

## Cotton Domestic Fundamentals:

- Cotton prices remained mixed on Monday with Kadi ending higher, Amravati remained steady and Abohar and Muktsar ended lower.
- Sentiments may remain weak as cotton has increased by 40% over the last year's acreage.
- Markets remained weak acreage is expected to in prime growing states of Gujarat and Maharashtra and other states like Punjab and Haryana.
- Meanwhile, Government has taken a decision to allow exports of an additional 10 lakh bales of cotton during the current season ending September.

## Cotton International Fundamentals:

- U.S sentiments remained mixed as USDA cuts its 2011-12 cotton production estimate for United States.
- This could lead to as shortage and demand will outpace the supply.
- USDA said that the drought conditions in the South West part of the country reduced the outlook for 2011-12 U.S. cotton output to 17 million (480-lb) bales from the 18 million bales forecast last month.
- China is also facing drought conditions and about 7 million hectares has been affected and this may keep the global prices higher.

## Outlook:

- **In the short term, domestic cotton prices may trade weak due to higher acreage estimates.**
- **U.S Cotton futures may trade higher on lower U.S and Chinese crop expectations.**
- **In the long term price trend may depend on global production and demand from China and India.**

### NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	<b>-23.0</b>	772.0	772.0	759.0	759.0
Mar-12	<b>-17.2</b>	771.0	771.0	760.0	763.8
Apr-12	<b>-21.1</b>	777.5	782.5	757.2	759.9

Contract	Volume	Change	OI	Change
Feb-12	8	<b>-2</b>	47	<b>-1</b>
Mar-12	25	<b>20</b>	31	<b>17</b>
Apr-12	345	<b>262</b>	786	<b>88</b>

Spread	Feb-12	Mar-12	Apr-12
Spot	-34	-38.8	-34.9
Feb-12	-	4.8	0.9
Mar-12	-	-	-3.9
Apr-12	-	-	-

### ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	<b>0.92</b>	150.10	152.80	146.84	150.95
Dec-11	<b>-2.07</b>	133.50	134.96	130.17	131.58
Mar-12	<b>-1.95</b>	126.55	127.25	123.89	124.91
May-12	<b>-1.61</b>	118.50	118.90	116.20	116.91
Jul-12	<b>-0.95</b>	113.55	114.25	110.50	111.69

Contract	Volume	Change	OI	Change
Jul -11	10,714	<b>-6,136</b>	47,482	<b>-1,926</b>
Oct-11	10,665	<b>-4,239</b>	88,745	<b>2,571</b>
Dec-11	1,282	<b>-827</b>	12,445	<b>353</b>
Mar-12	523	<b>345</b>	3,305	<b>129</b>
May-12	506	<b>319</b>	5,993	<b>199</b>

**Cotton Prices at Key Spot Markets:**

Centre	Prices (Rs/Qtl)		Change
	13-06-11	11-06-11	
Kadi – Bt Cotton	3125-3625	2875-3500	+125
Amravati – Vunni Mech-1	2700-3300	2500-3300	-
Abohar – J-34	4450-4500	4500-4550	-50
Muktsar – J-34	4525	4550	-25
Ahmedabad - Shankar	-	-	-

**Cotton Arrivals in Key Centers**

Centre	Arrivals		Change
	13-06-11	11-06-11	
Kadi –Bt Cotton	15	25-30	-15
Amravati –Vunni Mech-1	50	100	-50
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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