



### Cotton Domestic Fundamentals:

- Cotton prices in domestic market noticed weak tone on Saturday.
- Prices slipped down on higher arrivals amid concerns over release of China cotton stock.
- Millers and exporters buying details:
  - ✓ The 15,000 bales bought in Maharashtra and Madhya Pradesh at 37,800-38400 per candy for December first week variety.
  - ✓ In Gujarat, 12000 bales and 9000 bales are bought at 38500-38800 per candy and 38300-38400 per candy respectively. Another, 8000 bales was bought at 38500 per candy for mid December delivery.
- Degraded quality has been reported in crops of Maharashtra and Madhya Pradesh.
- Contracts have been signed by exporter to supply cotton to China at 82 Cents/Lb C&F.
- CCI (Cotton Corporation of India) offers 10500 bales of cotton to sell, through E-auction.
- Recent cyclone Helen, in Andhara 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.

### Cotton International Fundamentals:

- China sell 12312 tonne from its reserve on the November 28,2013 at an average price of USD 2900 per tonne.
- At ICE, cotton ended the month with a slight gain, even prices fell to 10-month lows and open interest also decline to the lowest since 2012.
- In Pakistan, cotton arrivals are totaled at 9.5 million bales till November 15,2013 while, it is likely to reach at 11 million bales until November 30,2013-Traders Report.
- The bullish U.S. weekly export sales in recent weeks have shown that lower prices reignited demand. Meanwhile, yesterday's data indicated the strong pace in export has begun to slow.
- 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.
- 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 weak to remain range bound in coming days.

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

Contract	+/-	Open	High	Low	Close
Feb-14	-3.50	835.50	846.00	835.50	846.00
Mar-14	1.00	879.00	879.00	865.00	865.00
Apr-14	1.50	910.00	910.00	906.00	909.50

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	2	-4	14	2
Mar-14	2	-5	6	0
Apr-14	1,652	-2,685	10161	11

#### Spread

	Feb-14	Mar-14	Apr-14
Spot	116		
Feb-14		19	
Mar-14			44.5

**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	-3.20	866.00	869.00	860.20	865.30
Apr-14	-0.60	912.00	914.00	911.60	912.80

#### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	11	-6	204	-1
Apr-14	27	-53	303	10

#### Spread

	Mar-14	Apr-14
Spot	96.7	
Mar-14		47.5

**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
31-Dec-13	+60.00	18340.00	18460.00	18340.00	18400.00
31-Jan-14	+70.00	18610.00	18720.00	18610.00	18680.00
27-Feb-14	+70.00	18930.00	19020.00	18930.00	18980.00
31-Mar-14	+100.00	19230.00	19330.00	19230.00	19280.00
30-Apr-14	+70.00	19480.00	19580.00	19480.00	19530.00

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices (Rs/Qtl)		Change
		30-Nov-13	29-Nov-13	
Amravati	Mech-1	4300	4300	Unch
Khandwa	Mech-1	Closed	NR	-
Khargaon	Mech-1	Closed	NR	-
Mahesana(Kadi)	B.T. Cotton	4850	4925	-75
Rajkot	B.T. Cotton	4810	4825	-15
Patan	B.T. Cotton	4535	4700	-165
Muktsar	B.T. Cotton	5050	5050	Unch
Fazilika*	B.T. Cotton	4925	4964	-39
Sirsa*	B.T. Cotton	4060	4100	-40
Bhiwani*	B.T. Cotton	5000	5100	-100
Ahmedabad	Shankar-6	4750	4800	-50
Gondal*	Shankar-6	4735	4765	-30
Sri-Ganganagar	J-34	4050	4100	-50
Abohar*	J-34	4175	4200	-25
Muktsar	J-34	4180	4200	-20
Fazilika*	J-34	4100	4215	-115
Bhatinda	J-34	4180	4200	-20
Mansa	J-34	4180	4190	-10

\* New Crop

**Cotton Arrivals in Key Centers:**

Centre	Variety	Arrivals (Qtl)		Change
		30-Nov-13	29-Nov-13	
Amravati	Mech-1	7500	8500	-1000
Khandwa	Mech-1	Closed	NR	-
Khargaon	Mech-1	Closed	NR	-
Mahesana(Kadi)	B.T. Cotton	40000	50000	-10000
Rajkot	B.T. Cotton	7600	7500	1000
Patan	B.T. Cotton	15210	15800	-590
Muktsar	B.T. Cotton	340	425	-85
Fazilika*	B.T. Cotton	1000	1000	Unch
Sirsa*	B.T. Cotton	2040	1700	340
Bhiwani*	B.T. Cotton	500	700	-200
Ahmedabad	Shankar-6	71400	76500	-5100
Gondal*	Shankar-6	1624	1966	-342
Sri-Ganganagar	J-34	2550	2550	Unch
Abohar*	J-34	850	850	Unch
Bhatinda	J-34	22100	25500	-3400
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
				29-Nov-13	28-Nov-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	39600	39600	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40400	40400	Unch
J-34(202)	26mm	3.5 - 4.9	23	NQ	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38100	38300	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	38800	39000	-200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39400	39600	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	39900	40100	-200



DCH-32(107)	34mm	3.0 - 3.8	33	56500	56500	Unch
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### China Cotton Index: As on 30/11/2013

### Cotlook Index: As on 29/11/2013

Cotlook Indices	Cents/Pound	Change
A-Index	84.90	Unch

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 27/11/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	76.69	80.44	1777
North Delta	75.69	78.19	Nil
South Delta	75.69	78.19	Nil
East TX-OK	74.50	76.75	2154
West Texas	74.50	77.25	7796
Desert SW	72.69	79.44	Nil
SJ Valley	73.44	84.09	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 29/11/2013

Contract	Open	High	Low	Close	Change
Dec-13	77.05	78.14	77.05	78.14	1.39
Mar-14	78.5	79.62	78	79.35	0.91
May-14	79.1	79.93	78.47	79.85	0.9
Jul-14	79.8	80.35	79.09	80.3	0.8
Oct-14	77.89	77.89	77.89	77.89	0.81
Dec-14	75.96	76.99	75.96	76.96	0.82

### Pakistan Cotton Spot rates: As on 28/11/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6400	155	6555
Equivalent	40 Kgs	6859	155	7014

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