

**Cotton Domestic Fundamentals:**

- Cotton prices remained steady on Tuesday with Amravati, Muktsar and Abohar end in the green, Ahmedabad ending steady and Kadi ending slightly in the red.
- Markets sentiments remained firm as unseasonal rainfall in Punjab could cause damage to the cotton crop in the state.
- Sources added that demand may improve and this may push markets higher in the short term.
- Separately, sources added that the Indian government is likely to allow further shipment of 1.5 million bales in the current season which supports the current uptrend.

**Cotton International Fundamentals:**

- U.S cotton futures remained mixed amid concerns about a squeeze on deliverable supplies.
- Sources added that cotton markets may move higher after drought conditions in major growing areas like Texas.

**Outlook:**

- In the short term, cotton prices may remain steady to firm on firm demand and crop losses expected in Punjab due to unseasonal rains.
- Cotton futures may trade range to firm on drought conditions in the U.S.
- In the long term price trend may depend on global production in U.S and India and demand from China.

**NCDEX Cotton Futures**

| Contract | +/-   | Open  | High  | Low   | Close |
|----------|-------|-------|-------|-------|-------|
| Feb-12   | +11.1 | 845.8 | 849   | 832.2 | 832.2 |
| Mar-12   | +12.7 | 842.9 | 842.9 | 815   | 831   |
| Apr-12   | +9.4  | 834   | 849.9 | 826   | 836.6 |

| Contract | Volume | Change | OI  | Change |
|----------|--------|--------|-----|--------|
| Feb-12   | 14     | -8     | 33  | -1     |
| Mar-12   | 4      | -4     | 10  | +1     |
| Apr-12   | 269    | -123   | 429 | +22    |

| Spread | Feb-12 | Mar-12 | Apr-12 |
|--------|--------|--------|--------|
| Spot   | 107.8  | 109    | 103.4  |
| Feb-12 | -      | -1.2   | 4.4    |
| Mar-12 |        | -      | 5.6    |
| Apr-12 |        |        | -      |

**ICE Cotton Futures:**

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|-----|-------|
| Jul -11  |     |      |      |     |       |
| Oct-11   |     |      |      |     |       |
| Dec-11   |     |      |      |     |       |
| Mar-12   |     |      |      |     |       |
| May-12   |     |      |      |     |       |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|----|--------|
| Jul -11  |        |        |    |        |
| Oct-11   |        |        |    |        |
| Dec-11   |        |        |    |        |
| Mar-12   |        |        |    |        |
| May-12   |        |        |    |        |

**This section will be updated the next day**

**Cotton Prices at Key Spot Markets:**

| Commodity | Centre                 | Prices (Rs/Qtl) |            | Change |
|-----------|------------------------|-----------------|------------|--------|
|           |                        | 24-05-2011      | 23-05-2011 |        |
| Cotton    |                        |                 |            |        |
|           | Kadi –Bt Cotton        | 4000-4700       | 4250-4750  | -50    |
|           | Amravati –Vunni Mech-1 | 3400-4100       | 3200-3900  | +200   |
|           | Ahmedabad-Shankar      | 3000-5000       | 3000-5000  | -      |
|           | Abohar – J-34          | 4700            | 4650       | +50    |
|           | Muktsar– J-34          | 4780            | 4700       | +80    |

**Cotton Arrivals in Key Centers**

| Commodity | Centre                 | Arrivals in Bags/Qtl |            | Change |
|-----------|------------------------|----------------------|------------|--------|
|           |                        | 24-05-2011           | 23-05-2011 |        |
| Cotton    |                        |                      |            |        |
|           | Kadi –Bt Cotton        | 40                   | 30         | +10    |
|           | Amravati –Vunni Mech-1 | 100                  | 100        | -      |
|           | Ahmedabad-Shankar      | 8000                 | 8000       | -      |
|           | Abohar – J-34          | Nil                  | Nil        | -      |
|           | Muktsar– J-34          | Nil                  | Nil        | -      |

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.