

Domestic Fundamentals:

Market Outlook: Cotton spot prices noticed mostly weak tone on Wednesday.

In The News: India exported 2.29 lakh bales of cotton last week (01 Feb-07 Feb 2016), which was 2.23 lakh bales previous to last week (25 Jan-31 Jan 2016), according to the data released by IBIS and compiled by Agriwatch. Imports on the other hand stood 0.104 lakh bales last week, which was 0.069 lakh bales previous to last week.

Major importer of Indian cotton during the week was Bangladesh. According to the data released by IBIS, Bangladesh imported 0.87 lakh bales of cotton in the past week (01 Feb-07 Feb 2016). Other major importers were Pakistan, Vietnam, Indonesia and China and their imported volumes were 0.83 lakh bales, 0.21 lakh bales, 0.15 lakh bales and 0.08 lakh bales respectively. India imported cotton from Greece, Argentina, Australia followed by USA and Egypt. The respective volumes these countries exported to India during the week are 0.029 lakh bales, 0.024 lakh bales, 0.018 lakh bales, 0.014 lakh bales, 0.009 Lakh Bales.

Monthly cotton exports during January noticed a downtrend as the demand from overseas remained weak during the month. Country exported 8.85 lakh bales of cotton during January around 46.8% lower compared to the exports of 16.64 lakh bales previous month and 32% higher compared to the exports of 6.71 lakh bales during the corresponding month last year, according to custom data released by IBIS. The major export destinations during January were Bangladesh, Pakistan, Vietnam, Malaysia and Indonesia. Total exports in the current season so far (during the period of October'15 to January'16) stood at 42.6 lakh bales around 63.6% higher when compared to 26.04 lakh bales, the export during the corresponding period last season i.e. 2014-15.

Mahyco Monsanto, a joint venture of US agriculture company Monsanto and Indian counterpart Maharashtra Hybrid seeds Company (Mahyco) has moved to Delhi High Court once again, requesting a stay on the functioning of the a nine member committee formed to set the maximum selling price (MSP)of cotton seed.

Cotton exports from India are likely to stand around 21.27% higher at 70 lakh bales this season that is 2015-16 as compared to 57.72 lakh bales previous season, according to the Textile Commissioner. The rise in exports is basically due to the drastic rise in cotton imports by Pakistan following the crop damage in the Punjab region of the country. Around 16.60 lakh bales of cotton has been imported by Pakistan so far in the current season as compared to the 3.79 lakh bales in the entire season of 2014-15.

India is likely to produce 35.2 million bales of cotton in season 2015-16, 3.6 percent lower as compared to previous estimates, according to a senior government official. Last year the country produced around 38 million bales of cotton.

According to the second advance estimates released by the State agriculture department of Rajasthan, cotton production in the state is likely to be around 9.55 lakh bales around 38% lower as compared to the previous estimates of 15.36 lakh bales which were forecasted in September. Last season the state produced around 15.27 lakh bales of cotton, said the department.



International Fundamentals:

Cotton yield in China in falling with the rate of 9.3 percent every year, said National Bureau of Statistics. Due to the fall in the yield and acreage, cotton production in China is likely to lag by 5.74 lakh tons in 2015, said NBS. Cotton acreage in country fell by around 10% to 37.99 lakh hectares in 2015.

According to the latest estimates by International cotton Advisory Committee (ICAC), cotton production on the global front during the season 2016-17 would be around 23.08 million tons, around 2.8% higher when compared to the estimates of 22.46 million tons in the current season.

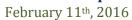
According to the latest ICAC weekly report, cotton exports on the global front are likely to be around 7.42 million tons in season 2015-16, around 0.3% lower when compared to the estimates of 7.44 million tons previous week and around 3.6% lower when compared to the exports of 7.70 million tons during the previous season.

Outlook

We expect domestic prices to remain range bound to weak in the near -term.

