



Cotton Domestic Fundamentals:

- Cotton prices in domestic markets noticed firm tone on Wednesday.
- Prices are facing pressure due to heavy arrivals and concerns of weak buying from china.
- 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.
- Cotton association of india has revised the cotton production estimate at 380.5 lakh bales, 0.5 lakh bales less than the previous estimates.
- 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	0.00	0.00	0.00	0.00	0.00
Mar-14	0.00	0.00	0.00	0.00	0.00
Apr-14	-4	959.50	959.50	950.00	953.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	-6	11	-1
Mar-14	0	-1	16	0
Apr-14	3,604	360	7387	-175

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	--		
Mar-14		--	
Apr-14			62

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	-5.50	918.80	918.80	911.00	913.00
Apr-14	-5.10	961.40	961.40	956.00	957.90

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	14	-12	158	2
Apr-14	39	-4	371	1

Spread

	Apr-14	May-14
Mar-14	102	
Apr-14		57.1

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	-1.09	19330	19350	19020	19100
31-Dec-13	-1.03	19420	19440	19170	19190
31-Jan-14	-1.18	19550	19600	19320	19340
27-Feb-14	-1.12	19670	19670	19500	19500
31-Mar-14	-0.5	19860	19860	19840	19840
30-Apr-14	--	--	--	--	--

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		13-Nov-13	12-Nov-13	
Amravati	Mech-1	4700	4550	150
Khandwa	Mech-1	-	4850	-
Khargaon	Mech-1	-	4850	-
Mahesana(Kadi)	B.T. Cotton	5150	5075	75
Muktsar	B.T. Cotton	5400	5400	Unch
Patan	B.T. Cotton	5010	5050	-40
Rajkot	B.T. Cotton	5075	5025	50
Fazilika*	B.T. Cotton(Narma)	5300	5300	Unch
Bhiwani	B.T. Cotton	4400	4450	-50
Bhiwani*	B.T. Cotton	5350	5450	-100
Sirsa*	B.T. Cotton	4325	4300	25
Ahmedabad	Shankar-6	5000	5000	Unch
Gondal*	Shankar-6	5065	5055	10
Sri-Ganganagar	J-34	4325	4300	25
Abohar*	J-34	4435	4420	15
Muktsar	J-34	4440	4430	10
Fazilika*	J-34	4405	4405	Unch
Bhatinda	J-34	4430	4425	5
Mansa	J-34	4430	4420	10

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		13-Nov-13	12-Nov-13	
Amravati	Mech-1	5000	5000	Unch
Khandwa	Mech-1	-	2000	-
Khargaon	Mech-1	-	6000	-
Mahesana(Kadi)	B.T. Cotton	65000	45000	20000
Muktsar	B.T. Cotton	No Arrival	No Arrival	-
Patan	B.T. Cotton	25000	10000	15000
Rajkot	B.T. Cotton	7750	7500	250
Fazilika*	B.T. Cotton	1300	800	500
Bhiwani*	B.T. Cotton	1500	1500	Unch/
Sirsa*	B.T. Cotton	1360	1360	Unch
Ahmedabad	Shankar-6	40000	40000	Unch
Gondal*	Shankar-6	2028	1932	96
Sri-Ganganagar	J-34	1500	2000	-500
Abohar*	J-34	1190	1190	Unch
Muktsar	J-34	340	340	Unch
Bhatinda	J-34	22950	25500	-2550
Mansa	J-34	680	850	-170

* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				12-Nov-13	11-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41600	41200	400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42600	42200	400
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	40200	40000	200
Shankar-6(105)	29mm	3.5 - 4.9	28	40900	40700	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	41300	41000	300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41600	41400	200
DCH-32(107)	34mm	3.0 - 3.8	33	54000	53500	500



China Cotton Index: As on 13/11/2013

Cotlook Index: As on 12/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	84.75	-0.20

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 12/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	76.13	79.63	17
North Delta	75.88	78.38	NIL
South Delta	75.88	78.38	2455
East TX-OK	76.5	78.75	2127
West Texas	76.5	79.5	7080
Desert SW	72.88	79.63	NIL
SJ Valley	73.63	84.28	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 12/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	76.88	78.44	76.88	77.88	0.91
Mar-14	78.17	78.93	77.87	78.22	0.02
May-14	78.88	79.47	78.5	78.79	-0.10
Jul-14	79.4	80	79.11	79.38	-0.09
Oct-14	76.87	76.87	76.87	76.87	-0.08
Dec-14	77	77.38	76.51	76.62	-0.25

Pakistan Cotton Spot rates: As on 12/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	Cotton	37.32 Kgs	6550	155
Equivalent	Equivalent	40 Kgs	7020	155

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