

**Cotton Domestic Fundamentals:**

- Cotton prices noticed strong tone on Friday.
- NCDEX was closed today.
- CAB has raised cotton export estimate to 80 lakh bales from 70 lakh bales earlier projected. Cotton imports were also rising; against the earlier estimate of 12 lakh bales, these were now expected to stand at 20 lakh bales.
- Cotton demand is likely to be lack luster due to rising arrivals and normal demand, however prices are supported by the buying by exporters.
- Central Institute for Cotton Research has developed new variety of cotton which has highest known fiber strength. Cotton units generally use cotton having fiber strength over 17g/Tex. CICR cotton type has strength of 29g/Tex, the highest known so far in American cotton. It will be another three years that variety is put into trail in field.

**Cotton International Fundamentals**

- Cotton prices are likely to increase in February and March due to demand for exports mainly from China, Bangladesh and Indonesia.
- US Cotton future jump to 7 months high as speculations bet of robust demand from China from February and March.
- Egypt has agreed to export 1978 metric tons of cotton ended on Jan 17, 2013. The country has shipped 33,115 tons of the fiber, valued at \$95.1 million, since Sept. 1 2012. India is top importer of Egyptian cotton.

**Outlook:** We expect domestic cotton prices to continue steady to weak tone on rising arrivals and normal demand.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-	-	-	-	-
Apr-13	-	-	-	-	-

**MCX Kapas Futures: (Prices in Rs/20kg)**

Contract	+/-	Open	High	Low	Close
Feb-13	-	-	-	-	-
Apr-13	-	-	-	-	-

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	-	-	-	-
Apr-13	-	-	-	-

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Feb-13	-	-	-	-
Apr-13	-	-	-	-

**Spread Feb-13 Apr-13**

Basis	-	-
Feb-13	-	-
April-13	-	-

**NB:** Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

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**MCX Cotton Futures (29 mm Variety): Prices in Bales**

Contract	% Change	Open	High	Low	Close
31-Jan-13	0.31	16320	16390	16290	16350
28-Feb-13	0.6	16580	16690	16570	16660
29-Mar-13	0.71	16870	16980	16870	16960
30-Apr-13	0.76	17180	17460	17180	17280
31-May-13	0.75	17570	17570	17570	17570

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	25-01-2013	24-01-2013	
Amravati-Vunni Mech-1#	4025	4000	25
Kadi-Bt Cotton#	4250	4250	Unch
Ahmedabad-Shankar-6#	4350	4350	Unch
Gondal	Closed	4270	-
Rajkot-(B.T)	4325	4275	50
Abohar-J-34*	3600	3575	25
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	3600	3575	25
	4270	4200	70
Fajlika #(Cotton New) #(Kapas BT Cotton)	3585	3550	35
	4280	4250	30
Khandwa-(M.P)	Closed	4050	-
Khargaon-(M.P)	Closed	4050	-
Sri-Ganganagar	3550	3500	50

\*-Rs/maund, #-Rs.qtl,

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	25-01-2013	24-01-2013	
Amravati -Vunni Mech-1#	3000	5000	-2000
Kadi -Bt Cotton	55000	55000	Unch
Ahmedabad - Shankar-6#	25000	50000	-25000
Gondal	Closed	1962	-
Rajkot-(B.T)	4780	6400	-1620
Abohar-J-34*	1100	1200	-100
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	-	-	-
	500	400	100
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	1800	1800	Unch
Khandwa (M.P)	Closed	4100	-
Khargaon-(M.P)	Closed	10000	-
Sri-Ganganagar	6000	7000	-1000

Khandwa, Kadi, Fajlika-1 Truck-100 Qtls, Amravati-1 Truck-100 kgs, Ahmadabad, Abohar and Muktsar-Bales

**Cotton Association of India Spot Rates: 24/01/2013**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (24/01/2013)	Rs. Per Candy (23/01/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33400	33700	-300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	33900	34200	-300
J-34(202)	26mm	3.5 - 4.9	23	32800	32800	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32800	32800	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	33600	33600	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34100	34100	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	35000	35000	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	45000	45000	Unch

**Cotlook Index: As on 24/01/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	87.95	+0.45

**China Cotton Index: As on 25/01/2013**

Index	RMB/Ton	Change
CCIndex(328)	19281	-8
CCIndex(527)	16913	-3
CCIndex(229)	20042	Unch

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

**USDA Cotton Spot Rates: As on 24/01/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	79.64	82.89	5728
North Delta	78.89	81.39	3005
South Delta	78.89	81.39	NIL
East TX-OK	74.5	78	2375
West Texas	74.5	77.75	16885
Desert SW	77.39	83.89	NIL
SJ Valley	78.14	88.79	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 24/01/2013**

Contract	Open	High	Low	Close	Change
13-Mar	80.1	84	80	82.89	2.41
13-May	80.35	82.95	80.15	82.2	1.53
13-Jul	80.28	81.7	80.05	81.04	0.6
13-Oct	79.45	79.45	79.45	79.45	-0.34
13-Dec	79.61	80.08	79.1	79.73	-0.04
14-Mar	80.52	80.52	80.52	80.52	-0.17

**Pakistan Cotton Spot rates: As on 24/01/2013 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6000	155	6050
Equivalent	40 Kgs	6430	155	6484

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