

Cotton Domestic Fundamentals:

- Cotton prices moved higher supported by higher exporters demand and an anticipation of crop damage in north India due to rains.
- Trade sources say that continuous rains have caused water logging in the field and may destroy 10-15 per cent of the crop in north India.

Weather Update

- Widespread rainfall would occur over west coast, East and Northeast India.
- Isolated rainfall would occur over Rajasthan and Gujarat.

Cotton International Fundamentals:

- Cotton futures ended higher amid USDA saying that ending stocks for cotton raised 100,000 bales to 3.4 million bales.
- Meanwhile, the National Development and Reform Commission said that China will issue low-tariff import quotas of cotton for 2012.
- Meanwhile, about 2.7 million cotton bales were destroyed during recent flash floods in Sindh province.

Outlook: Domestic and International

- In the short term, domestic cotton prices move higher due to a possibility of loss of crop from North India and firm exporters and millers demand.
- U.S markets may trade higher on lower crop from Pakistan and U.S.

NCDEX Cotton Futures: Updated price as on 15th September 2011

Contract	+/-	Open	High	Low	Close
12-Feb	9.6	779.0	781.9	768.3	770.5
12-Mar	-	780.2	780.2	770.0	770.0
12-Apr	-4.1	777.0	778.0	765.1	767.6

Contract	Volume	Change	OI	Change
12-Feb	73	-73	182	-26
12-Mar	12	5	45	3
12-Apr	6033	-1761	7012	515

Spread	Feb-12	Mar-12	Apr-12
Basis	29.5	30.0	32.4
Feb-12	-	-0.5	-2.9
Mar-12	-	-	-2.4
Apr-12	-	-	-

NB: Spread was done by taking Spot prices at Ahmedabad markets for Shankar cotton.

MCX Cotton Futures: Updated price as on 15th September 2011

Contract	+/-	Open	High	Low	Close
Mar-12	-7.0	786.3	786.9	777.1	780.0
Apr-12	-4.1	785.0	788.0	775.0	777.0

Contract	Volume	Change	OI	Change
Mar-12	270	-347	689	6
Apr-12	769	-371	815	47

Spread	Mar-12	Apr-12
Basis	20.0	23.0
Mar-12	-	-3.0
Apr-12	-	-

NB: Spread was done by taking Spot prices at Ahmedabad markets for Shankar cotton.

ICE Cotton Futures: 14/09/2011

Contract	Open	High	Low	Close	Change
Oct-11	111.36	113.50	111.20	113.39	1.83
Dec-11	112.72	114.18	111.59	113.67	0.66
Mar-12	109.70	110.95	108.56	110.56	0.65
May-12	106.23	108.04	106.02	107.93	0.53
Jul-12	105.00	106.69	104.74	106.56	0.59
Oct-12	104.47	104.47	104.47	104.47	0.64

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	15-09-11	14-09-11	
Kadi – Bt Cotton	4650-4825	4600-4815	10
Amravati – Vunni Mech-1	4300-4800	4200-4600	200
Ahmedabad – Shankar-6	4000-4700	4000-4625	75
Abhor – J-34	4250	4050	200
Muktsar – J-34	4250	4100	150

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	15-09-11	14-09-11	
Kadi –Bt Cotton	50	40	10
Amravati –Vunni Mech-1	-	-	-
Ahmedabad – Shankar-6	3000	3000	Unch

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

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