

Cotton Domestic Fundamentals:

- Cotton prices moved higher supported by demand from exporters and continue the trend for the next few days.
- However millers demand remained weak and may continue to weaken.
- On the other hand, trades sources say that the uptrend is expected to continue as delay in crop arrivals could be expected due to rains in the northern part of the country.

Weather Update

- According to IMD, widespread rainfall would occur over east and west U.P east and northeast India during next 24-48 hours.
- Scattered rains would occur over the remaining parts of the country.

Cotton International Fundamentals:

- US remained weak as weak economy in many developed countries may continue to weaken demand for the commodity.
- Weak millers demand continue in Pakistan where a large number of cotton ginning factories are shut across the country, threatening to damage crop.
- Rains in the 1st week of August have hit cotton crop in Sindh district in Pakistan and could face losses.

Outlook: Domestic and International

- In the short term, domestic cotton prices move higher due to better buying activity and crop delay possibilities. However in the longer run prices may fall due to better acreage expectations this year.
- U.S markets may trade weak on weak demand for the commodity. in the medium to longer term prices may be firm on lower US crop estimates.

NCDEX Cotton Futures

Contract	+/-	Open	High	Low	Close
Feb-12	-4.8	712.0	712.0	702.0	707.0
Mar-12	-	-	-	-	-
Apr-12	-4.2	694.3	699.4	690.0	695.4

Contract	Volume	Change	OI	Change
Feb-12	14	-16	143	5
Mar-12	0	-1	22	-
Apr-12	1260	-1042	4984	17

Spread	Feb-12	Mar-12	Apr-12
Basis	178.0	-	189.6
Feb-12	-	-	-11.6
Mar-12	-	-	-
Apr-12	-	-	-

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

MCX Cotton Futures

Contract	+/-	Open	High	Low	Close
Mar-12	-0.5	708.0	712.0	707.0	711.9
Apr-12	-2.7	706.5	709.3	701.1	706.2

Contract	Volume	Change	OI	Change
Mar-12	19	-16	226	7
Apr-12	105	-60	664	30

Spread	Mar-12	Apr-12
Basis	173.1	178.8
Mar-12	-	-5.7
Apr-12	-	-

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

ICE Cotton Futures:

Contract	+/-	Open	High	Low	Close
Oct-11	3.81	103.89	108.62	103.89	108.43
Dec-11	3.97	103.85	107.85	102.88	107.82
Mar-12	3.92	100.51	104.59	99.23	104.51
May-12	3.40	98.46	103.48	98.26	102.88

Contract	Volume	Change	OI	Change
Oct-11	75	9	488	-23
Dec-11	10,278	3086	93,138	200
Mar-12	1,695	-940	29,708	92
May-12	439	-95	6,326	66

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	17-08-11	16-08-11	
Kadi – Bt Cotton	4250-4600	4250-4500	100
Amravati – Vunni Mech-1	4000-4500	4000-4500	Unch
Ahmedabad – Shankar-6	4000-4500	3750-4250	250
Abohar – J-34	3725-3730	3650	80
Muktsar – J-34	3725-3730	3650	80

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	17-08-11	16-08-11	
Kadi –Bt Cotton	No Arrival	No Arrival	-
Amravati –Vunni Mech-1	Nil	Nil	-
Ahmedabad – Shankar-6	2000	2000	Unch

Kadi-1 Truck-20 kgs

Amravati-1 Truck-100 kgs

Ahmedabad- in bags

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