

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 sentiments remained firm as a drought in Texas and storms across the Great Plains threatened crops in the U.S.

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	+11.7	834	849.9	826	838.9

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	103.1
Feb-12	-	-1.2	4.7
Mar-12		-	5.9
Apr-12			-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul -11	-0.01	153.89	157.74	153.50	153.88
Oct-11	+5.11	137.00	138.68	137.00	138.68
Dec-11	+6.00	120.12	125.76	120.12	125.76
Mar-12	+4.58	112.94	117.80	112.94	116.62
May-12	+4.31	109.75	113.34	109.75	113.34

Contract	Volume	Change	OI	Change
Jul -11	7,329	-1,717	70,958	+696
Oct-11	11	-21	414	-10
Dec-11	2,936	-78	62,501	+541
Mar-12	569	-74	10,079	+20
May-12	319	+170	2,475	-9

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	-

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