

Domestic Fundamentals:

Market Outlook: Cotton spot prices noticed mixed tone on Saturday.

In The News: Total cotton arrival till January 27 this season remained 144.07 lakh bales (of 170 Kg each), around 30% lower as compared to 206.76 lakh bales previous season during the same period, according to Cotton Corporation of India.

According to the industry sources, Cotton Corporation of India (CCI) has auctioned most of its stocks it procured under MSP operation in 2015-14 and currently it is holding 25000 bales (of 170 Kg each) of cotton.

India is likely to export 1.24 million tons (around 73 lakh bales of 170 kg each) of cotton in season 2015-16, around 9% higher than the estimates of previous month which was 1.26 million tons and around 36% higher as compared to 0.91 (around 53.76 lakh bales) million tons, the volume it exported in the previous season, according to USDA.

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.



International Fundamentals:

According to USDA latest report, World cotton production would be around 22.07 million tons in 2015-16, around 0.2% lower as compared to the estimates of previous month i.e. 22.11 million tons and around 15% lower than the production of previous year i.e. 25.94 million tons.

World cotton exports figures further slashed down by USDA. It expects that global cotton exports would be around 7.64 million tons, around 2.6% lower as compared to the estimates of previous month and around 0.8% lower as compared to the exports during previous season.

Global cotton consumption is likely to be around 23.86 million tons in season 2015-16, which was estimated to be around 24.15 million tons a month earlier. In the earlier estimates by USDA, consumption was expected to rise but considering the current figures, cotton consumption would be standing around 0.6% lower as compared to 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	5	768	776	767	773	5374	-811	17450	484
Spread		Feb-1	6		Apr-16				
Spot					182				
Feb-16									

MCX Cotton Futures*: (Prices in Rs/170 kgs)									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-16	120	16000	16160	15980	16130	962	-145	5056	-408
Mar-16	120	16100	16260	16070	16230	1122	-144	5763	367
Apr-16	110	16190	16340	16190	16310	264	24	1714	47
May-16									
Spread	Feb-1	16	Mar-16	Apr-:	16	May-16			
Spot									
Feb-16			-100						
Mar-16				-80)				
Apr-16									
(NB: Spread Basis = Spot- Near Month Future) * Updated at 4:45 pm on 12 February 2016									

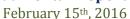




DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Oh an ma
State	Centre	Variety	13-Feb-16	12-Feb-16	Change
	Ahmedabad	Shankar-6	4675	4675	Unch
	Gondal	Shankar-6	4675	4630	45
	Rajkot	B.T. Cotton	4740	4775	-35
Gujarat	Patan	B.T. Cotton	4715	Closed	-
	Kadi	B.T. Cotton	4750	4650	100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	4665	-
	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	4800	4800	Unch
	Bhiwani	Desi	4500	4500	Unch
	Adampur	B.T. Cotton	4560	4575	-15
Haryana	Fatehabad	B.T. Cotton	4600	4580	20
-	Jind	B.T. Cotton	4700	4700	Unch
	Uchana	B.T. Cotton	4680	4680	Unch
	Dabwali	B.T. Cotton	4500	4550	-50
	Hanumangarh	B.T. Cotton	4600	4600	Unch
Rajasthan	Rawatsar	B.T. Cotton	4490	4480	10
	Khandwa	Mech-1	NA	4636	-
Madhya Pradesh	Khargaon	Mech-1	NA	NA	-
	Amravati	Mech-1	4650	4600	50
Maharashtra	Jamner	Medium Staple	4300	4500	-200
	Hathras	B.T. Cotton	NA	NA	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4280	4275	5
	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
Andhra Pradesh	Krishna	Un-Ginned	NA	NA	-
	East Godavari	Un-Ginned	4100	4100	Unch
	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	4893	-
Karnataka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	4620	-
Commodity		Lint	Prices (R	s./Maund)	
State	Centre	Variety	13-Feb-16	12-Feb-16	Change
Describe.	Bhatinda	J-34	3485	3480	5
Punjab	Abohar	J-34	3485	3475	10

