



Cotton Domestic Fundamentals:

- Cotton prices on Monday noticed weak tone in most of the markets, except Amravati, Mahesana and Rajkot, where prices ruled higher.
- Prices ruled lower amid lackluster demand and good production prospects this year.
- Gujarat is likely to produce 11.5 million bales of cotton this season (2013-14) whereas it was 8.7 million bales last season.
- Cotton market is expected to notice firmness from December onwards as mills are likely to buy actively.
- 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:

- Australia is expected to have strongest cotton yield of around 2.107 tones per hectare during current season (2013-14).
- China is likely to start the selling of cotton from its stock reserves from the current week onwards.
- Imports to China from India during the initial nine months of the current year stood 8.6 lakh tones.
- 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.

Outlook: We expect domestic cotton prices to remain range bound in coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	-20	863.00	868.50	863.00	868.50
Mar-14	0.00	0.00	0.00	0.00	0.00
Apr-14	0	935.00	942.00	928.00	937.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	2	-24	13	0
Mar-14	0	-7	4	0
Apr-14	6,541	3,356	8985	474

Spread

	Feb-14	Mar-14	Apr-14
Feb-14	136.5		
Mar-14		--	
Apr-14			68

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

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

Contract	+/-	Open	High	Low	Close
Mar-14	-1.30	895.40	896.70	885.20	893.40
Apr-14	-0.20	935.00	944.00	931.10	939.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	21	-13	188	0
Apr-14	105	49	258	-5

Spread

	Apr-14	May-14
Mar-14	111.6	
Apr-14		66

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	18610	18810	18520	18690
31-Dec-13	0.05	18710	18890	18590	18790
31-Jan-14	0.16	18900	19060	18770	18990
27-Feb-14	-0.21	19000	19230	19000	19130
31-Mar-14	0	19250	19390	19250	19390
30-Apr-14	0	18610	18810	18520	18690

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		18-Nov-13	16-Nov-13	
Amravati	Mech-1	4500	4400	100
Khandwa	Mech-1	4800	Closed	-
Khargaon	Mech-1	4800	Closed	-
Mahesana(Kadi)	B.T. Cotton	5000	4900	100
Rajkot	B.T. Cotton	5025	4950	75
Patan	B.T. Cotton	4930	NR	-
Muktsar	B.T. Cotton	5100	5250	-150
Fazilika*	B.T. Cotton(Narma)	5025	5200	-175
Sirsa*	B.T. Cotton	4130	4230	-100
Bhiwani	B.T. Cotton	4100	NR	-
Bhiwani*	B.T. Cotton	5100	NR	-
Ahmedabad	Shankar-6	4850	4875	-25
Gondal*	Shankar-6	4865	4900	-35
Sri-Ganganagar	J-34	4125	4225	-100
Abohar*	J-34	4220	4330	-110
Muktsar	J-34	4235	4340	-105
Fazilika*	J-34	4320	4350	-30
Bhatinda	J-34	4225	4340	-115
Mansa	J-34	4225	4340	-115

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		18-Nov-13	16-Nov-13	
Amravati	Mech-1	6000	6000	Unch
Khandwa	Mech-1	1000	Closed	-
Khargaon	Mech-1	15000	Closed	-
Mahesana(Kadi)	B.T. Cotton	60000	45000	15000
Rajkot	B.T. Cotton	5000	6500	-1500
Patan	B.T. Cotton	16218	NR	-
Fazilika*	B.T. Cotton	1100	1200	-100
Sirsa*	B.T. Cotton	1360	1360	Unch
Bhiwani*	B.T. Cotton	600	NR	-
Ahmedabad	Shankar-6	40000	40000	Unch
Gondal*	Shankar-6	2919	2991	-72
Sri-Ganganagar	J-34	1500	1500	Unch
Abohar*	J-34	680	850	-170
Muktsar	J-34	255	255	Unch
Bhatinda	J-34	25500	25500	Unch
Mansa	J-34	595	680	-85

* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				16-Nov-13	15-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	41400	41600	-200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	42400	42600	-200
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39500	39800	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	40200	40500	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40600	40900	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40900	41200	-300
DCH-32(107)	34mm	3.0 - 3.8	33	54000	54000	Unch



China Cotton Index: As on 18/11/2013

Cotlook Index: As on 15/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	83.90	-1.00

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 15/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	75.7	79.45	700
North Delta	75.2	77.7	Nil
South Delta	75.2	77.7	Nil
East TX-OK	74.75	77	129
West Texas	74.75	77.75	3789
Desert SW	72.45	79.2	Nil
SJ Valley	73.2	83.85	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 15/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	76.62	77.4	76.52	77.12	0.60
Mar-14	77.51	78.46	77.5	78.2	0.74
May-14	78.15	78.99	78.12	78.71	0.62
Jul-14	79.05	79.51	78.7	79.29	0.58
Oct-14	76.93	76.93	76.93	76.93	0.42
Dec-14	76.5	76.75	76.06	76.54	0.28

Pakistan Cotton Spot rates: As on 16/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6600	155	6755
Equivalent	40 Kgs	7073	155	7228

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