



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed firm tone on Tuesday.
- Cotton prices ruled higher in most of the markets due to strong demands.
- Arrivals this year are 18% higher than arrivals in previous year during the same period.
- CCI has announced that it is ready to buy cotton at MSP, if need for the same arises.
- Maharashtra State Cotton Growers Cooperative Marketing Federation will start procurement of cotton from next week.
- According to the market participants, consumption this year is likely to increase to 300 lakh bales, compared to 287 lakh bales last year.
- As per the USDA estimates, cotton exports from India are likely to decline by 9%.

Cotton International Fundamentals:

- Cotton imports in china during October stood 141000 tonnes, 48.1% less as compared to previous year during the same month.
- 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.
- 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 | -3 | 885.50 | 908.00 | 885.50 | 895.00 |
| Mar-14 | 4 | 923.50 | 923.50 | 923.50 | 923.50 |
| Apr-14 | -2 | 957.50 | 962.50 | 955.00 | 956.00 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Feb-14 | 6 | 4 | 12 | 2 |
| Mar-14 | 1 | 0 | 16 | -1 |
| Apr-14 | 3,244 | -1,226 | 7562 | 74 |

Spread

| | Feb-14 | Mar-14 | Apr-14 |
|--------|--------|--------|--------|
| Feb-14 | 110 | | |
| Mar-14 | | 81.5 | |
| Apr-14 | | | 49 |

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 | -3.70 | 900.10 | 923.00 | 900.10 | 916.00 |
| Apr-14 | -3.00 | 963.60 | 967.90 | 960.50 | 960.80 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-----|--------|
| Mar-14 | 26 | -30 | 156 | -2 |
| Apr-14 | 43 | -84 | 370 | 3 |

Spread

| | Apr-14 | May-14 |
|--------|--------|--------|
| Mar-14 | 89 | |
| Apr-14 | | 44.2 |

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 | 0.21 | 19260 | 19380 | 19210 | 19280 |
| 31-Dec-13 | 0.1 | 19370 | 19490 | 19330 | 19380 |
| 31-Jan-14 | 0.15 | 19540 | 19680 | 19510 | 19550 |
| 27-Feb-14 | 0.1 | 19750 | 19850 | 19690 | 19700 |
| 31-Mar-14 | -- | -- | -- | -- | -- |
| 30-Apr-14 | -- | -- | -- | -- | -- |

Cotton Prices at Key Spot Market:

| Centre | Variety | Prices (Rs/Qtl) | | Change |
|----------------|--------------------|-----------------|-----------|--------|
| | | 12-Nov-13 | 11-Nov-13 | |
| Amravati | Mech-1 | 4550 | 4600 | -50 |
| Khandwa | Mech-1 | 4850 | 4800 | 50 |
| Khargaon | Mech-1 | 4850 | 4800 | 50 |
| | | | | |
| Mahesana(Kadi) | B.T. Cotton | 5075 | 5050 | 25 |
| Muktsar | B.T. Cotton | 5400 | 5300 | 100 |
| Patan | B.T. Cotton | 5050 | 4950 | 100 |
| Rajkot | B.T. Cotton | 5025 | 5000 | 25 |
| Fazilika* | B.T. Cotton(Narma) | 5300 | 5300 | Unch |
| Bhiwani | B.T. Cotton | 4450 | 4350 | 100 |
| Bhiwani* | B.T. Cotton | 5450 | 5400 | 50 |
| Sirsa* | B.T. Cotton | 4300 | 4270 | 30 |
| | | | | |
| Ahmedabad | Shankar-6 | 5000 | 4975 | 25 |
| Gondal* | Shankar-6 | 5055 | NR | - |
| | | | | |
| Sri-Ganganagar | J-34 | 4300 | 4200 | 100 |
| Abohar* | J-34 | 4420 | 4380 | 40 |
| Muktsar | J-34 | 4430 | 4380 | 50 |
| Fazilika* | J-34 | 4405 | 4380 | 25 |
| Bhatinda | J-34 | 4425 | 4385 | 40 |
| Mansa | J-34 | 4420 | 4380 | 40 |

