

Cotton Domestic Fundamentals:

- Cotton prices traded mixed with even steady nature, witnessed in few markets, amidst dull trading activity.
- Fears of crop damage because of heavy rain in Gujarat lift cotton prices there however official report of the same is yet to come.
- As put by Traders, lesser arrivals and rising demand from exporters and mills also add optimism to the price walk.
- Punjab is likely to face cotton output loss of 5-7% on account of heavy rains that have caused widespread damage to the crop.
- According to the state agriculture department of Punjab, close to 90,000 hectares could be damaged.

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 lower on Friday. Technical selling and speculative selling is supporting the market.
- 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.
- U.S markets may trade higher on lower crop from Pakistan and U.S.

NCDEX Cotton Futures: Updated price as on 17th September 2011

Contract	+/-	Open	High	Low	Close
12-Feb	-0.9	770	770	767	767
12-Mar	-10.6	783	783	767.9	767.9
12-Apr	-3.8	767.4	768.9	760	761.6

Contract	Volume	Change	OI	Change
12-Feb	3	-11	183	1
12-Mar	8	-4	46	-1
12-Apr	2040	-2042	7478	1

Spread	Feb-12	Mar-12	Apr-12
Basis	33	32.1	38.4
Feb-12	-	0.9	-5.4
Mar-12		-	-6.3
Apr-12			-

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

MCX Cotton Futures: Updated price as on 17th September 2011

Contract	+/-	Open	High	Low	Close
12-Mar	-10.6	783	783	767.9	767.9
12-Apr	-2	778	778.1	770.2	773.2

Contract	Volume	Change	OI	Change
12-Mar	8	-4	46	-1
12-Apr	216	-171	883	42

Spread	Mar-12	Apr-12
Basis	32.1	26.8
Mar-12	-	5.3
Apr-12	-5.3	-

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

ICE Cotton Futures: 16/09/2011

Contract	Open	High	Low	Close	Change
Oct-11	109.20	109.84	108.95	109.08	-1.54
Dec-11	111.62	112.05	109.41	110.52	-1.10
Mar-12	108.55	109.00	106.29	107.49	-1.06
May-12	106.69	106.69	104.58	105.55	-0.99
Jul-12	104.00	104.82	103.48	104.55	-0.91
Oct-12	103.11	103.11	103.11	103.11	-0.91

Cotton Prices at Key Spot Markets:

Centre	Prices (Rs/Qtl)		Change
	17-09-11	16-09-11	
Kadi – Bt Cotton	4700-5000	4700-4900	+100
Amravati – Vunni Mech-1	4200-4600	4200-4600	Unch
Ahmedabad – Shankar-6	4000-4750	4000-4750	Unch
Abhor – J-34	4150	4200	-50
Muktsar – J-34	4200	4200	Unch

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	17-09-11	16-09-11	
Kadi –Bt Cotton	40	50	-10
Amravati –Vunni Mech-1	-	-	-
Ahmedabad – Shankar-6	4000	4000	Unch

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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>
 © 2005 Indian Agribusiness Systems Pvt Ltd.

