

### Cotton Domestic Fundamentals:

- Cotton prices in domestic market noticed firm tone on Tuesday.
- Prices ruled higher in most of the markets amid noticeable demand from millers and exporters.
- CCI (Cotton Corporation of India) offers 10500 bales of cotton to sell, through E-auction.
- Recent cyclone Helen, in Andhra Pradesh has damaged around 10 lakh acre of crop, including cotton.
- 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:

- China cotton yarn import in October stood 182500 tonnes, 9.17% lower to the previous month import and 44.34% higher than previous year during the same period.
- As per the NCMMS (National Cotton Market Monitoring System) report 94.2% of cotton crop in China has been harvested as on 22 Nov. 0.4% down on year on year basis.
- 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 in coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	14.5	874.5	874.5	874.5	874.5
Mar-14		885			
Apr-14	-7.5	931	934	920.5	922

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	1	-1	9	-2
Mar-14	1	0	5	0
Apr-14	4,209	-21	9808	-80

#### Spread

	Feb-14	Mar-14	Apr-14
Spot	116.5		
Feb-14		--	
Mar-14			--

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

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

Contract	+/-	Open	High	Low	Close
Mar-14	-2.00	890.20	890.30	880.00	880.00
Apr-14	-5.80	935.50	937.50	925.00	927.00

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	18	6	196	-1
Apr-14	86	13	284	12

#### Spread

	Mar-14	Apr-14
Spot	111	
Mar-14		47

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



### MCX Cotton Futures Closed (29 mm Variety):

Contract	% Change	Open	High	Low	Close
29-Nov-13	0.75	18760	18920	18760	18860
31-Dec-13	-0.86	18700	18800	18490	18510
31-Jan-14	-0.64	18940	19020	18720	18760
27-Feb-14	-0.58	19190	19260	18980	19020
31-Mar-14	-0.67	19490	19540	19290	19290
30-Apr-14	--	--	--	--	--

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		26-Nov-13	25-Nov-13	
Amravati	Mech-1	4500	4600	-100
Khandwa	Mech-1	4750	Closed	-
Khargaon	Mech-1	4750	Closed	-
Mahesana(Kadi)	B.T. Cotton	5050	5000	50
Rajkot	B.T. Cotton	4920	4955	-35
Patan	B.T. Cotton	4940	4885	55
Muktsar	B.T. Cotton	5200	5200	Unch
Fazilika*	B.T. Cotton	5050	5030	20
Sirsa*	B.T. Cotton	4210	4160	50
Bhiwani	B.T. Cotton	4350	4350	Unch
Bhiwani*	B.T. Cotton	5250	5200	50
Ahmedabad	Shankar-6	4925	4875	50
Gondal*	Shankar-6	Closed	Closed	-
Sri-Ganganagar	J-34	4210	4160	50
Abohar*	J-34	4315	4260	55
Muktsar	J-34	4325	4270	55
Fazilika*	J-34	4270	4260	10
Bhatinda	J-34	4325	4270	55
Mansa	J-34	4300	4270	30

\* New Crop

### Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		26-Nov-13	25-Nov-13	
Amravati	Mech-1	7000	7500	-500
Khandwa	Mech-1	1000	Closed	-
Khargaon	Mech-1	10000	Closed	-
Mahesana(Kadi)	B.T. Cotton	50000	60000	-10000
Rajkot	B.T. Cotton	8100	7900	200
Patan	B.T. Cotton	20686	19822	864
Muktsar	B.T. Cotton	510	425	85
Fazilika*	B.T. Cotton	1200	1200	Unch
Sirsa*	B.T. Cotton	1700	1190	510
Bhiwani*	B.T. Cotton	800	700	100
Ahmedabad	Shankar-6	85000	76500	8500
Gondal*	Shankar-6	Closed	Closed	-
Sri-Ganganagar	J-34	2890	2550	340
Abohar*	J-34	850	680	170
Bhatinda	J-34	23800	23800	Unch
Mansa	J-34	850	255	595

\* New Crop

### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				25-Nov-13	24-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	40400	39900	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41200	40900	300
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38500	38700	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	39200	39500	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39800	39900	-100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40200	40300	-100
DCH-32(107)	34mm	3.0 - 3.8	33	56000	55000	1000

### China Cotton Index: As on 26/11/2013

#### Cotlook Index: As on 25/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	83.75	<b>-1.00</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 22/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	75.23	78.98	<b>108</b>
North Delta	74.48	76.98	<b>NIL</b>
South Delta	74.48	76.98	<b>NIL</b>
East TX-OK	73.25	75.50	<b>795</b>
West Texas	73.25	76.25	<b>3009</b>
Desert SW	71.48	78.23	<b>NIL</b>
SJ Valley	72.23	82.68	<b>NIL</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 25/11/2013

Contract	Open	High	Low	Close	Change
<b>Dec-13</b>	75.70	77.10	75.64	76.96	<b>1.75</b>
<b>Mar-14</b>	77.38	78.84	77.25	78.46	<b>1.23</b>
<b>May-14</b>	77.83	78.98	77.53	78.76	<b>1.08</b>
<b>Jul-14</b>	78.16	79.22	78.05	79.19	<b>0.98</b>
<b>Oct-14</b>	76.58	77.10	76.58	76.99	<b>0.69</b>
<b>Dec-14</b>	75.86	76.29	75.77	76.26	<b>0.40</b>

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

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

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