

Cotton Domestic Fundamentals:

- Major Cotton spot markets ended positive supported by strong millers demand.
- Indian Government has lifted its ban on raw cotton which affected prices positively as exporters got again active in the market.
- Arrivals were also improved in most of the key markets as demand improved comparatively.
- Prices are likely to witness positive tone following removal of ban on cotton exports and improving domestic demand in near term.

Cotton International Fundamentals

According to the latest report released by USDA, the 2011/12 world cotton supply and demand estimates reflect higher supplies and lower consumption, resulting in an increase of nearly 1.6 million bales in forecast global ending stocks.

Outlook: Domestic and International

Sideways to firm momentum could be seen in near-term highly affected by exporters movements.

NCDEX Kapas Futures: (Prices in Rs/20/g)

Contract	+/-	Open	High	Low	Close
Mar-12	1.00	784.00	808.00	784.00	808.00
Apr-12	-6.50	828.00	848.50	811.00	817.00

MCX Kapas Futures: (Prices in Rs/20/kg)

Contract	+/-	Open	High	Low	Close
Mar-12	1.30	815.00	830.10	801.00	806.00
Apr-12	0.40	834.90	851.00	821.60	826.40

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-12	2	-2	7	-1
Apr-12	8003	5137	8583	105

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-12	658	151	629	58
Apr-12	1560	1205	845	129

Spread	March-12	April-12
Basis	-58.00	
March-12		-9.00

Spread	March-12	April-12
Basis	-56.00	
March-12		-20.40

NB: Spread was done by taking avg spot prices at Kadi Market as Ahmadabad Market is closed. Basis = Spot-April

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MCX Cotton Futures (29 mm Variety): Prices in Bales

Contract	% Change	Open	High	Low	Close
30-Mar-12	-0.54	17170	17170	16540	16580
30-Apr-12	-0.99	17590	17600	16910	16930
31-May-12	-0.46	17900	17940	17270	17340
29-June-12	-0.23	17980	18000	17700	17700

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	12-3-2012	10-3-2012	
Kadi – Bt Cotton	3500-4000	3625-4000	Unch
Amravati – Vunni Mech-1	-	3650-3700	-
Ahmedabad – Shankar-6	-	-	-
Abhor – J-34	3650-3660	3510	+50
Muktsar – J-34	3650	3520	+30
Fajlika Punjab	4700	3650-4250	+450
Khandwa M.P	-	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	12-3-2012	10-3-2012	
Kadi –Bt Cotton (truck)	20	25	-5
Amravati –Vunni Mech-1 (bales)	-	2000	-
Ahmedabad – Shankar-6	-	-	-
Abohar (bales)	400	500	+100
Muktsar (bales)	400	250	+100
Fajlika Punjab (quintal)	1600	1200	Unch
Khandwa M.P (Qtl)	-	-	-

Cotton Association of India Spot Rates: As on 10/3/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33700
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34500
J-34	25mm	3.5 - 4.9	23	30800
H-4/ MECH-1	28mm	3.5 - 4.9	25	32000
Shankar-6	29mm	3.5 - 4.9	26	33500
Bunny/ Brahma	31mm	3.5 - 4.9	27	33500
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.A
DCH-32	35mm	2.8 - 3.6	31	44500

Cotlook Index: As on 9/3/2012

Cotlook Indices	Cents/Pound	Change
A-Index	99.80	-0.30

China Cotton Index: As on 12/3/2012

Index	RMB/Ton	Change
CCIndex(328)	19576	-3
CCIndex(527)	16941	-7
CCIndex(229)	20883	+2

RMB - Renminbi, 1RMB = 0.16 \$U.S.

USDA Cotton Spot Rates: As on 9/3/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	83.30	86.30	520
North Delta	82.80	83.80	NIL
South Delta	82.80	83.80	NIL
East TX-OK	81.50	86.25	1335
West Texas	81.75	87.75	64
Desert SW	81.05	87.05	NIL

SJ Valley	82.30	92.70	NIL
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Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

ICE Cotton Futures (Prices in cents/lb.): As on 9/3/2012

Contract	Open	High	Low	Close	Change
May-12	89.70	90.46	88.25	88.80	-0.76
Jul-12	90.80	91.44	89.35	89.74	-0.96
Oct-12	92.00	92.00	91.48	91.48	-0.96
Dec-12	91.25	91.66	89.87	90.36	-0.93
Mar-13	92.15	92.39	91.14	91.36	-0.78
May-13	91.97	91.97	91.06	91.21	-0.76

Pakistan Cotton Spot rates: As on 10/3/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5300	130	5430
Equivalent	40 Kgs	5680	130	5810

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