

Cotton Domestic Fundamentals:

- Mixed sentiments witnessed in cotton spot markets amid average millers demand on Wednesday.
- Arrivals reported on higher side as farmers were seen interested to offload their stocks on comparatively better price.
- Slow movements of exporters are continuing weighing on the market. The review meeting of ministries on ban status has been postponed.
- CCI is likely to buy cotton around 2.5 million bales from farmers at market price for reserve further for exclusive sale to mills which will be a positive tone for the farmers. CCI has started buying from Gujarat and Maharashtra on current market price.
- Shankar-6 cotton prices declined to 34800 per candy (1 candy= 356 kgs) as on 3rd April 2012 against previous day at 35000 per candy.

Cotton International Fundamentals

- According to USDA, total production in Australia is likely to stand at 4.6 million bales in 2012/13. While exports 2012/13 is forecasted up by 5% to 4.4 million bales.

Outlook: Domestic and International

We expect domestic cotton price to rise after CCI buying and improving textiles millers demand.

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

Contract	+/-	Open	High	Low	Close
Apr-12	-3.00	828.00	836.00	821.00	827.50

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

Contract	+/-	Open	High	Low	Close
Apr-12	-7.20	821.50	826.20	813.50	815.60

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	4100	1474	6560	72

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12	616	280	2646	8

Spread April-12

Basis	42.50
April-12	

NB: Spread was done by taking avg spot prices at Ahmadabad – Shankar-6 market. Basis = Spot- April

Spread April-12

Basis	54.40
April-12	

NB: Spread was done by taking avg spot prices at Ahmadabad – Shankar-6 market. Basis = Spot - April

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

Contract	% Change	Open	High	Low	Close
30-Apr-12	0.43	18490	18600	18490	18590
31-May-12	0.33	18130	18140	18010	18080
29-June-12	0.63	17540	17700	17540	17660

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	4-4-2012	3-4-2012	
Kadi – Bt Cotton	4000-4400	4000-4450	-50
Amravati – Vunni Mech-1	3800-3825	3850	-25
Ahmedabad – Shankar-6	4200-4500	4200-4500	Unch
Abhor – J-34	3730	3735	-5
Muktsar – J-34	3740	3735	+5
Fajlika Punjab	3850-4340	3800-4325	+15
Khandwa M.P	-	3600-4200	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	4-4-2012	3-4-2012	
Kadi –Bt Cotton (truck)	150	100	+50
Amravati –Vunni Mech-1 (bales)	4500	4000	+500
Ahmedabad – Shankar-6	20000	20000	Unch
Abohar (bales)	1000	1000	Unch
Muktsar (bales)	600	350	+250
Fajlika Punjab (quintal)	3200	3000	+200
Khandwa M.P (Qtl)	-	3500	-

Cotton Association of India Spot Rates: 3/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (3/4/2012)	Rs. Per Candy (2/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	34800	34800	Unch
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	35100	35100	Unch
J-34	25mm	3.5 - 4.9	23	31900	31600	+300
H-4/ MECH-1	28mm	3.5 - 4.9	25	33700	33700	Unch
Shankar-6	29mm	3.5 - 4.9	26	34800	35000	-200
Bunny/ Brahma	31mm	3.5 - 4.9	27	35300	35300	Unch
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.	N.Q.	-
sDCH-32	35mm	2.8 - 3.6	31	45500	45500	Unch

Cotlook Index: As on 3/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	102.80	-0.50

China Cotton Index: As on 1/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19456	-6
CCIndex(527)	16899	-2
CCIndex(229)	20822	-3

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

USDA Cotton Spot Rates: As on 3/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	88.14	91.14	163
North Delta	87.14	88.14	NIL
South Delta	87.14	88.14	NIL
East TX-OK	82.75	87.50	276
West Texas	83.00	89.25	744
Desert SW	84.89	91.39	NIL
SJ Valley	86.14	96.54	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 3/4/2012

Contract	Open	High	Low	Close	Change
May-12	93.19	93.80	92.41	92.64	-0.48
Jul-12	93.20	93.70	92.51	92.70	-0.87
Oct-12	92.75	93.01	92.34	92.34	-0.51
Dec-12	90.67	91.00	90.13	90.54	-0.21
Mar-13	91.36	91.50	91.20	91.24	-0.21
May-13	91.47	91.47	91.19	91.19	-0.16

Pakistan Cotton Spot rates: As on 3/4/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5400	130	5530
Equivalent	40 Kgs	5787	130	5917

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