

Cotton Domestic Fundamentals:

- Mixed tone featured in the cotton spot markets on Saturday.
- Steady to weak pace have been seen in markets despite higher availability in the market.
- Cotton prices of the variety Shankar-6 stood unchanged to 33800 as on April 20, 2012.
- India is likely to procure Bt cotton seed between 4.0-4.5 crore packets of 450 kgs each amid total availability of approx.5.5 crore packets.
- Cotton sowing is likely to start in Punjab around 1st Week of May 2012 after wheat harvesting.
- Overall cotton Area in India is expected to down in this 2012/13 season due to poor price performance.

Cotton International Fundamentals

- According to survey, the agriculture ministry of China expects that cotton sowing will fall around 4% in 2012. While, China Cotton Association expect to decrease around 16.7% in 2012.
- Pakistan cotton production estimate stood at 14.7 million bales against lower consumption 12.5-13 million bales.

Outlook: Domestic and International

Cotton prices are likely to decline on lackluster textile's millers' demand.

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

Contract	+/-	Open	High	Low	Close
Apr-12	2.5	777	778	773	777
Feb-13	-0.5	980	988	969.5	977.5
Apr-13	7.5	997	1006	997	1000

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	409	-570	5666	49
Feb-13	5	0	20	3
Apr-13	161	-148	441	-26

Spread April-12

Spread	April-12	Feb-13	Apr-13
Basis	23		
Apr-12		200.5	
Feb-13			22.5

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	35
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					
30-Apr-12					
31-May-12					
29-June-12					

Remarks: Data is not available on MCX site

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	21-4-2012	20-4-2012	
Kadi – Bt Cotton	3825-4050	3500-4200	-150
Amravati – Vunni Mech-1	3750	3700	+50
Ahmedabad – Shankar-6	3750-4250	-	-
Abhor – J-34	3540	3480	+60
Muktsar – J-34	3540	3490	+50
Fajlika Punjab	3400-3980	3400-3950	-10
Khandwa M.P	3200-4000	3200-4000	Unch

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	21-4-2012	20-4-2012	
Kadi –Bt Cotton (truck)	125	125	Unch
Amravati –Vunni Mech-1 (bales)	5000	5000	Unch
Ahmedabad – Shankar-6	35000	-	-
Abohar (bales)	-	500	-
Muktsar (bales)	150	200	-50
Fajlika Punjab (quintal)	2000	2000	Unch
Khandwa M.P (Qtl)	1200	2200	-1000

Cotton Association of India Spot Rates: 20/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (20/4/2012)	Rs. Per Candy (19/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	32900	33100	-200
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34000	34200	-200
J-34	25mm	3.5 - 4.9	23	29400	29500	-100
H-4/ MECH-1	28mm	3.5 - 4.9	25	32600	32600	Unch
Shankar-6	29mm	3.5 - 4.9	26	33800	33800	Unch
Bunny/ Brahma	31mm	3.5 - 4.9	27	34700	34700	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 20/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	100.30	+0.60

China Cotton Index: As on 20/4/2012

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

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

USDA Cotton Spot Rates: As on 20/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.29	88.29	NIL
North Delta	84.54	85.54	NIL
South Delta	84.54	85.54	NIL
East TX-OK	80.00	84.75	39
West Texas	80.25	86.50	23
Desert SW	82.29	88.79	NIL
SJ Valley	83.54	93.94	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 20/4/2012

Contract	Open	High	Low	Close	Change
May-12	91.27	91.68	89.70	90.04	-1.49
Jul-12	90.87	91.24	90.03	91.01	+0.29
Oct-12	91.13	91.18	91.00	91.00	+0.74
Dec-12	88.24	88.44	87.65	88.28	-0.03
Mar-13	89.01	89.19	88.50	89.12	-0.05
May-13	89.17	89.37	89.17	89.32	-0.09

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

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