

Cotton Domestic Fundamentals:

- The Cotton spot markets ended on lower side except Amravati market which closed on higher side amid average buying activities.
- Steady to upside stocks arrived in mandies. 1000 bale of cotton has been arrived at CCI Centre in Punjab.
- CCI is likely to purchase around 15,000 bales from Gujarat regularly as Government viewed. However, farmers in Saurashtra were getting less than Rs. 900 a maund (1 maund= 37.32 kg) on their sales from CCI so they did not released their crop to CCI centre on Friday.
- Exporters are waiting on government decision. However, as per USDA report, India is unlikely to remove export ban on fresh issues till September 30, 2012.
- Cotton prices of Shankar-6 are down to Rs. 34500/candy as on April 6, 2012 from last day price i.e. Rs. 35000/candy.

Cotton International Fundamentals

- According to USDA, World production estimate has been increased to 123.6 million bales from its earlier estimate given in Feb to 123.3 million bales on account of higher production estimate in Pakistan and Brazil to 10.6 and 9.3 million bales respectively in March against 10.4 million bales and 9.0 million bales estimated in Feb.

Outlook: Domestic and International

We expect choppy cotton prices due to uncertainty in millers demand. However, CCI buying on higher price may lead market towards positive node.

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

Contract	+/-	Open	High	Low	Close
Apr-12	-28.00	825.00	825.00	796.00	800.00

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

Contract	+/-	Open	High	Low	Close
Apr-12	-24.40	810.00	810.00	792.60	792.70

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	4254	154	6671	111

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12	648	32	2621	-25

Spread
April-12

Basis

10

Apr-12

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

Spread
April-12

Basis

17.30

Apr-12

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

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	7-4-2012	5-4-2012	
Kadi – Bt Cotton	3750-4350	3900-4400	-50
Amravati – Vunni Mech-1	3800-4000	3800-3825	+175
Ahmedabad – Shankar-6	-	4100-4500	
Abhor – J-34	3550-3560	3650	-90
Muktsar – J-34	3560	3660	-100
Fajlika Punjab	3800-4220	3850-4340	-120
Khandwa M.P	-	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	7-4-2012	5-4-2012	
Kadi –Bt Cotton (truck)	200	150	+50
Amravati –Vunni Mech-1 (bales)	5000	5000	Unch
Ahmedabad – Shankar-6	-	25000	-
Abohar (bales)	1200	1000	+200
Muktsar (bales)	700	500	+200
Fajlika Punjab (quintal)	3000	3000	Unch
Khandwa M.P (Qtl)	-	-	-

Cotton Association of India Spot Rates: 6/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (6/4/2012)	Rs. Per Candy (4/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	34600	34800	-200
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	35300	35500	-200
J-34	25mm	3.5 - 4.9	23	31900	32200	-300
H-4/ MECH-1	28mm	3.5 - 4.9	25	33600	33900	-300
Shankar-6	29mm	3.5 - 4.9	26	34500	35000	-500
Bunny/ Brahma	31mm	3.5 - 4.9	27	35200	35500	-300
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 5/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	99.50	-2.95

China Cotton Index: As on 6/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19446	-5
CCIndex(527)	16882	-15
CCIndex(229)	20817	-3

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

USDA Cotton Spot Rates: As on 5/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.04	87.04	NIL
North Delta	83.04	84.04	NIL
South Delta	83.04	84.04	NIL
East TX-OK	78.75	83.50	55
West Texas	79.00	85.25	2166
Desert SW	80.79	87.29	NIL
SJ Valley	82.04	92.44	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 5/4/2012

Contract	Open	High	Low	Close	Change
May-12	89.43	90.44	88.20	88.54	-0.78
Jul-12	89.35	90.29	88.12	88.39	-0.87
Oct-12	89.50	89.50	88.66	88.66	-1.10
Dec-12	88.38	89.00	87.46	87.54	-0.72
Mar-13	89.47	89.47	88.50	88.58	-0.44
May-13	89.37	89.37	88.84	88.84	-0.08

Pakistan Cotton Spot rates: As on 6/4/2012 (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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