

Cotton Domestic Fundamentals:

- Cotton prices remained firm in Kadi and remained weak in Haryana and Punjab.
- Sentiments remained firm in Kadi as weather condition is unfavourable for sowing in Gujarat.
- However, higher acreage in Punjab and Haryana might continue weaken prices in the Haryana and Punjab markets.
- Sentiments remained firm as cotton sowing area has been down by 22% per cent to 35.17 lakh hectares as against 45 lakh hectares in the same period last year.
- Sentiments also remained firm as the government has exempted cotton and yarn waste from the additional cap of 10 lakh bales imposed on exports of the natural fibre for 2010-11 season.

Weather Update

- Fairly widespread rain/thundershowers would occur over Punjab and Haryana.
- Fairly widespread rain would occur over Orissa and Northeastern states.
- Scattered rain/thundershowers would also occur over central 5 days.
- Scattered rainfall activity would prevail over the southern peninsula.
- Fairly widespread rain would occur over Gujarat region.
- Scattered rain would occur over Central Maharashtra, Marathwada and Saurashtra & Kutch region.

Cotton International Fundamentals:

- U.S markets were closed for Independence Day Celebrations.

Outlook: Domestic and International

- **In the short term, domestic cotton prices move higher on lower acreage estimates due to lower rainfall in important sowing regions.**
- **U.S Cotton futures may trade lower on higher acreage estimates in U.S.**

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	7.2	693.9	695.9	679.4	687.5
Mar-12	-	681.0	681.0	681.0	681.0
Apr-12	-3.5	687.9	695.0	679.0	680.8

Contract	Volume	Change	OI	Change
Feb-12	22	9	67	3
Mar-12	1	-	17	-
Apr-12	1298	513	3319	60

Spread	Feb-12	Mar-12	Apr-12
Basis	62.5	69.0	69.2
Feb-12	-	6.5	6.7
Mar-12	-	-	0.2
Apr-12	-	-	-

MCX Cotton Futures

Contract	+/-	Open	High	Low	Close
Mar-12	-0.4	694.0	702.0	685.5	688.6
Apr-12	-4.4	689.8	698.5	682.0	683.0

Contract	Volume	Change	OI	Change
Mar-12	57	39	88	18
Apr-12	109	39	253	18

Spread	Mar-12	Apr-12
Basis	62.7	66.5
Mar-12	-	-3.8
Apr-12	-	-

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	Closed	Closed	Closed	Closed	Closed
Dec-11	Closed	Closed	Closed	Closed	Closed
Mar-12	Closed	Closed	Closed	Closed	Closed
May-12	Closed	Closed	Closed	Closed	Closed
Jul-12	Closed	Closed	Closed	Closed	Closed

Contract	Volume	Change	OI	Change
Jul-11	Closed	Closed	Closed	Closed
Dec-11	Closed	Closed	Closed	Closed
Mar-12	Closed	Closed	Closed	Closed
May-12	Closed	Closed	Closed	Closed
Jul-12	Closed	Closed	Closed	Closed

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	03-07-11	02-07-11	
Kadi – Bt Cotton	3250-3750	3250-3625	125
Amravati – Vunni Mech-1	NA	NA	NA
Ahmedabad – Shankar-6	NA	NA	NA
Abohar – J-34	3725-3750	3850	-100
Muktsar – J-34	3725-3750	3850	-100

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	03-07-11	02-07-11	
Kadi –Bt Cotton	No Arrivals	15	-
Amravati –Vunni Mech-1	NA	NA	NA
Ahmedabad – Shankar-6	NA	NA	NA

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

Ahmedabad- in bags

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