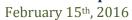




	Mansa	J-34	3460	3450	10
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	3475	3465	10
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity **Kapas Arrivals (Quintal)** Change 13-Feb-16 12-Feb-16 **State** Centre **Variety** Ahmedabad Shankar-6 51000 51000 Unch -1248 Gondal Shankar-6 2412 3660 Rajkot B.T. Cotton 3200 2800 400 Gujarat B.T. Cotton 3768 Patan Closed Kadi B.T. Cotton 20000 40000 -20000 NA Deesa B.T. Cotton NA NA 845 Dhrol B.T. Cotton Fazilika B.T. Cotton NR NR **Punjab** NR NR Muktsar B.T. Cotton Bhiwani B.T. Cotton 1500 1500 Unch Bhiwani Desi NA NA Adampur B.T. Cotton 595 510 85 Fatehabad B.T. Cotton -400 Haryana 150 550 -17 Jind B.T. Cotton 17 34 Uchana B.T. Cotton 380 265 115 Dabwali B.T. Cotton 125 280 -155 -100 Hanumangarh B.T. Cotton 1000 1100 Rajasthan B.T. Cotton 100 Unch Rawatsar 100 Khandwa Mech-1 NA 1250 Madhya Pradesh Mech-1 NA NA Khargaon 1200 1800 -600 Amravati Mech-1 Maharashtra Jamner Medium Staple 50 25 25 Hathras B.T. Cotton NA NA **Uttar Pradesh** NA NA Hathras Desi **Telangana** Adilabad **Un-Ginned** 5827 5717 110 Guntur **Un-Ginned** NA NA Kurnool **Un-Ginned** NA NA **Andhra Pradesh** Krishna **Un-Ginned** NA NA East Godavari **Un-Ginned** NA NA NA NA Bijapur Bunny Karnataka Hubli D.C.H. NA 26 B.T. Cotton NA Hubli NA





	Raichur	H-44 Cotton	NA	960	-	
Commodity	Lint		Arrivals	Arrivals (Quintal)		
State	Centre	Variety	13-Feb-16	12-Feb-16	Change	
	Bhatinda	J-34	3400	3740	-340	
Punjab	Abohar	J-34	850	850	Unch	
	Mansa	J-34	340	425	-85	
Haryana	Sirsa	J-34	850	850	Unch	
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-	

Cotton Association of India Spot Rates:								
Trade Name	Staple	Micronaire	Strength/	Rs. Per Candy	Rs. Per Candy	Change		
Traue Name		Wilcionane	GPT	12-Feb-16	11-Feb-16			
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	29200	29200	Unch		
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	29700	29700	Unch		
J-34(202)	26mm	3.5 - 4.9	23	32000	31900	100		
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	32300	32300	Unch		
Shankar-6(105)	29mm	3.5 – 4.9	28	33200	33100	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

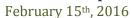
Refined Cotton Seed Oil at Key Centers:

Centre	Unit	Pr	Change	
Ochille 	Onit	13-Feb-16	12-Feb-16	Change
Rajkot	Rs. /10 Kg.	572	575	-3
New Delhi	Rs. /10 Kg.	540	540	Unch
Hyderabad	Rs. /10 Kg.	575	580	-5
Mumbai	Rs. /10 Kg.	600	598	2

Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Contro	l loit	Unit		Change
Centre	Onit	13-Feb-16	12-Feb-16	Change
Mahesana (Kadi)	Rs./Qtl	2042	2039	3
Akola	Rs./Qtl	2037	2038	-1





INTERNATIONAL PRICES AND INDICES

China Cotton Index: As on 6-Feb-2016 Index	RMB/Ton	Change
CCIndex(328)	12308	-3
CCIndex(527)	11512	-7
CCIndex(229)	12905	-8

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 12-Feb-2016						
Cotlook Indices	Cents/Pound	Change				
A-Index	65.70	-0.30				

USDA Cotton Spot Rates: As on 11-Feb-2016						
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals			
	cents/lb	bales				
Southeast	60.17	63.42	1123			
North Delta	58.67	61.42	Nill			
South Delta	58.67	61.42	Nill			
East TX-OK	56.75	58.50	8414			
West Texas	56.75	58.00	3134			
Desert SW	55.42	61.67	Nill			
SJ Valley	56.42	66.32	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 12-Feb-2016							
Contract	Open	High	Low	Close	Change		
16-Mar	58.35	59.16	58.15	58.90	0.48		
16-May	58.66	58.96	58.39	58.64	-0.07		
16-Jul	59.31	59.47	58.87	59.07	-0.24		
16-Oct	58.82	58.82	58.82	58.82	-0.33		
16-Dec	59.56	59.63	58.76	58.93	-0.65		
17-Mar	60.21	60.21	59.70	59.82	-0.70		

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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