

**Cotton Domestic Fundamentals:**

- Cotton sentiments remained mixed on Friday as buying activity remains weak and dull demand.
- However weather conditions in the states of Maharashtra and Gujarat has improved which could weaken prices in the short run.
- Meanwhile, Indian ministerial panel will likely decide in August on whether or not to allow cotton exports beyond the 6.5 million bales that the government had earlier approved for shipments in the marketing year through September.

**Weather Update**

According to IMD, isolated to very heavy rainfall would occur over coastal Karnataka, Telegana, coastal A.P, West M.P, north interior Karnataka, Marathwada and Central Maharashtra during the next 48 hours.

**Cotton International Fundamentals:**

- U.S futures end weak on another week of export sales cancellations.
- Sentiments remained weak as there has been little or no export demand reported by USDA in recent weeks.
- However, concerns persists that production will drop more than forecast in the U.S.

**Outlook: Domestic and International**

- **In the short term, domestic cotton prices move higher on lower carry-out stocks for the current season.**
- **U.S markets may trade lower on weaker demand, however sentiments may remain firm in the long run on lower production estimates in U.S.**

**NCDEX Cotton Futures**

Contract	+/-	Open	High	Low	Close
Feb-12	-2.1	653.0	654.8	652.0	652.1
Mar-12	-2.3	657.5	657.5	657.5	657.5
Apr-12	-4.3	655.0	656.9	648.6	655.5

Contract	Volume	Change	OI	Change
Feb-12	4	-22	89	-
Mar-12	1	1	11	-
Apr-12	1231	-98	4138	205

Spread	Feb-12	Mar-12	Apr-12
Basis	72.9	67.5	69.5
Feb-12	-	5.4	3.4
Mar-12	-	-	-2.0
Apr-12	-	-	-

**NB:** Spread was done by taking Spot prices at Kadi markets for Bt cotton.

**MCX Cotton Futures**

Contract	+/-	Open	High	Low	Close
Mar-12	-4.7	663.0	669.0	660.0	660.0
Apr-12	-4.6	663.0	664.9	657.1	663.4

Contract	Volume	Change	OI	Change
Mar-12	17	10	99	9
Apr-12	84	-42	429	22

Spread	Mar-12	Apr-12
Basis	65.0	61.6
Mar-12	-	3.4
Apr-12	-	-

**NB:** Spread was done by taking Spot prices at Kadi markets for Bt cotton.

**ICE Cotton Futures:**

Contract	+/-	Open	High	Low	Close
Dec-11	-5.00	102.35	103.45	99.46	99.46
Mar-12	-3.38	98.20	99.62	95.40	96.25
May-12	-1.36	96.20	97.34	94.80	95.89

Contract	Volume	Change	OI	Change
Dec-11	13,034	-2,888	1,00,437	-24
Mar-12	1,810	-2,739	21,467	61
May-12	221	-429	4,788	-31

**This section will be updated the next day.**

**Cotton Prices at Key Spot Markets:**

Centre	Prices (Rs/Qtl)		Change
	15-07-11	14-07-11	
Kadi – Bt Cotton	3375-3625	3125-3375	250
Amravati – Vunni Mech-1	2500-2800	NA	-
Ahmedabad – Shankar-6	3250-3750	3250-3750	Unch
Abohar – J-34	3350	3500	-150
Muktsar – J-34	3350	3500	-150

**Cotton Arrivals in Key Centers**

Centre	Arrivals		Change
	15-07-11	14-07-11	
Kadi –Bt Cotton	4	12	-8
Amravati –Vunni Mech-1	Nil	NA	-
Ahmedabad – Shankar-6	2000	2000	Unch

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

Ahmedabad- in bags

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