

Cotton Domestic Fundamentals:

- Cotton prices remained mixed on Saturday with Kadi and Amravati ending higher, Ahmedabad remaining steady and Abohar & Muktsar ending lower.
- Sentiments remained weak due to weak demand in physical market and lack of buying interest from Yarn manufacturers.
- Higher existing carry forward stock also pulled markets lower.
- Cotton acreage in Gujarat is expected to increase by around 80,000 hectares this year from 26.33 lakh hectares to 27 lakh hectares.

Cotton International Fundamentals:

- U.S July futures sentiments remained weak due to weak Chinese demand coupled with firm U.S dollar and reduced appeal of exports from the U.S.
- However, the rest of the deliveries remained firm on supply concerns.
- China Cotton Association added that farmers planted 5.4 million hectares of cotton in China in the 2011 marketing season, up 5.2% from a year earlier.
- Production in Pakistan is forecast to reach record cotton production of nearly 15 million bales in the 2011-12 crop year, after farmers completed sowing on an area of over 8 million acres.

Outlook:

- **In the short term, domestic cotton prices may trade weak due to higher acreage estimates and weak yarn manufacturers demand.**
- **U.S Cotton futures may trade higher on lower Chinese demand.**

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	-27.8	678.0	678.0	667.2	667.2
Mar-12	-19.6	677.2	677.2	677.2	677.2
Apr-12	-26.8	680.2	683.5	654.7	656.6

Contract	Volume	Change	OI	Change
Feb-12	13	-12	59	7
Mar-12	1	-16	13	-
Apr-12	1551	305	1567	504

Spread	Feb-12	Mar-12	Apr-12
Spot	-32.2	-32.2	-21.9
Feb-12	-	0	10.3
Mar-12	-	-	10.3
Apr-12	-	-	-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	-0.78	145.96	148.32	144.10	145.18
Dec-11	3.59	120.60	124.62	117.87	123.77
Mar-12	3.17	115.00	118.00	112.61	117.71
May-12	3.89	109.94	112.51	108.00	112.51
Jul-12	3.37	106.38	108.50	103.75	108.27

Contract	Volume	Change	OI	Change
Jul -11	8,469	-628	26,694	-2,507
Oct-11	13,197	3,987	96,248	849
Dec-11	1,985	1,465	14,317	306
Mar-12	478	355	3,640	14
May-12	864	769	5,846	-157

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	18-06-11	17-06-11	
Kadi – Bt Cotton	2875-3175	2750-3100	75
Amravati – Vunni Mech-1	2400-3200	2500-3100	100
Ahmedabad – Shankar-6	3000-4000	NA	-
Abohar – J-34	4050-4100	4200	-100
Muktsar – J-34	4050-4100	4250	-150

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	18-06-11	17-06-11	
Kadi –Bt Cotton	25	25	Unch
Amravati –Vunni Mech-1	100	25	75
Ahmedabad – Shankar-6	3000	NA	-

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

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