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-16									
Apr-16	-11.5	782	782	770.5	772.5	6290	-2713	17371	599
Spread		Feb-1	6		Apr-16				
Spot					185.5				
Feb-16									

		I	MCX Cotto	n Futures	*: (Pri	ices in	Rs/170 k	gs)		
Contract	+/-	Open	High	Low	Clo	se	Volume	Change	OI	Change
Feb-16	-200	16230	16230	16030	160	60	907	-1131	5729	-760
Mar-16	-170	16270	16270	16000	161	.50	833	-1896	5348	-154
Apr-16	-200	16290	16290	16180	162	10	155	-642	1656	140
May-16	-140	16300	16320	16300	163	20	3	-23	65	42
Spread	Feb-1	.6	Mar-16	Apr-	16	N	1ay-16			
Spot										
Feb-16			-90							
Mar-16				-60)					
Apr-16							-110			
(AID O	D i O.	. Alexandra	M. d. E.							
* Updated at			Month Future ruary 2016)						

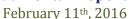




DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (Rs	./Quintal)	01
State	Centre	Variety	10-Feb-16	9-Feb-16	Change
	Ahmedabad	Shankar-6	4650	4675	-25
	Gondal	Shankar-6	4715	4725	-10
	Rajkot	B.T. Cotton	4790	NA	-
Gujarat	Patan	B.T. Cotton	4675	4730	-55
	Kadi	B.T. Cotton	4700	4750	-50
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
5	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	4800	4800	Unch
	Bhiwani	Desi	4500	4550	-50
	Adampur	B.T. Cotton	4580	4615	-35
Haryana	Fatehabad	B.T. Cotton	4580	4580	Unch
	Jind	B.T. Cotton	4700	4750	-50
	Uchana	B.T. Cotton	4655	4700	-45
	Dabwali	B.T. Cotton	4500	4500	Unch
	Hanumangarh	B.T. Cotton	4650	4600	50
Rajasthan	Rawatsar	B.T. Cotton	4470	4500	-30
	Khandwa	Mech-1	NA	4581	-
Madhya Pradesh	Khargaon	Mech-1	NA	4685	-
	Amravati	Mech-1	4500	4700	-200
Maharashtra	Jamner	Medium Staple	4500	4550	-50
uw 5 l l	Hathras	B.T. Cotton	NA	3650	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4275	4300	-25
	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
Andhra Pradesh	Krishna	Un-Ginned	4100	NA	-
	East Godavari	Un-Ginned	NA	4100	-
	Bijapur	Bunny	NA	NA	-
Karnataka	Hubli	D.C.H.	4710	4693	17
Karnataka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	4700	4600	100
Commodity		Lint	Prices (Rs	./Maund)	Change
State	Centre	Variety	10-Feb-16	9-Feb-16	Change
Dunish	Bhatinda	J-34	3480	3510	-30
Punjab	Abohar	J-34	3490	3520	-30





	Mansa	J-34	3475	3500	-25
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	3460	3490	-30
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity **Kapas Arrivals (Quintal)** Change **State** Centre Variety 10-Feb-16 9-Feb-16 Ahmedabad Shankar-6 Unch 59500 59500 -603 Gondal 3400 4003 Shankar-6 Rajkot B.T. Cotton 4600 NA Gujarat B.T. Cotton 4265 3960 305 Patan Kadi B.T. Cotton 65000 65000 Unch NA NA Deesa B.T. Cotton NA NA Dhrol B.T. Cotton Fazilika B.T. Cotton NR NR **Punjab** NR NR Muktsar B.T. Cotton Bhiwani B.T. Cotton 1500 2000 -500 Desi Bhiwani NA NA Adampur B.T. Cotton 340 425 -85 Fatehabad B.T. Cotton Unch Haryana 600 600 -8 Jind B.T. Cotton 94 102 Uchana B.T. Cotton 550 200 350 Dabwali B.T. Cotton 250 200 **50** Hanumangarh B.T. Cotton 1500 1500 Unch Rajasthan B.T. Cotton 200 250 -50 Rawatsar Khandwa Mech-1 NA 1250 Madhya Pradesh Mech-1 NA Khargaon 5900 -500 Mech-1 1500 Amravati 2000 Maharashtra Jamner Medium Staple 34 36 -2 Hathras B.T. Cotton NA 50 **Uttar Pradesh** Desi NA Hathras NA Telangana Adilabad **Un-Ginned** 8022 5800 2222 Guntur **Un-Ginned** NA NA Kurnool **Un-Ginned** NA NA **Andhra Pradesh Un-Ginned** Krishna NA NA East Godavari **Un-Ginned** NA NA NA NA Bijapur Bunny Karnataka Hubli D.C.H. 28 58 -30 B.T. Cotton Hubli NA NA



