.63	<b>NIL</b>
SJ Valley	72.63	83.28	<b>450</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 8/11/2013**

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

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

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

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