

Cotton Domestic Fundamentals:

- Cotton prices continued to rule steady to firm at major trading centers on Saturday.
- Cotton has been sown in 26.22 lakh hectare as on 24th June 2011. Fundamental is unsupportive.
- Sentiments remained weak as cotton has been sown over an area of 6.01 lakh hectares in Haryana and 4.63 lakh hectares in Rajasthan.
- India's cotton yarn exports declined 33 per cent in the first two months of the current financial year, due to low demand.

Cotton International Fundamentals:

- U.S futures closed higher as Cotlook lowered its Global output estimate for cotton in 2011-12.
- According to Cotlook global cotton output will be 2.7 per cent lower at 26.195 million metric tons than previously forecast at 26.73 million metric tons.
- Expectation of higher demand might lent support cotton at lower level.

Outlook: Domestic and International

- In the short term, domestic cotton prices move lower on higher acreage estimates and weak yarn exports.
- U.S Cotton futures may trade higher as Cotlook reduces global production estimates.
- In the long run, prices may trade higher due to lower U.S crop anticipations.

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	-7.60	683	692	665	665
Mar-12	1.60	677	688.80	670	676
Apr-12	6.75	675	689.5	670.50	685.5

Contract	Volume	Change	OI	Change
Feb-12	15	-17	61	-10
Mar-12	11	11	20	-7
Apr-12	586	-277	2741	-4

Spread	Feb-12	Mar-12	Apr-12
Spot	64.4	65.0	67.6
Feb-12	-	0.6	3.2
Mar-12		-	2.6
Apr-12			-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	0.67	165.92	166.59	163.40	165.22
Dec-11	1.92	125.50	127.80	125.10	126.92
Mar-12	2.52	120.25	122.74	119.60	121.92
May-12	2.23	113.07	114.37	111.80	113.82
Jul-12	1.45	104	105.4	103.5	104.8

Contract	Volume	Change	OI	Change
Jul -11	12117	2478	7728	-8025
Dec-11	11514	577	100616	-1585
Mar-12	1143	346	15091	46
May-12	101	-64	3623	-48
Jul-12	113	-203	5678	-16

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	24-06-11	25-06-11	
Kadi – Bt Cotton	3125-3685	3250-3750	65
Amravati – Vunni Mech-1	3100-4200	3300-4200	unch
Ahmedabad – Shankar-6	3260-4260	3260-4250	unch
Abohar – J-34	3775-3850	3850-3900	50
Muktsar – J-34	3850	3920	80

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	24-06-11	25-06-11	
Kadi –Bt Cotton	25	40	-15
Amravati –Vunni Mech-1	100	100	Unch
Ahmedabad – Shankar-6	3000	3000	unch

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

Ahmedabad- in bags

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