	Raichur	H-44 Cotton	1177	877	300
Commodity	Lir	Lint		Arrivals (Quintal)	
State	Centre	Variety	10-Feb-16	9-Feb-16	Change
	Bhatinda	J-34	4250	4250	Unch
Punjab	Abohar	J-34	850	680	170
	Mansa	J-34	595	425	170
Haryana	Sirsa	J-34	680	850	-170
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Association of India Spot Rates:							
Trade Name	Stanlo	Staple Micronaire	Strength/ GPT	Rs. Per Candy		Change	
Trade Name	Stapie			9-Feb-16	8-Feb-16	Change	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	29500	29500	Unch	
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	30000	30000	Unch	
J-34(202)	26mm	3.5 - 4.9	23	32000	32300	-300	
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	32300	32500	-200	
Shankar-6(105)	29mm	3.5 – 4.9	28	33300	33400	-100	
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34500	34500	Unch	
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	36600	36600	Unch	
DCH-32(107)	34mm	3.0 - 3.8	33	49200	49200	Unch	

Cotton Seed Oil Prices

Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Prio	Change	
Centile	Offic	10-Feb-16	9-Feb-16	Change
Rajkot	Rs. /10 Kg.	570	575	-5
New Delhi	Rs. /10 Kg.	540	540	Unch
Hyderabad	Rs. /10 Kg.	570	575	-5
Mumbai	Rs. /10 Kg.	595	595	Unch

Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Centre	Unit	Pric	Chango	
Centre	Offic	10-Feb-16	9-Feb-16	Change
Mahesana (Kadi)	Rs./Qtl	2033	2046	-13
Akola	Rs./Qtl	2045	2050	-5



INTERNATIONAL PRICES AND INDICES

RMB/Ton	Change
12308	-3
11512	-7
12905	-8
	12308 11512

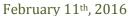
China Foreign Cotton (FCE) Index : As on 8-Feb-2016						
Index	Cents/lb	Change				
FC Index (S)	73.01	-0.89				
FC Index (M)	69.74	-0.97				
FC Index (L)	67.37	-1.16				

Cotlook Index: As on 9-Feb-2016						
Cotlook Indices	Cents/Pound	Change				
A-Index	66.75	-0.25				

USDA Cotton Spot Rates: As on 9-Feb-2016			
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.	bales	
Southeast	60.39	63.64	2742
North Delta	58.89	61.64	Nill
South Delta	58.89	61.64	Nill
East TX-OK	56.50	58.25	1527
West Texas	56.50	57.75	1878
Desert SW	55.64	61.89	Nill
SJ Valley	56.64	66.54	Nill

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 9-Feb-2016							
Contract	Open	High	Low	Close	Change		
16-Mar	59.57	59.75	58.25	58.64	-0.96		
16-May	60.16	60.40	58.91	59.24	-1.12		
16-Jul	61.00	61.07	59.59	59.88	-1.12		
16-Oct	59.83	59.83	59.83	59.83	-1.05		
16-Dec	61.18	61.18	59.74	60.11	-1.07		
17-Mar	61.44	61.60	60.69	60.96	-1.07		





Pakistan Cotton S	(in Pakistan Rupees)			
Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5350	135	5485
Equivalent	40 Kgs	5734	145	5879

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