

Cotton Domestic Fundamentals:

- Steady to weak sentiments revealed in Cotton spot markets amid comparatively lower demand on Thursday.
- Arrivals showed mixed pace in the market. Farmers in Gujarat and Maharashtra released good quantum of cotton after CCI buying.
- CCI has bought around 11,000 bales of cotton at the price Rs. 4,400 per qtl above from MSP at Rs.3100 per qtl mainly from Gujarat as on 2nd April 2012. CCI is likely to buy 1 million bales each month for the next two month. Initiated such step will helpful to stabilize cotton prices and ensure supplies to mills.
- Cotton price for Shankar-6 is up by Rs.200 to Rs. 35000/candy as on 4th April 2012 from previous day i.e. 34800/candy.

Cotton International Fundamentals

- 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.
- According to USDA latest report, world ending stocks in 2012 is expected to reach 62.3 million bales, higher than the last year's 60.77 million bales which is fundamentally a bearish factor for ICE Future prices.

Outlook: Domestic and International

We expect domestic cotton price to range bound to positive node on back of CCI buying is likely to build up cotton reserve at 25 lakh bales within next two month.

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

Contract	+/-	Open	High	Low	Close
Apr-12					

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

Contract	+/-	Open	High	Low	Close
Apr-12					

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12				

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12				

Spread	April-12	April-12
Basis		
Apr-12		

NB: Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. 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					
30-Apr-12					
31-May-12					
29-June-12					

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	5-4-2012	4-4-2012	
Kadi – Bt Cotton	3900-4400	4000-4400	Unch
Amravati – Vunni Mech-1	3800-3825	3800-3825	Unch
Ahmedabad – Shankar-6	4100-4500	4200-4500	Unch
Abhor – J-34	3650	3730	-80
Muktsar – J-34	3660	3740	-80
Fajlika Punjab	3850-4340	3850-4340	Unch
Khandwa M.P	-	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	5-4-2012	4-4-2012	
Kadi –Bt Cotton (truck)	150	150	Unch
Amravati –Vunni Mech-1 (bales)	5000	4500	+500
Ahmedabad – Shankar-6	25000	20000	+5000
Abohar (bales)	1000	1000	Unch
Muktsar (bales)	500	600	-100
Fajlika Punjab (quintal)	3000	3200	-200
Khandwa M.P (Qtl)	-	-	-

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

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (4/4/2012)	Rs. Per Candy (3/4/2012)	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	35500	35100	+400
J-34	25mm	3.5 - 4.9	23	32200	31900	+300
H-4/ MECH-1	28mm	3.5 - 4.9	25	33900	33700	+200
Shankar-6	29mm	3.5 - 4.9	26	35000	34800	+200
Bunny/ Brahma	31mm	3.5 - 4.9	27	35500	35300	+200
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 4/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	102.45	-0.35

China Cotton Index: As on 5/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19451	-5
CCIndex(527)	16897	-2
CCIndex(229)	20820	-2

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

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

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.82	87.82	NIL
North Delta	83.82	84.82	NIL
South Delta	83.82	84.82	NIL
East TX-OK	79.50	84.25	184
West Texas	79.75	86.00	683
Desert SW	81.57	88.07	NIL
SJ Valley	82.82	93.22	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 4/4/2012

Contract	Open	High	Low	Close	Change
May-12	92.54	92.64	88.92	89.32	-3.32
Jul-12	92.70	92.75	88.84	89.26	-3.44
Oct-12	90.03	90.03	89.76	89.76	-2.58
Dec-12	90.40	90.45	87.90	88.26	-2.28
Mar-13	91.00	91.00	88.60	89.02	-2.22
May-13	89.62	89.62	89.92	88.92	-2.27

Pakistan Cotton Spot rates: As on 4/4/2012 (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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