

**Cotton Domestic Fundamentals:**

- Dull trade activities featured in cotton spot market on Tuesday.
- As farmers and traders are in confusion about market movement further.
- Since, Government has partially removed ban on raw cotton where new registrations are not allowed due to which exporters are also not participating on an aggression mode in the market.
- Millers demand is slowing down due to liquidity crunch as of now due to which price are not getting support towards upper side. However, ginners are requiring kapas at the current level to fulfill their daily needs but they fear and waiting price to come down before making buying positions.

**Cotton International Fundamentals**

- According to the latest report released by U.S. commerce Department, has revealed total upland cotton exports to 282602 bales in Jan 2012 which is higher than December 11 to 203341 bales and supported ICE future prices.
- China cotton import stood higher 234% at 616,000 tonnes in February 2012 against corresponding period of last year 2011 due to which global supplies are getting support at higher level.

**Outlook: Domestic and International**

We expect domestic cotton price is likely to be volatile for short term. Any immediate rise might be a selling opportunity in spot market.

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

Contract	+/-	Open	High	Low	Close
Mar-12	<b>-18.50</b>	819.50	819.50	777.50	777.50
Apr-12	<b>4.50</b>	812.00	830.00	808.00	821.50

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

Contract	+/-	Open	High	Low	Close
Mar-12	<b>-1.60</b>	793.50	816.00	793.50	804.60
Apr-12	<b>2.30</b>	833.00	838.50	817.00	828.00

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-12	2	0	8	1
Apr-12	4104	-3899	8544	-39

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-12	471	-187	695	66
Apr-12	704	-856	831	-14

Spread	March-12	April-12
Basis	-9.50	
March-12		-44.00

Spread	March-12	April-12
Basis	-36.60	
March-12		-23.40

**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	<b>-0.24</b>	16450	16760	16450	16580
30-Apr-12	<b>-0.29</b>	16900	17140	16820	16940
31-May-12	<b>-0.23</b>	17370	17530	17300	17350
29-June-12	<b>-0.06</b>	17670	17880	17670	17790

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	13-3-2012	12-3-2012	
Kadi – Bt Cotton	3675-4000	3500-4000	Unch
Amravati – Vunni Mech-1	-	-	-
Ahmedabad – Shankar-6	-	-	-
Abhor – J-34	3360-3380	3650-3660	-280
Muktsar – J-34	3560-3570	3650	-80
Fajlika Punjab	3700-4275	4700	-425
Khandwa M.P	3200-3750	-	-

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	13-3-2012	12-3-2012	
Kadi –Bt Cotton (truck)	25	20	+5
Amravati –Vunni Mech-1 (bales)	-	-	-
Ahmedabad – Shankar-6	-	-	-
Abohar (bales)	400	400	Unch
Muktsar (bales)	200	400	-200
Fajlika Punjab (quintal)	1300	1600	-300
Khandwa M.P (Qtl)	800	-	-

**Cotton Association of India Spot Rates: As on 12/3/2012**

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	31100
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.Q.
DCH-32	35mm	2.8 - 3.6	31	44500

**Cotlook Index: As on 12/3/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	99.05	-0.75

**China Cotton Index: As on 13/3/2012**

Index	RMB/Ton	Change
CCIndex(328)	19570	-6
CCIndex(527)	16939	-2
CCIndex(229)	20881	-2

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

**USDA Cotton Spot Rates: As on 12/3/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.50	85.50	880
North Delta	82.00	83.00	NIL
South Delta	82.00	83.00	NIL
East TX-OK	80.75	85.50	1380
West Texas	81.00	87.00	423
Desert SW	80.25	86.25	NIL
SJ Valley	81.50	91.90	NIL

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 12/3/2012**

Contract	Open	High	Low	Close	Change
May-12	88.18	89.16	87.01	88.00	-0.80
Jul-12	88.05	90.00	88.05	88.93	-0.81
Oct-12	90.55	90.82	90.55	90.82	-0.66
Dec-12	90.01	90.48	88.78	89.79	-0.57
Mar-13	90.88	91.10	90.10	90.83	-0.53
May-13	90.72	90.72	90.40	90.56	-0.65

**Pakistan Cotton Spot rates: As on 12/3/2012 (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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