

Cotton Domestic Fundamentals:

- Steady to weak trend featured in the cotton spot market on Tuesday amid dull trading activities.
- Arrivals were registered in mixed phase in the markets.
- Total arrivals in India are declined to 288.93 lakh bales of 170 kgs each so far in comparison to last year arrivals to 302.18 lakh bales during the corresponding period as per the Cotton Corporation of India.
- Agriculture department has pegged higher cotton crop to 35.2 million bales in 2011/2012.
- The farmers of Andhra Pradesh and Maharashtra are likely to shift towards Maize and Soybean respectively cutting cotton area in 2012/13.

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	-15.50	775.00	776.00	754.00	758
Apr-13	-13.50	1032.00	1033.00	1008.50	1011.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12	3698	1999	4588	-732
Apr-13	332	85	546	26

Spread	Apr-12	Apr-13
Basis	67	
Apr-13		-253.5

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	-8.50	763.90	766.90	748.20	755

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12	795	432	2780	89

Spread	April-12
Basis	70
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	0.06	16810	17010	16810	16900
30-Apr-12	0.17	17250	17370	17160	17260
31-May-12	0.23	17500	17640	17450	17570
29-June-12	-0.39	17800	17890	17700	17740

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	24-4-2012	23-4-2012	
Kadi – Bt Cotton	3750-4300	3800-4400	-100
Amravati – Vunni Mech-1	3750	3750	Unch
Ahmedabad – Shankar-6	4000-4250	4000-4300	-50
Abhor – J-34	-	3600	-
Muktsar – J-34	-	3620	-
Fajlika Punjab	4050	3600-4050	Unch
Khandwa M.P	-	3100-3550	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	24-4-2012	23-4-2012	
Kadi –Bt Cotton (truck)	100	150	-50
Amravati –Vunni Mech-1 (bales)	5000	3000	+2000
Ahmedabad – Shankar-6	35000	35000	Unch
Abohar (bales)	-	500	-
Muktsar (bales)	-	300	-
Fajlika Punjab (quintal)	2000	1800	+200
Khandwa M.P (Qtl)	-	2400	-

Cotton Association of India Spot Rates: 23/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (23/4/2012)	Rs. Per Candy (21/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33500	33000	+500
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34700	34200	+500
J-34	25mm	3.5 - 4.9	23	30300	29700	+600
H-4/ MECH-1	28mm	3.5 - 4.9	25	33000	32600	+400
Shankar-6	29mm	3.5 - 4.9	26	34200	33800	+400
Bunny/ Brahma	31mm	3.5 - 4.9	27	35100	34700	+400
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 23/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	100.35	+0.05

China Cotton Index: As on 24/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19337	+6
CCIndex(527)	16793	-12
CCIndex(229)	20655	+12

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

USDA Cotton Spot Rates: As on 23/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	85.73	88.73	NIL
North Delta	84.98	85.98	NIL
South Delta	84.98	85.98	1777
East TX-OK	82.00	86.75	211
West Texas	82.25	88.50	2965
Desert SW	83.73	90.23	NIL
SJ Valley	84.48	94.88	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 23/4/2012

Contract	Open	High	Low	Close	Change
May-12	90.06	91.15	89.3	90.4	0.36
Jul-12	91.2	92.84	90.51	92.48	1.47
Oct-12	92.44	92.44	92.44	92.44	1.44
Dec-12	88.22	89.49	87.9	89.3	1.02
Mar-13	89	90.16	89	89.99	0.87
May-13	89.61	90.45	89.61	90.34	1.02

Pakistan Cotton Spot rates: As on 21/4/2012 (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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