

Cotton Domestic Fundamentals:

- The Cotton spot markets closed on mixed trend on account of ups and downs in demand and supply on Saturday.
- Kadi and Muktsar market reported higher arrivals while rest of the markets reported fall in arrivals as compare to last day as trading activities are slow due to financial year end.
- Some of the exporters have started to buy in a little amount for the purpose to stock as currently they are not allow to sign any new export registrations contract. Group of ministers are likely to meet possibly on 3rd April 2012 further to discuss on export ban. Undertaking decision will highly affect on cotton prices.
- Underlying verities of cotton prices increased on 30th March 2012 against the prices of 29th March 2012 after improving local millers demand.

Cotton International Fundamentals

- The National Cotton Council has estimated US 2012 down by 7.4 % to 13.63 million acres as compare to cotton planting of 2011 as producers are likely to switch towards other crops like soybean due to higher prices.
- Pakistan cotton production estimate stood at 14.7 million bales against lower consumption 12.5-13 million bales. Meanwhile, Prices did not support to producers due to which they faced total loss of PK Rs. 200 billion in the current season.

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
Apr-12	-9.00	855.00	861.00	841.00	845.00

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

Contract	+/-	Open	High	Low	Close
Apr-12	-4.80	830.00	839.00	824.90	827.20

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	3302	-5723	6143	-68

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12	559	-2063	2657	11

Spread April-12

Basis	-15.00
March-12	

NB: Spread was done by taking avg spot prices at Kadi market. Basis = Spot- April

Spread April-12

Basis	2.80
March-12	

NB: Spread was done by taking avg spot prices at Kadi market. Basis = Spot - March

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

Contract	% Change	Open	High	Low	Close
30-Mar-12	-0.38	18600	18650	18500	18500
30-Apr-12	-0.33	18100	18180	17970	18030
31-May-12	-0.23	17600	17700	17510	17540
29-June-12	2.32	604.9	615	604.9	612.8

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	31-3-2012	30-3-2012	
Kadi – Bt Cotton	4000-4450	4000-4400	+50
Amravati – Vunni Mech-1	3800	3800	Unch
Ahmedabad – Shankar-6	4000-4300	-	-
Abhor – J-34	3610-3710	3720	-10
Muktsar – J-34	3690-3700	3720	-20
Fajlika Punjab	3750-4320	3750-4250	+70
Khandwa M.P	-	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	31-3-2012	30-3-2012	
Kadi –Bt Cotton (truck)	200	125	+75
Amravati –Vunni Mech-1 (bales)	4500	5000	-500
Ahmedabad – Shankar-6	15000	-	-
Abohar (bales)	1000	1100	-100
Muktsar (bales)	700	300	+400
Fajlika Punjab (quintal)	2500	3200	-700
Khandwa M.P (Qtl)	-	-	-

Cotton Association of India Spot Rates: 30/3/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (30/3/2012)	Rs. Per Candy (29/3/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	34800	34300	+500
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	35100	34900	+200
J-34	25mm	3.5 - 4.9	23	32300	31300	+1000
H-4/ MECH-1	28mm	3.5 - 4.9	25	33600	33300	+300
Shankar-6	29mm	3.5 - 4.9	26	34800	34500	+300
Bunny/ Brahma	31mm	3.5 - 4.9	27	34500	34200	+300
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.	N.Q.	-
sDCH-32	35mm	2.8 - 3.6	31	45000	45000	Unch

Cotlook Index: As on 30/3/2012

Cotlook Indices	Cents/Pound	Change
A-Index	103.30	-0.30

China Cotton Index: As on 31/3/2012

Index	RMB/Ton	Change
CCIndex(328)	19462	-17
CCIndex(527)	16901	-1
CCIndex(229)	20825	-7

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

USDA Cotton Spot Rates: As on 30/3/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	89.02	92.02	416
North Delta	88.02	89.02	NIL
South Delta	88.02	89.02	NIL
East TX-OK	83.75	88.50	123
West Texas	84.00	90.25	359
Desert SW	85.77	92.27	25
SJ Valley	87.02	97.42	155

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 30/3/2012

Contract	Open	High	Low	Close	Change
May-12	93.54	94.00	92.28	93.52	-0.02
Jul-12	93.70	94.00	92.40	93.92	+0.19
Oct-12	92.84	92.84	92.84	92.84	+0.16
Dec-12	90.48	91.14	89.74	91.00	+0.28
Mar-13	91.40	91.71	90.72	91.62	+0.22
May-13	91.05	91.60	90.60	91.51	+0.26

Pakistan Cotton Spot rates: As on 30/3/2012 (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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