

Cotton Domestic Fundamentals:

- Cotton prices remained range bound to firm at most trading centers on Wednesday.
- Sentiments remained weak as stockists and farmers continue to offload stocks.
- Sentiments remained firm as delay in rains has impacted sowings in the South and central zones, particularly in Gujarat, Maharashtra and Andhra Pradesh.
- Cotton sowing area has been down by almost 5 per cent to 26.22 lakh hectares as against 27.53 lakh hectares in the period under review.
- Meanwhile ginneries are asking for more exports of cotton as no clearance was seen of the held over stock due to sluggish demand in the domestic spinning industry

Cotton International Fundamentals:

- U.S futures remained mixed as adverse weather conditions in the U.S continue to deteriorate the crop.
- Weak demand in the domestic markets may continue to weigh on the prices.
- China cut import duties in a bid to increase supplies which may improve demand for cotton.

Outlook: Domestic and International

- **In the short term, domestic cotton prices move higher on lower rainfall anticipations in important sowing areas.**
- **U.S Cotton futures may trade lower on easing global supply concerns.**

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	-12.1	657.3	657.3	655.3	655.3
Mar-12	-1.0	683.8	684.2	669.0	670.0
Apr-12	0.9	670.0	680.0	662.1	672.9

Contract	Volume	Change	OI	Change
Feb-12	2	1	70	2
Mar-12	7	7	19	-1
Apr-12	808	95	3008	62

Spread	Feb-12	Mar-12	Apr-12
Basis	94.7	81.0	77.1
Feb-12	-	-13.7	-17.6
Mar-12	-	-	-3.9
Apr-12	-	-	-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	1.23	161.96	162.75	161.00	162.14
Dec-11	-0.61	122.00	124.66	119.81	121.40
Mar-12	-1.04	113.02	115.60	111.07	112.50
May-12	-0.50	107.26	111.73	107.25	108.77
Jul-12	-0.19	106.57	107.74	104.09	105.12

Contract	Volume	Change	OI	Change
Jul -11	288	58	1,897	-258
Dec-11	11,722	5429	1,02,405	1,068
Mar-12	2,177	989	16,621	567
May-12	492	279	3,682	59
Jul-12	259	109	5,629	10

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	29-06-11	28-06-11	
Kadi – Bt Cotton	3500-3750	3000-3500	250
Amravati – Vunni Mech-1	3200-4250	3100-4200	50
Ahmedabad – Shankar-6	NA	NA	NA
Abohar – J-34	3800-3850	3800	50
Muktsar – J-34	3850	3875	-25

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	29-06-11	28-06-11	
Kadi –Bt Cotton	40	25	15
Amravati –Vunni Mech-1	100	100	Unch
Ahmedabad – Shankar-6	NA	NA	NA

Kadi-1 Truck-20 kgs
Amravati-1 Truck-100 kgs
Ahmedabad- in bags

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