

**Cotton Domestic Fundamentals:**

- Steady to weak tone featured in the cotton spot markets on Friday on back of poor domestic demand.
- Arrivals were registered steady to down pace in the markets on back of falling cotton prices.
- India is expected to require Bt cotton seeds in the range of 4.0-4.5 crore packets of 450 kgs each against total availability of seed which could be approx 5.5 crore packets.
- The farmers in Andhra Pradesh is likely to shift towards Maize crop reducing 4% to 7% area of cotton in 2012 planting season on account of insufficient water availability of last season 2011 and poor performance of cotton prices in 2012.
- India has exported total 11.5 million bales of cotton so far.
- Cotton prices of varieties were also ended down to 33800 per candy (1 candy= 356 kgs) on 19<sup>th</sup> April 2012 against previous day.

**Cotton International Fundamentals**

- ICE future amid higher export demand will support prices further to improve as U. S Cotton export surged by 3% in this year during April month. It raised by 400,000 to 11.4 million bales against previous month export figure i.e. 11 million bales after robust Chinese demand.

**Outlook: Domestic and International**

We expect domestic cotton price to be sideways phase amid lower millers buying activities.

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

Contract	+/-	Open	High	Low	Close
Apr-12	4.5	769	778	767	775
Feb-13	26	959.5	981	942	978
Apr-13	22.5	970	1002	969	995

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Apr-12	979	-455	5617	-53
Feb-13	5	-11	17	14
Apr-13	309	191	467	102

Spread	Apr-12	Feb-13	Apr-13
Basis	-5		
Apr-12		203	
Feb-13			17

**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	6	760.9	764.5	755.4	764.5

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Apr-12	242	-76	2623	20

**Spread April-12**

Basis 5.5

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	0.24	16870	16960	16700	16810
30-Apr-12	0.94	16960	17300	16950	17130
31-May-12	1.05	17190	17570	17190	17370
29-June-12	0.4	17510	17890	17500	17540

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	20-4-2012	19-4-2012	
Kadi – Bt Cotton	3500-4200	3750-4250	<b>-50</b>
Amravati – Vunni Mech-1	3700	3700	<b>Unch</b>
Ahmedabad – Shankar-6	-	3750-4500	-
Abhor – J-34	3480	3480	<b>Unch</b>
Muktsar – J-34	3490	3500	<b>-10</b>
Fajlika Punjab	3400-3950	3700-3950	<b>Unch</b>
Khandwa M.P	3200-4000	-	-

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	20-4-2012	19-4-2012	
Kadi –Bt Cotton (truck)	125	200	<b>-75</b>
Amravati –Vunni Mech-1 (bales)	5000	5000	<b>Unch</b>
Ahmedabad – Shankar-6	-	35000	-
Abohar (bales)	500	600	<b>-100</b>
Muktsar (bales)	200	200	<b>Unch</b>
Fajlika Punjab (quintal)	2000	2000	<b>Unch</b>
Khandwa M.P (Qtl)	2200	-	-

**Cotton Association of India Spot Rates: 19/4/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (19/4/2012)	Rs. Per Candy (18/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33100	33300	<b>-200</b>
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34200	34400	<b>-200</b>
J-34	25mm	3.5 - 4.9	23	29500	29500	<b>Unch</b>
H-4/ MECH-1	28mm	3.5 - 4.9	25	32600	32800	<b>-200</b>
Shankar-6	29mm	3.5 - 4.9	26	33800	34000	<b>-200</b>
Bunny/ Brahma	31mm	3.5 - 4.9	27	34700	34900	<b>-200</b>
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q.	N.Q.	-
DCH-32	35mm	2.8 - 3.6	31	45000	45000	<b>Unch</b>

**Cotlook Index: As on 19/4/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	99.70	<b>+1.65</b>

**China Cotton Index: As on 20/4/2012**

Index	RMB/Ton	Change
CCIndex(328)	19338	<b>-11</b>
CCIndex(527)	16805	<b>-17</b>
CCIndex(229)	20647	<b>-18</b>

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

**USDA Cotton Spot Rates: As on 19/4/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	86.78	89.78	68
North Delta	86.03	87.03	NIL
South Delta	86.03	87.03	NIL
East TX-OK	81.50	86.25	NIL
West Texas	81.75	88.00	414
Desert SW	83.78	90.28	NIL
SJ Valley	85.03	95.43	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 19/4/2012**

Contract	Open	High	Low	Close	Change
May-12	92.29	93.11	90.56	91.53	-0.40
Jul-12	89.95	91.41	89.70	90.72	+0.70
Oct-12	89.41	90.26	89.41	90.26	+0.68
Dec-12	87.18	88.44	87.00	88.31	+1.13
Mar-13	88.76	89.28	88.20	89.17	+1.14
May-13	89.00	89.53	88.97	89.41	+1.09

**Pakistan Cotton Spot rates: As on 19/4/2012 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5850	130	5980
Equivalent	40 Kgs	6269	130	6399

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.