

Cotton Domestic Fundamentals:

- The Cotton spot markets witnessed steady to firm tone on Saturday.
- Arrivals were reported lower in Gujarat and Punjab markets.
- The Cotton Corporation of India will procure 1 million bales of cotton from the Saurashtra region in Gujarat. This will add to the positive tone of the market.
- Lower arrivals and good demand in the spot market from the millers and exporters supported prices.
- The State Government of Maharashtra has decided to withdraw 5 percent purchase tax on cotton following protest by farmers, exporters and traders.
- Government is likely to decide on opening up of fresh export registrations after assessing production of cotton.

Cotton International Fundamentals

- According to USDA, world cotton consumption in 2011/12 is forecast at 107.7 million bales, 6.8 million bales (6 percent) below last season. Consumption is lower in most major cotton consuming countries this season with the notable exception of Pakistan, where cotton mill use is expected to rise 3 percent.
- Bangladesh had purchased cotton from India in a higher quantum to 1.647 million bales in fiscal year 2010-11 followed by 1.391 million bales from Commonwealth of Independent states including Uzbekistan, 0.301 million bales from African countries and 0.598 million bales from other countries to meet its domestic mills demand.

Outlook: Domestic and International

Cotton prices are like to continue steady to firm tone in near –term.

NCDEX and MCX remained closed following ‘Ambedkar Jayanti’.

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

Contract	+/-	Open	High	Low	Close
Apr-12					
Apr-13					

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				
Apr-13				

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12				

Spread	April-12	April-13
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
	14-4-2012	13-4-2012	
Kadi – Bt Cotton	3900-4400	3750-4300	+100
Amravati – Vunni Mech-1	-	-	-
Ahmedabad – Shankar-6	4000-4250	4000-4250	Unch
Abhor – J-34	3600	3600	Unch
Muktsar – J-34	3600	3600	Unch
Fajlika Punjab	3750-4160	3700-4150	+10
Khandwa M.P	-	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	14-4-2012	13-4-2012	
Kadi –Bt Cotton (truck)	150	125	+25
Amravati –Vunni Mech-1 (bales)	-	-	-
Ahmedabad – Shankar-6	15000	30000	-15000
Abohar (bales)	600	500	+100
Muktsar (bales)	250	150	+100
Fajlika Punjab (quintal)	2000	2800	-800
Khandwa M.P (Qtl)	-	-	-

Cotton Association of India Spot Rates: 13/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (13/4/2012)	Rs. Per Candy (11/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33300	33300	Unch
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34300	34300	Unch
J-34	25mm	3.5 - 4.9	23	29700	29400	+300
H-4/ MECH-1	28mm	3.5 - 4.9	25	32400	32600	-200
Shankar-6	29mm	3.5 - 4.9	26	33600	33800	-200
Bunny/ Brahma	31mm	3.5 - 4.9	27	34700	35000	-300
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.	N.Q.	-
sDCH-32	35mm	2.8 - 3.6	31	45000	45300	-300

Cotlook Index: As on 13/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	99.80	+1.30

China Cotton Index: As on 13/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19400	-7
CCIndex(527)	16852	-1
CCIndex(229)	20783	-10

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

USDA Cotton Spot Rates: As on 13/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	87.33	90.33	NIL
North Delta	86.58	87.58	NIL
South Delta	86.58	87.58	NIL

East TX-OK	82.25	87.00	NIL
West Texas	82.50	88.75	581
Desert SW	84.33	90.83	NIL
SJ Valley	85.58	95.98	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 13/4/2012

Contract	Open	High	Low	Close	Change
May-12	93.01	93.75	91.01	92.08	-0.92
Jul-12	90.05	90.60	88.55	89.73	-0.07
Oct-12	90.43	90.43	90.43	90.43	+0.82
Dec-12	88.43	88.86	86.85	88.68	+0.38
Mar-13	89.00	89.69	87.96	89.54	+0.29
May-13	89.20	89.84	88.15	89.77	+0.24

Pakistan Cotton Spot rates: As on 12/4/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5600	130	5730
Equivalent	40 Kgs	6002	130	6132

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