

Cotton Domestic Fundamentals:

- Cotton prices remained mixed on Wednesday with Kadi, Muktsar and Abohar ending in the red and Amravati ending in the green.
- Sentiments remained weak as cotton regions in India get early monsoon, aiding in crop sowing.
- Sowing in Amravati could increase as higher prices have prompted farmers to shift from soyabean.
- 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:

- U.S sentiments remained weak after U.S government data demonstrated that U.S. crop conditions improved last week.
- Sentiments remained weak on concerns that USDA will downgrade expectations for US cotton exports.
- The USDA said in its weekly crop-progress report that roughly 87% of U.S. cotton crops were planted as of June 5th 2011, up from 73% a week earlier.

Outlook:

- In the short term, cotton prices may trade weak on higher acreage anticipations this year.
- Cotton futures may trade weaker as crop progress is 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	5.6	761.1	788	761.1	777.6
Mar-12	-	-	773.4	773.4	773.4
Apr-12	2.1	768	779	755.1	775.5

Contract	Volume	Change	OI	Change
Feb-12	20	10	49	7
Mar-12	-	-	6	-
Apr-12	463	201	643	97

Spread	Feb-12	Mar-12	Apr-12
Spot	-52.6	-48.4	-50.5
Feb-12	-	-4.2	-2.1
Mar-12		-	2.1
Apr-12			-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	-3.58	147.95	150.15	144.31	145.05
Dec-11	0.22	129.45	131.40	127.78	130.15
Mar-12	1.10	122.01	124.00	120.93	123.22
May-12	1.12	115.00	116.85	114.29	116.13
Jul-12	0.85	110.14	110.74	108.07	109.67

Contract	Volume	Change	OI	Change
Jul -11	12,621	-363	54,951	-2,371
Oct-11	11,203	805	80,911	715
Dec-11	987	184	11,693	85
Mar-12	351	183	3,171	121
May-12	201	62	5,812	49

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	08-06-11	07-06-11	
Kadi – Bt Cotton	2750-3625	3000-3650	-25
Amravati – Vunni Mech-1	2500-3400	2500-3300	+100
Abohar – J-34	4700	4755	-55
Muktsar – J-34	4600	4750	-150
Ahmedabad - Shankar	-	-	-

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	07-06-11	06-06-11	
Kadi –Bt Cotton	15-20	15-17	+3
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

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.