

Cotton Domestic Fundamentals:

- Overall dull trade activities featured in the cotton spot markets on Wednesday.
- Despite Fajilka, arrivals declined in all the markets as ahead of whether condition.
- Indian Government has slightly raised cotton output estimates to 34.7 million bales (1 bale=170 kgs) of cotton for 2011/12 from its previous estimate of 34.5 million bales.
- Additionally, the export figure of India has also been increased to 11.5 million bales as compare to earlier estimates i.e. 8.4 million bales for 2011/12, which led down carry forwards stock to 2.5 million bales.
- Cotton total mills consumption has been reduced to 252 lakh bales against previous estimate 260 lakh bales for 2011/12 season.
- Mixed trend witnessed in all cotton varieties prices as on 17th April 2012 followed by average mills demand.

Cotton International Fundamentals

- April month cotton export in U.S is projected higher by 4% to 11.40 against previous month export estimate to 11 million bales driven by robust demand from China.
- 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

We can expect a range bound trading between 765-785.

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

Contract	+/-	Open	High	Low	Close
Apr-12	-15.5	784	797	769	771
Feb-13	5	971	987.5	971	972
Apr-13	3	974	995	974	976

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	2930	1695	5686	-14
Feb-13	9	-4	3	1
Apr-13	166	-89	317	62

Spread	April-12	Feb-13	Apr-13
Basis	29		
Apr-12		201	
Feb-13			4

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

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

Contract	+/-	Open	High	Low	Close
Apr-12	-14.2	774	782	759.9	760.5

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12	397	129	2621	-34

Spread	April-12
Basis	39.5
Apr-12	

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

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

Contract	% Change	Open	High	Low	Close
30-Mar-12	-0.53	16880	17020	16750	16770
30-Apr-12	-0.93	17210	17350	17000	17010
31-May-12	-1.43	17540	17650	17210	17210
29-June-12	-1.24	17820	17880	17480	17480

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	18-4-2012	17-4-2012	
Kadi – Bt Cotton	3900-4250	3750-4325	-75
Amravati – Vunni Mech-1	3700	3750	-50
Ahmedabad – Shankar-6	3750-4250	4050-4500	-250
Abhor – J-34	3500	3510-3515	-15
Muktsar – J-34	3500	3525-3530	-30
Fajlika Punjab	3400-4010	3600-4020	-10
Khandwa M.P	3200-4000	-	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	18-4-2012	17-4-2012	
Kadi –Bt Cotton (truck)	125	125	Unch
Amravati –Vunni Mech-1 (bales)	3000	5000	-2000
Ahmedabad – Shankar-6	30000	45000	-15000
Abohar (bales)	500	600	-100
Muktsar (bales)	250	300	-50
Fajlika Punjab (quintal)	2200	1800	+400
Khandwa M.P (Qtl)	3000	-	-

Cotton Association of India Spot Rates: 17/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (17/4/2012)	Rs. Per Candy (16/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33300	33700	-400
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34400	34700	-300
J-34	25mm	3.5 - 4.9	23	29500	30000	-500
H-4/ MECH-1	28mm	3.5 - 4.9	25	33000	32800	+200
Shankar-6	29mm	3.5 - 4.9	26	34200	34000	+200
Bunny/ Brahma	31mm	3.5 - 4.9	27	35100	35100	Unch
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.	N.Q.	-
DCH-32	35mm	2.8 - 3.6	31	45000	45000	Unch

Cotlook Index: As on 17/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	97.30	-2.30

China Cotton Index: As on 18/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19370	-8
CCIndex(527)	16838	-1
CCIndex(229)	20713	-38

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

USDA Cotton Spot Rates: As on 17/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	84.68	87.68	389
North Delta	83.93	84.93	NIL
South Delta	83.93	84.93	NIL
East TX-OK	79.50	84.25	49
West Texas	79.75	86.00	1234
Desert SW	81.68	88.18	NIL
SJ Valley	82.93	93.33	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 17/4/2012

Contract	Open	High	Low	Close	Change
May-12	88.04	90.13	87.42	89.43	+1.35
Jul-12	87.42	89.26	87.42	88.25	+1.00
Oct-12	89.00	89.20	88.10	88.10	+0.23
Dec-12	86.50	87.96	86.17	86.33	-0.04
Mar-13	87.69	88.29	87.14	87.26	+0.04
May-13	88.03	88.22	87.59	87.65	+0.13

Pakistan Cotton Spot rates: As on 17/4/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5800	130	5930
Equivalent	40 Kgs	6216	130	6346

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