



Cotton Domestic Fundamentals:

- Cotton prices in domestic market noticed mixed tone on Friday.
- Prices noticed fluctuating trend amid sluggish buying activities and fair arrivals.
- According to CAB estimates, north India cotton output could fall by 15% as acreage and yield has declined this year.
- Millers are buying for the future consumption too, as they are seeking recovery in prices from next month onwards.
- 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.
- Cotton export from India during November was 1.1 million bales, 43% higher than the export previous year during the same period, according to the USDA report. Total export during this season (Oct'13-Sep'14) is expected to rise to the level of 10.2 million bales.

Cotton International Fundamentals:

- According to the ICAC report, world cotton output would be 25.64 million tons this season compared to 26.88 million tons last season.
- World cotton imports are likely to be at level of 8.44 million tones this season, whereas it was 9.71 million tones last season.
- Imports of China are likely to decline by 40% to 3.1 million tons this year.
- Turkey raw cotton imports stood 86210 tonnes during October this season versus 46876 tones last year during the same period.
- China stockpiles will reach around 11 million tons by the end of crop year 2013-14.
- The bullish U.S. weekly export sales in recent weeks have shown that lower prices reignited demand.
- 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.

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

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

Contract	+/-	Open	High	Low	Close
Feb-14	-11.50	861.00	861.00	861.00	861.00
Mar-14	0.00	0.00	0.00	0.00	0.00
Apr-14	-4.00	934.00	935.00	924.00	930.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	2	-3	13	0
Mar-14	0	0	6	0
Apr-14	5,929	-1,291	10632	694

Spread

	Feb-14	Mar-14	Apr-14
Spot	109		
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	-0.70	892.90	892.90	885.00	890.90
Apr-14	-3.50	935.20	939.00	929.00	934.70

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-14	7	-10	211	1
Apr-14	130	55	285	7

Spread

	Mar-14	Apr-14
Spot	79.1	
Mar-14		43.8

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	-0.75	18760	18790	18550	18600
31-Jan-14	-0.53	19030	19070	18840	18890
27-Feb-14	-0.62	19320	19320	19110	19140
31-Mar-14	-0.61	19570	19570	19450	19450
30-May-14	--	--	--	--	--

Cotton Prices at Key Spot Market:

Centre	Variety	Prices		Change
		6-Dec-13	5-Dec-13	
Kapas		(Rs/Qtl)		
Amravati	Mech-1	4400	4400	Unch
Khandwa	Mech-1	4750	-	-
Khargaon	Mech-1	4750	-	-
Kapas		(Rs/Qtl)		
Mahesana(Kadi)	B.T. Cotton	4925	5000	-75
Rajkot	B.T. Cotton	4850	4875	-25
Patan	B.T. Cotton	4810	4820	-10
Muktsar	B.T. Cotton	5100	5100	Unch
Fazilika	B.T. Cotton	5100	5020	80
Bhiwani	B.T. Cotton	5100	5100	Unch
Kapas		(Rs/Qtl)		
Ahmedabad	Shankar-6	4825	4825	Unch
Gondal	Shankar-6	4790	4770	20
Lint		Rs./Maund (of 37.32kg each)		
Abohar	J-34	4180	4160	20
Muktsar	J-34	4185	4135	50
Fazilika	J-34	4140	4140	Unch
Bhatinda	J-34	4200	4260	-60
Mansa	J-34	4175	4160	15
Sirsa	J-34	4085	4060	25
Sri-Ganganagar	J-34	3854	3854	Unch

Cotton Arrivals in Key Centers:

Centre	Variety	Arrivals (Qtl)		Change
		6-Dec-13	5-Dec-13	
Amravati	Mech-1	8500	8500	Unch
Khandwa	Mech-1	2000	-	-
Khargaon	Mech-1	8000	-	-
Mahesana(Kadi)	B.T. Cotton	60000	50000	10000
Rajkot	B.T. Cotton	6600	7200	-600
Patan	B.T. Cotton	10870	12602	-1732
Muktsar	B.T. Cotton	340	510	-170
Fazilika	B.T. Cotton	800	1000	-200
Bhiwani	B.T. Cotton	600	500	100
Ahmedabad	Shankar-6	68000	68000	Unch
Gondal	Shankar-6	2476	1663	813
Abohar	J-34	850	1020	-170
Bhatinda	J-34	25500	23800	1700
Mansa	J-34	680	850	-170
Sirsa	J-34	2550	2040	510
Sri-Ganganagar	J-34	4250	3400	850

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				5-Dec-13	4-Dec-13	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	39000	39400	-400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40000	40400	-400
J-34(202)	26mm	3.5 - 4.9	23	37600	NQ	-
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38300	38300	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	39000	39000	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39600	39600	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40200	40200	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	59500	58500	1000



China Cotton Index: As on 06/12/2013

Cotlook Index: As on 5/12/2013

Cotlook Indices	Cents/Pound	Change
A-Index	85.55	+0.40

Index	RMB/Ton	Change
CCIndex(328)	19527	-9
CCIndex(527)	NQ	-
CCIndex(229)	20329	-6

RMB - Renminbi, 1RMB = 0.16 \$U.S.

USDA Cotton Spot Rates: As on 5/12/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	77.85	81.10	2112
North Delta	76.85	79.35	Nil
South Delta	76.85	79.35	Nil
East TX-OK	75.00	77.25	2083
West Texas	74.75	77.50	14629
Desert SW	73.35	80.10	74
SJ Valley	74.10	84.75	0

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 5/12/2013

Contract	Open	High	Low	Close	Change
Dec-13	77.62	78.24	76.83	77.82	-0.20
Mar-14	78.97	79.39	78.71	78.85	-0.20
May-14	79.36	79.75	79.15	79.24	-0.28
Jul-14	79.81	80.10	79.49	79.58	-0.37
Oct-14	77.11	77.11	77.11	77.11	-0.43
Dec-14	76.50	76.60	76.10	76.13	-0.49

Pakistan Cotton Spot rates: As on 4/12/2013 (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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