

Cotton Domestic Fundamentals:

- Continue mixed trend witnessed in cotton spot markets on Thursday.
- Ups and downs in arrivals have been seen in the market. Besides, most of the mandies are closed on financial year end.
- The Directorate General of Foreign Trade has approved 40,000 to 50,000 bales (1 bale= 170 kg) of cotton to export after their scrutiny process. The quantum of cotton would send via land route to Bangladesh and Nepal.
- Exporters are not keen to buy cotton even for stocking purpose due to uncertainty on Government decision on partial ban status.
- Today, CCI did not buy cotton which influenced prices on a higher note.

Cotton International Fundamentals

- The National Cotton Council had recently represented the estimation of U.S 2012 cotton sowing down by 13.63 million acres as compare to last year sowing acres i.e. 14.72 million acres.
- U.S has exported total 297,122 bales in the week ended March 15 mainly purchased by China.

Outlook: Domestic and International

We expect domestic cotton price to be volatile due to uncertainty in the market.

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

Contract	+/-	Open	High	Low	Close
Mar-12	13.00	794.00	796.00	794.00	796.00
Apr-12	9.50	838.00	848.00	826.50	845.00

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

Contract	+/-	Open	High	Low	Close
Mar-12	-1.90	766.10	779.00	766.00	776.00
Apr-12	-2.50	827.00	828.00	811.00	821.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-12	2	1	2	0
Apr-12	7756	-516	6360	51

Volumes and OI lots

Contract	Volume	Change	OI	Change
Mar-12	48	-8	133	-48
Apr-12	1687	-385	2072	672

Spread	March-12	April-12
Basis	-12.50	
March-12		49.00

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

Spread	March-12	April-12
Basis	56.50	
March-12		45.00

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	1.15	18390	18520	18300	18500
30-Apr-12	1.35	17880	18010	17810	18010
31-May-12	1.04	17420	17540	17350	17530
29-June-12	1.48	16640	17120	16640	17100

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	29-3-2012	28-3-2012	
Kadi – Bt Cotton	3900-4100	3900-4300	-200
Amravati – Vunni Mech-1	3775-3800	3800	Unch
Ahmedabad – Shankar-6	4000-4325	3900-4325	Unch
Abhor – J-34	3600	3550	+50
Muktsar – J-34	3615	3550	+65
Fajlika Punjab	3700-4172	3700-4250	-78
Khandwa M.P	3400-4000	3400-4000	Unch

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	29-3-2012	28-3-2012	
Kadi –Bt Cotton (truck)	125	125	-25
Amravati –Vunni Mech-1 (bales)	4500	6500	-2000
Ahmedabad – Shankar-6	15000	10000	+5000
Abohar (bales)	1000	NIL	-
Muktsar (bales)	300	NIL	-
Fajlika Punjab (quintal)	3600	2100	+1500
Khandwa M.P (Qtl)	1800	2000	-200

Cotton Association of India Spot Rates: As on 28/3/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	34100
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34900
J-34	25mm	3.5 - 4.9	23	30800
H-4/ MECH-1	28mm	3.5 - 4.9	25	33000
Shankar-6	29mm	3.5 - 4.9	26	34300
Bunny/ Brahma	31mm	3.5 - 4.9	27	34000
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.
DCH-32	35mm	2.8 - 3.6	31	44500

Cotlook Index: As on 28/3/2012

Cotlook Indices	Cents/Pound	Change
A-Index	102.20	+1.90

China Cotton Index: As on 28/3/2012

Index	RMB/Ton	Change
CCIndex(328)	19508	-9
CCIndex(527)	16920	-3
CCIndex(229)	20859	-11

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

USDA Cotton Spot Rates: As on 28/3/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	89.53	92.53	1818
North Delta	88.53	89.53	NIL
South Delta	88.53	89.53	NIL
East TX-OK	84.75	89.50	3994
West Texas	85.00	91.25	12514
Desert SW	86.28	92.78	400
SJ Valley	87.53	97.93	125

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 28/3/2012

Contract	Open	High	Low	Close	Change
May-12	92.38	94.08	91.90	94.03	+1.44
Jul-12	92.70	93.99	92.27	93.93	+0.92
Oct-12	92.51	92.88	91.84	92.88	+0.22
Dec-12	90.00	90.71	90.00	90.69	+0.21
Mar-13	91.04	91.38	90.71	91.35	+0.20
May-13	90.60	91.19	90.60	91.19	+0.11

Pakistan Cotton Spot rates: As on 28/3/2012 (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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