

Cotton Domestic Fundamentals:

- Cotton prices remained mixed on Tuesday with Kadi ending lower, Muktsar, Amravati and Abohar ending in the green.
- Sentiments remained weak as cotton regions in India get early monsoon, aiding in crop sowing.
- Acreage in 3 major producing states Punjab, Rajasthan and Haryana has increased by 200,000 hectares to 1.50-1.55 million hectares as on date, up from 1.35 million hectares in the previous year.

Cotton International Fundamentals:

- Cotton sentiments remained weak as cotton stocks could be higher in 2011-12 as world cotton production is expected to rise in 2011-12.
- Acreage is forecast to improve by 8% to 36.3 million hectares in 2011/12. This in turn will lead to higher global production at 27.3 million tons, higher by 9% comped to last year figure at 25.1 million tons.
- However, drought like conditions may keep the markets from falling heavily.

Outlook:

- **In the short term, cotton prices may trade weak on higher acreage anticipations this year.**
- **Cotton futures may trade weaker as carry-out stock may be higher.**
- **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	-16.4	783	783	771	772
Mar-12	-	-	-	-	-
Apr-12	-16.1	782	787	770	773.5

Contract	Volume	Change	OI	Change
Feb-12	10	3	41	3
Mar-12	-	-	6	-
Apr-12	262	130	545	27

Spread	Feb-12	Mar-12	Apr-12
Spot	-42	-55.8	-43.5
Feb-12	-	13.8	1.5
Mar-12	-	-	-12.3
Apr-12	-	-	-

ICE Cotton Futures:

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

Centre	Prices (Rs/Qtl)		Change
	07-06-11	06-06-11	
Kadi – Bt Cotton	3000-3650	3000-3750	-100
Amravati – Vunni Mech-1	2500-3300	2700-3000	+300
Abohar – J-34	4755	4700	+55
Muktsar – J-34	4750	4700	+50
Ahmedabad - Shankar	-	-	-

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	07-06-11	06-06-11	
Kadi –Bt Cotton	15-17	25-30	-13
Amravati –Vunni Mech-1	100	100	-
Ahmedabad-Shankar	-	-	-
Abohar – J-34	Nil	Nil	-
Muktsar– J-34	Nil	Nil	-

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

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