* New Crop

Cotton Arrivals in Key Centers:

| Centre | Variety | Arrivals (Qtl) | | Change |
|----------------|-------------|----------------|------------|--------|
| | | 12-Nov-13 | 11-Nov-13 | |
| Amravati | Mech-1 | 5000 | 4500 | 500 |
| Khandwa | Mech-1 | 2000 | 1500 | 500 |
| Khargaon | Mech-1 | 6000 | 5000 | 1000 |
| | | | | |
| Mahesana(Kadi) | B.T. Cotton | 45000 | 55000 | -10000 |
| Muktsar | B.T. Cotton | No Arrival | No Arrival | - |
| Patan | B.T. Cotton | 10000 | 20000 | -10000 |
| Rajkot | B.T. Cotton | 7500 | 8000 | -500 |
| Fazilika* | B.T. Cotton | 800 | 700 | 100 |
| Bhiwani* | B.T. Cotton | 1500 | 1000 | 500 |
| Sirsa* | B.T. Cotton | 1360 | 1020 | 340 |
| | | | | |
| Ahmedabad | Shankar-6 | 40000 | 30000 | 10000 |
| Gondal* | Shankar-6 | 1932 | NR | - |
| | | | | |
| Sri-Ganganagar | J-34 | 2000 | 2000 | Unch |
| Abohar* | J-34 | 1190 | 1700 | -510 |
| Muktsar | J-34 | 340 | 340 | Unch |
| Bhatinda | J-34 | 25500 | 25500 | Unch |
| Mansa | J-34 | 850 | 850 | Unch |

* New Crop

Cotton Association of India Spot Rates:

| Trade Name | Staple | Micronaire | Strength/ GPT | Rs. Per Candy | Rs. Per Candy | Change |
|--|------------|------------|------------------|------------------|------------------|--------|
| | | | | 11-Nov-13 | 8-Nov-13 | |
| Bengal Deshi (RG)/Assam Comilla (101) | Below 22mm | 5.0 - 7.0 | 15 | 41200 | 40800 | 400 |
| Bengal Deshi (SG)(201) | Below 22mm | 5.0 - 7.0 | 15 | 42200 | 41800 | 400 |
| J-34(202) | 26mm | 3.5 - 4.9 | 23 | NQ | NQ | - |
| H-4/ MECH-1(105) | 28mm | 3.5 - 4.9 | 27 | 40000 | 39800 | 200 |
| Shankar-6(105) | 29mm | 3.5 - 4.9 | 28 | 40700 | 40500 | 200 |
| Bunny/ Brahma(105) | 31mm | 3.5 - 4.9 | 30 | 41000 | 40800 | 200 |
| MCU-5/ Surabhi(106) | 32mm | 3.3 - 4.9 | 31 | 41400 | 41200 | 200 |
| DCH-32(107) | 34mm | 3.0 - 3.8 | 33 | 53500 | 53000 | 500 |



China Cotton Index: As on 11/11/2013

Cotlook Index: As on 11/11/2013

| Cotlook Indices | Cents/Pound | Change |
|-----------------|-------------|--------------|
| A-Index | 84.95 | -0.10 |

| 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 11/11/2013

| Contract | Open | High | Low | Close | Change |
|----------|-------|-------|-------|-------|--------|
| Dec-13 | 76.88 | 77.64 | 76.47 | 76.97 | 0.09 |
| Mar-14 | 78.4 | 79.08 | 78.02 | 78.2 | -0.44 |
| May-14 | 79.34 | 79.6 | 78.66 | 78.89 | -0.44 |
| Jul-14 | 79.32 | 80.1 | 79.25 | 79.47 | -0.50 |
| Oct-14 | 76.95 | 76.95 | 76.95 | 76.95 | 0.19 |
| Dec-14 | 76.67 | 77.2 | 76.22 | 76.87 | 0.28 |

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

| Product | Rate for | Ex-Gin Price | Up Country Sales | Spot Rate Karachi |
|------------|-----------|--------------|------------------|-------------------|
| Cotton | 37.32 Kgs | 6500 | 155 | 6655 |
| Equivalent | 40 Kgs | 6966 | 155 | 7121 |

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