

Cotton Domestic Fundamentals:

- Mixed tone witnessed in Cotton spot market on Thursday despite rising supplies amid strong millers demand.
- Ginners and spinners are actively participating in the market which is supporting cotton prices.
- Gradually, exporters have started to buy at the current level.
- Besides, farmers are eagerly awaiting Government decision to increase Minimum Support Price especially in Gujarat consequently cumulative arrivals has reported down against last year pace of arrivals. As on 11th March 2012, total arrivals so far has been reported down by 6.4% to 237 lakh bales of 170 kgs each from the previous year arrivals at 253 lakh bales.

Cotton International Fundamentals

- Upland cotton exports are 282602 bales in Jan 2012 which is higher than December'11 to 203341 bales as per the latest report released by U.S. Commerce Department. Due to which ICE future prices ended higher earlier and likely to support further on account of a restriction on fresh raw cotton exports in India.
- China cotton imports 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

Continue a range bound to firm movement could be seen in the market during upcoming days.

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

Contract	+/-	Open	High	Low	Close
Mar-12	8.00	810.50	810.50	810.50	810.50
Apr-12	5.50	826.00	844.00	825.00	837.00

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

Contract	+/-	Open	High	Low	Close
Mar-12	-0.10	807.90	810.00	795.20	804.50
Apr-12	4.60	835.00	847.40	831.60	842.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-12	1	-10	10	1
Apr-12	4759	602	8227	41

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-12	248	-57	605	-47
Apr-12	646	-69	701	-64

Spread	March-12	April-12
Basis	-55.50	
March-12		-26.50

NB: Spread was done by taking avg spot prices at Ahmedabad market for Shankar cotton. Basis = Spot - April

Spread	March-12	April-12
Basis	-49.50	
March-12		-37.50

NB: Spread was done by taking avg spot prices at Ahmedabad market for Shankar cotton. Basis = Spot - March

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

Contract	% Change	Open	High	Low	Close
30-Mar-12	0.34	17810	17930	17810	17870
30-Apr-12	0.52	17500	17560	17480	17550
31-May-12	0.29	17090	17180	17050	17120
29-June-12	-0.06	16800	16830	16670	16710

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	15-3-2012	14-3-2012	
Kadi – Bt Cotton	3600-3900	3700-4000	-100
Amravati – Vunni Mech-1	3750-3800	3780-3800	Unch
Ahmedabad – Shankar-6	4000-4250	4000-4250	Unch
Abhor – J-34	3650	3600	+50
Muktsar – J-34	3670	3625	+45
Fajlika Punjab	3700-4461	3750-4400	+61
Khandwa M.P	3300-3900	3300-3700	+200

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	15-3-2012	14-3-2012	
Kadi –Bt Cotton (truck)	150	100	+50
Amravati –Vunni Mech-1 (bales)	3500	3000	+500
Ahmedabad – Shankar-6	5000	5000	Unch
Abohar (bales)	500	500	Unch
Muktsar (bales)	300	300	Unch
Fajlika Punjab (quintal)	1800	1100	+700
Khandwa M.P (Qtl)	1500	1200	+300

Cotton Association of India Spot Rates: As on 14/3/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33900
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34700
J-34	25mm	3.5 - 4.9	23	31000
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 14/3/2012

Cotlook Indices	Cents/Pound	Change
A-Index	98.45	Unch

China Cotton Index: As on 15/3/2012

Index	RMB/Ton	Change
CCIndex(328)	19577	+2
CCIndex(527)	16949	+4
CCIndex(229)	20896	+7

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

USDA Cotton Spot Rates: As on 14/3/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	81.64	84.64	319
North Delta	81.14	82.14	NIL
South Delta	81.14	82.14	NIL
East TX-OK	79.75	84.50	704
West Texas	80.00	86.00	159
Desert SW	79.39	85.39	NIL
SJ Valley	80.64	91.04	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 14/3/2012

Contract	Open	High	Low	Close	Change
May-12	88.15	88.59	87.05	87.14	-0.90
Jul-12	88.85	89.28	87.70	87.76	-1.04
Oct-12	90.20	90.20	89.43	89.43	-1.02
Dec-12	89.70	90.04	88.53	88.65	-1.05
Mar-13	90.01	90.01	89.60	89.68	-1.12
May-13	90.00	90.04	90.00	90.04	-0.58

Pakistan Cotton Spot rates: As on 13/3/2012 (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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