

Cotton Domestic Fundamentals:

- Cotton prices in domestic market noticed weak tone on Saturday.
- Continuous new crop arrival weighs on the prices.
- According to the trade sources, following are the millers and exporters buying details in Gujarat:-
 - ✓ 5000 bales at Rs.39500-39600 per candy for ready delivery.
 - ✓ 3000 bales at Rs.39000 per candy for December 1st week delivery.
 - ✓ 3000 bales at Rs.38500-38600 per candy for December last week delivery.
- 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 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.

Cotton International Fundamentals:

- International cotton futures witness pressure on possible pullback in demand when China will begin to release its stocks.
- As per the USDA report, 68% of cotton crop has been harvested in USA as on 17 November, lower when compared to average of previous 5 years during the same period, which was 75%.
- Production of cotton in Pakistan this season till 15 November stood around 9.51 million bales, compared to 8.519 million bales during the same period last season.
- 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 to weak in coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	-15.50	856	856	856	856
Mar-14	0	885.00	885.00	885.00	885.00
Apr-14	-4.50	924.50	927.50	921.00	922.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	1	1	11	-1
Mar-14	1	0	5	1
Apr-14	3,146	-2,864	9868	350

Spread

	Feb-14	Mar-14	Apr-14
Spot	123		
Feb-14		29	
Mar-14			37

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	-7.60	889.90	889.90	879.00	881.50
Apr-14	-4.52	928.00	931.00	925.50	926.10

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	13	3	192	0
Apr-14	41	-59	279	-2

Spread

	Mar-14	Apr-14	
Spot	97.5		
Mar-14		44.6	

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	-1.55	18700	18770	18450	18480
31-Dec-13	-1.33	18660	18750	18470	18490
31-Jan-14	-1.37	18870	18910	18690	18690
27-Feb-14	-1.41	19110	19110	18900	18900
31-Mar-14	-0.98	19320	19330	19210	19210
30-Apr-14	-0.51	19600	19600	19600	19600

Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		23-Nov-13	22-Nov-13	
Amravati	Mech-1	4550	4500	50
Khandwa	Mech-1	Closed	4850	-
Khargaon	Mech-1	Closed	4850	-
Mahesana(Kadi)	B.T. Cotton	5000	5025	-25
Rajkot	B.T. Cotton	4895	4955	-60
Patan	B.T. Cotton	4850	4880	-30
Muktsar	B.T. Cotton	5200	5300	-100
Fazilika*	B.T. Cotton	5000	5100	-100
Sirsa*	B.T. Cotton	4180	4230	-50
Bhiwani	B.T. Cotton	4450	4450	Unch
Bhiwani*	B.T. Cotton	5250	5250	Unch
Ahmedabad	Shankar-6	4850	4900	-50
Gondal*	Shankar-6	4850	4895	-45
Sri-Ganganagar	J-34	4200	4230	-30
Abohar*	J-34	4300	4330	-30
Muktsar	J-34	4300	4335	-35
Fazilika*	J-34	4300	4350	-50
Bhatinda	J-34	4300	4335	-35
Mansa	J-34	4290	4330	-40

* New Crop

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		23-Nov-13	22-Nov-13	
Amravati	Mech-1	7000	7000	Unch
Khandwa	Mech-1	Closed	1000	-
Khargaon	Mech-1	Closed	15000	-
Mahesana(Kadi)	B.T. Cotton	40000	45000	-5000
Rajkot	B.T. Cotton	7750	7800	-50
Patan	B.T. Cotton	22457	18288	4169
Muktsar	B.T. Cotton	340	340	Unch
Fazilika*	B.T. Cotton	1000	1200	-200
Sirsa*	B.T. Cotton	1700	1360	340
Bhiwani*	B.T. Cotton	1000	800	200
Ahmedabad	Shankar-6	68000	68000	Unch
Gondal*	Shankar-6	3861	2475	1386
Sri-Ganganagar	J-34	3060	3400	-340
Abohar*	J-34	850	850	Unch
Bhatinda	J-34	22100	22100	Unch
Mansa	J-34	510	680	-170

* New Crop

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				22-Nov-13	21-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	39900	39900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40900	40900	Unch
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	39000	39200	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	39900	40100	-200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40200	40400	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40600	40600	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	55500	55000	500



China Cotton Index: As on 23/11/2013

Cotlook Index: As on 22/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	84.75	+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 22/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	75.23	78.98	108
North Delta	74.48	76.98	NIL
South Delta	74.48	76.98	NIL
East TX-OK	73.25	75.50	795
West Texas	73.25	76.25	3009
Desert SW	71.48	78.23	NIL
SJ Valley	72.23	82.68	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 22/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	75.25	75.38	73.79	75.21	0.42
Mar-14	78.35	78.44	76.65	77.23	-1.12
May-14	78.9	78.9	77.18	77.68	-1.20
Jul-14	79.4	79.43	77.74	78.21	-1.25
Oct-14	76.3	76.3	76.3	76.3	-0.72
Dec-14	76.35	76.35	75.46	75.86	-0.69

Pakistan Cotton Spot rates: As on 22/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6450	155	6605
Equivalent	40 Kgs	6912	155	7067

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