

Domestic Fundamentals:

Market Outlook: Cotton spot prices noticed firm tone on Monday.

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, USA cotton exports would stand around 2.07 million tons, around 5% lower compared to the estimates of previous month i.e. 2.18 million tons and around 15.5% lower than the exports of previous year i.e. 2.45 million tons. Following the lower exports expectation, the cotton prices in the region are moving weaker.

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.

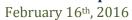
World cotton exports figures further slashed down by USDA. It expects that global cotton exports would be around 7.64 million tons, around 2.6% lower as compared to the estimates of previous month and around 0.8% lower as compared to the exports during previous season.

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	7.5	774	785	774	781.5	6370	996	18534	1084
Spread		Feb-1	6		Apr-16				
Spot					170.5				
Feb-16									

MCX Cotton Futures*: (Prices in Rs/170 kgs)										
Contract	+/-	Open	High	Low	Clo	se	Volume	Change	OI	Change
Feb-16	130	16170	16300	16130	162	40	991	29	4773	-283
Mar-16	140	16280	16410	16240	163	50	1871	749	6355	592
Apr-16	140	16390	16490	16360	164	50	222	-42	1749	35
May-16	190	16550	16550	16510	165	10	6	3	66	1
Spread	Feb-1	16	Mar-16	Apr-:	16	N	/lay-16			
Spot										
Feb-16			-110							
Mar-16				-10	0					
Apr-16							-60			
	(NB: Spread Basis = Spot- Near Month Future) * Updated at 4:45 pm on 15 February 2016									

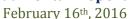




DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity		Kapas	Prices (R	s./Quintal)	Change
State	Centre	Variety	15-Feb-16	13-Feb-16	Change
	Ahmedabad	Shankar-6	4750	4675	75
	Gondal	Shankar-6	4720	4675	45
Gujarat	Rajkot	B.T. Cotton	4760	4740	20
	Patan	B.T. Cotton	4765	4715	50
	Kadi	B.T. Cotton	4800	4750	50
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	4735	NA	-
	Fazilika	B.T. Cotton	NR	NR	-
Punjab	Muktsar	B.T. Cotton	NR	NR	-
	Bhiwani	B.T. Cotton	4900	4800	100
	Bhiwani	Desi	4600	4500	100
	Adampur	B.T. Cotton	4675	4560	115
Haryana	Fatehabad	B.T. Cotton	4640	4600	40
	Jind	B.T. Cotton	4750	4700	50
	Uchana	B.T. Cotton	4700	4680	20
	Dabwali	B.T. Cotton	4540	4500	40
	Hanumangarh	B.T. Cotton	4700	4600	100
Rajasthan	Rawatsar	B.T. Cotton	4510	4490	20
	Khandwa	Mech-1	NA	NA	-
Madhya Pradesh	Khargaon	Mech-1	NA	NA	-
	Amravati	Mech-1	4700	4650	50
Maharashtra	Jamner	Medium Staple	NR	4300	-
IIII D. I. I	Hathras	B.T. Cotton	NA	NA	-
Uttar Pradesh	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	4290	4280	10
	Guntur	Un-Ginned	NA	NA	-
	Kurnool	Un-Ginned	NA	NA	-
Andhra Pradesh	Krishna	Un-Ginned	4100	NA	-
	East Godavari	Un-Ginned	4100	4100	Unch
	Bijapur	Bunny	NA	NA	-
Manu atalia	Hubli	D.C.H.	NA	4690	-
Karnataka	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	4700	4621	79
Commodity		Lint	Prices (R	s./Maund)	Channa
State	Centre	Variety	15-Feb-16	13-Feb-16	Change
Bunish	Bhatinda	J-34	3500	3485	15
Punjab	Abohar	J-34	3500	3485	15





	Mansa	J-34	3500	3460	40
	Muktsar	J-34	NR	NR	-
	Fazilika	J-34	NR	NR	-
Haryana	Sirsa	J-34	3500	3475	25
Rajasthan	Sri-Ganganagar	J-34	NA	NA	-

Cotton Arrivals in Key Centers:

Commodity **Kapas Arrivals (Quintal)** Change Centre 15-Feb-16 13-Feb-16 **State Variety** Ahmedabad Shankar-6 51000 51000 Unch 1422 Gondal Shankar-6 3834 2412 Rajkot B.T. Cotton 2700 3200 -500 Gujarat B.T. Cotton 3197 3768 -571 Patan Kadi B.T. Cotton 55000 20000 35000 NA Deesa B.T. Cotton NA 774 NA 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 100 NA Adampur B.T. Cotton 595 595 Unch Fatehabad B.T. Cotton 350 Haryana 500 150 Jind B.T. Cotton 51 17 34 Uchana B.T. Cotton 100 380 -280 Dabwali B.T. Cotton 110 125 -15 Unch Hanumangarh B.T. Cotton 1000 1000 Rajasthan B.T. Cotton 100 Unch Rawatsar 100 Khandwa Mech-1 NA NA Madhya Pradesh Mech-1 NA NA Khargaon 1200 300 Amravati Mech-1 1500 Maharashtra Jamner Medium Staple NR 50 Hathras B.T. Cotton NA NA **Uttar Pradesh** NA Hathras Desi NA Telangana Adilabad **Un-Ginned** 4017 5827 -1810 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 22 Karnataka Hubli D.C.H. NA B.T. Cotton NA Hubli NA



	Raichur	H-44 Cotton	975	742	233
Commodity		Lint	Arrivals	(Quintal)	Change
State	Centre	Variety	15-Feb-16	13-Feb-16	Change
	Bhatinda	J-34	4250	3400	850
Punjab	Abohar	J-34	850	850	Unch
	Mansa	J-34	340	340	Unch
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 / GPT	Rs. Per Candy		Chang	
Trade Name	Staple	Wilcionane		13-Feb-16	12-Feb-16	е	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	29300	29200	100	
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	29800	29700	100	
J-34(202)	26mm	3.5 - 4.9	23	32100	32000	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	33200	Unch	
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	Pri	Change	
Centre	Offic	15-Feb-16	13-Feb-16	Change
Rajkot	Rs. /10 Kg.	572	572	Unch
New Delhi	Rs. /10 Kg.	540	540	Unch
Hyderabad	Rs. /10 Kg.	575	575	Unch
Mumbai	Rs. /10 Kg.	600	600	Unch

Cotton Seed Oil Seed Cake Prices

Cotton Seed Oil Cake Prices at Key Centers:

Centre	Unit	Pri	ice	Chango
Centre	Offic	15-Feb-16	13-Feb-16	Change
Mahesana (Kadi)	Rs./Qtl	2053	2042	11
Akola	Rs./Qtl	2046	2037	9



INTERNATIONAL PRICES AND INDICES

Index	RMB/Ton	Change
CCIndex(328)	12296	-5
CCIndex(527)	11505	-1
CCIndex(229)	12899	Unch

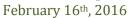
China Foreign Cotton (FCE) Index : As on 15-Feb-2016						
Index	Cents/lb	Change				
FC Index (S)	70.19	-1.60				
FC Index (M)	67.53	-0.90				
FC Index (L)	65.15	-1.03				

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

USDA Cotton Spot Rates: As on 12-Feb-2016								
Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals					
	cents/lb.	bales						
Southeast	60.65	63.90	Nill					
North Delta	59.15	61.90	Nill					
South Delta	59.15	61.90	Nill					
East TX-OK	56.75	58.50	2785					
West Texas	56.75	58.00	5458					
Desert SW	55.90	62.15	Nill					
SJ Valley	56.90	66.80	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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