

Cotton Domestic Fundamentals:

- Cotton prices surged higher on Tuesday supported by reports that rains have damaged crop in North India. Continuous rains in the North may delay crops which has pushed the prices higher.
- Sources also revealed that 3-4 % crops may be damaged due to rains in Haryana and Punjab.
- Meanwhile sources added that millers have to reduce prices due to lack of demand for Yarn.

Weather Update

- Widespread rain would occur over Orissa, Chhattisgarh and Gujarat and North-west India during the next 48 hours.
- Fairly widespread thundershowers would occur over east Madhya Pradesh and other remaining parts of the country.
- Scattered thundershowers would occur over southeast peninsular India.

Cotton International Fundamentals:

- Cotton futures remained closed on Monday due to Labour Day Holiday in the U.S.
- Meanwhile crops could be damaged in Pakistan due to flooding in the Sindh Province.

Outlook: Domestic and International

- In the short term, domestic cotton prices move higher supported by higher export expectations and delayed crops in North India.
- U.S markets may trade higher on lower crop from U.S and Pakistan.

NCDEX Cotton Futures: Updated price as on 06th September 2011

Contract	+/-	Open	High	Low	Close
Feb-11	21.2	725.5	727.2	720.1	727.2
Mar-11	19.6	719.5	720.0	719.5	720.0
Apr-11	18.6	698.0	716.8	698.0	715.5

Contract	Volume	Change	OI	Change
Feb-11	16	10	163	-5
Mar-11	3	-4	35	0
Apr-11	5648	2678	5917	-159

Spread	Feb-12	Mar-12	Apr-12
Basis	199.0	204.6	208.1
Feb-12	-	-5.6	-9.1
Mar-12		-	-3.5
Apr-12			-

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

MCX Cotton Futures: Updated price as on 06th September 2011

Contract	+/-	Open	High	Low	Close
Mar-12	17.6	720.0	732.0	720.0	731.0
Apr-12	18.2	711.7	725.1	710.0	725.0

Contract	Volume	Change	OI	Change
Mar-12	54	23	207	-21
Apr-12	461	161	721	-88

Spread	Mar-12	Apr-12
Basis	191.6	198.2
Mar-12	-	-6.6
Apr-12		-

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

ICE Cotton Futures: 05/09/2011-Closed (Labour Day)

Contract	Open	High	Low	Close	Change
Oct-11					
Dec-11					
Mar-12					
May-12					
Jul-12					
Oct-12					

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	06-09-11	05-09-11	
Kadi – Bt Cotton	4500-4750	4375-4675	75
Amravati – Vunni Mech-1	4200-4600	4100-4400	200
Ahmedabad – Shankar-6	4100-4725	4000-4500	225
Abhor – J-34	3950	3800	150
Muktsar – J-34	4000	3800	200

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	06-09-11	05-09-11	
Kadi –Bt Cotton	7	7	Unch
Amravati –Vunni Mech-1	Nil	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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