

Cotton Domestic Fundamentals:

- Cotton prices remained mixed on Tuesday with Kadi, Ahmedabad ending steady, Abohar and Muktsar ending lower.
- Prices were weighed down by higher anticipations of cotton acreage this Kharif 2011.
- As per the latest report of Ministry of Agriculture, area under cotton has increased by 40.4% compared to last year's area.
- Cotton has been sown in 21.65 lakh hectare as compared to 15.42 lakh hectare last year.
- Meanwhile, registration for additional cotton exports quota will begin on 21st June 2011.
- The Directorate-General of Foreign Trade (DGFT) will receive applications for registration of export contracts until June 25th June 2011.

Cotton International Fundamentals:

- U.S sentiments remained firm on speculation that production will drop in the U.S.
- USDA will release the official statement on June 30th 2011.
- Sentiments remained firm as acreage and production will be lower this year due to after drought in Texas and floods in areas along the Mississippi River damaged crops or delayed plantings.

Outlook: Domestic and International

- 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 and lower U.S crop anticipations.

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	4.5	653.0	666.0	640.0	645.1
Mar-12	3.8	641.0	668.0	641.0	654.0
Apr-12	24.0	639.8	664.4	639.0	662.8

Contract	Volume	Change	OI	Change
Feb-12	357	-111	81	-282
Mar-12	39	20	31	11
Apr-12	2521	-1	2809	288

Spread	Feb-12	Mar-12	Apr-12
Spot	54.9	46.0	37.2
Feb-12	-	-8.9	-17.7
Mar-12		-	-8.8
Apr-12			-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	6.00	149.05	154.73	149.04	154.73
Dec-11	-0.07	124.46	127.72	123.24	124.00
Mar-12	-1.06	118.05	120.76	116.00	116.88
May-12	-1.06	112.40	114.32	110.93	110.93
Jul-12	-1.44	110.00	110.00	106.64	106.65

Contract	Volume	Change	OI	Change
Jul -11	7,442	1,460	23,566	-2,390
Dec-11	12,097	-2,361	99,142	1,906
Mar-12	1,156	-791	14,953	494
May-12	83	-227	3,575	-22
Jul-12	147	-344	5,607	-278

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	21-06-11	20-06-11	
Kadi – Bt Cotton	3125-3500	3000-3500	Unch
Amravati – Vunni Mech-1	NA	2400-3100	NA
Ahmedabad – Shankar-6	3000-4125	3000-4125	Unch
Abohar – J-34	3750	4200-4250	-500
Muktsar – J-34	3800	3800-3900	-100

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	21-06-11	20-06-11	
Kadi –Bt Cotton	15	25	-10
Amravati –Vunni Mech-1	NA	100	NA
Ahmedabad – Shankar-6	3000	2000	1000

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

Ahmedabad- in bags

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