

Cotton Domestic Fundamentals:

- Mixed trend featured in the cotton spot market on Tuesday.
- Arrivals were registered in mixed phase.
- Exporters are likely to re-enter in the market which will weigh on the cotton prices.
- A review meeting on cotton export has been slated on 30th April 2012 between Agriculture ministries and Prime Minister Mr. Manmohan Singh.
- Agriculture minister Mr. Sharad Pawar pegged cotton production estimate for 2011/12 at 35.2 million bales in the 3rd advance estimates released on 23rd April 2012.
- CCI has procured total 110,000 bales of cotton from Gujarat so far, starting from March 31, 2012.
- According to USDA report, India is likely to decline cotton crop in 2012/13 to 32.3 million bales (1 bale=170kgs) in comparison to the current year crop 34.3 million bales covering lower planting area.

Cotton International Fundamentals

- The Karachi Cotton Association has advised Pakistan Government to build up buffer cotton stock around 2 million bales to meet domestic demand.
- U.S cotton planting progress stood at 17% on 4th April 2012 against previous year of planting percentage to 12% due to favorable weather condition.

Outlook: Domestic and International

Overall sentiment remained strong after the decision to remove cotton exports ban and in anticipation of strong textiles millers demand in upcoming month.

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

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

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-12				
Feb-13				
Apr-13				

Spread

Apr-12	Feb-13	Apr-13
Basis		
Apr-12		
Feb-13		

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					

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-12				

Spread

April-12
Basis
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					

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	01-5-2012	30-4-2012	
Kadi – Bt Cotton	3850-4400	3900-4425	-25
Amravati – Vunni Mech-1	3850	3850	Unch
Ahmedabad – Shankar-6	3750-4250	3750-4250	Unch
Abhor – J-34	3750	-	-
Muktsar – J-34	3760	-	-
Fajlika Punjab	4300	4120	+180
Khandwa M.P	-	3200-4000	-

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	01-5-2012	30-4-2012	
Kadi –Bt Cotton (truck)	150	125	+25
Amravati –Vunni Mech-1 (bales)	3000	3000	Unch
Ahmedabad – Shankar-6	30000	40000	-10000
Abohar (bales)	200	-	-
Muktsar (bales)	100	-	-
Fajlika Punjab (quintal)	1000	1100	-100
Khandwa M.P (Qtl)	-	2000	-

Cotton Association of India Spot Rates: 30/4/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (30/4/2012)	Rs. Per Candy (28/4/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	33800	33600	+200
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	34900	34700	+200
J-34	25mm	3.5 - 4.9	23	30700	30500	+200
H-4/ MECH-1	28mm	3.5 - 4.9	25	33500	33300	+200
Shankar-6	29mm	3.5 - 4.9	26	34600	34400	+200
Bunny/ Brahma	31mm	3.5 - 4.9	27	35500	35300	+200
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q	N.Q	-
DCH-32	35mm	2.8 - 3.6	31	45200	45200	Unch

Cotlook Index: As on 30/4/2012

Cotlook Indices	Cents/Pound	Change
A-Index	99.85	-0.95

China Cotton Index: As on 28/4/2012

Index	RMB/Ton	Change
CCIndex(328)	19351	+5
CCIndex(527)	16811	+8
CCIndex(229)	20669	-8

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

USDA Cotton Spot Rates: As on 30/4/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.65	85.65	NIL
North Delta	81.90	82.90	NIL
South Delta	81.90	82.90	NIL
East TX-OK	78.00	83.00	28
West Texas	78.25	84.50	854
Desert SW	80.65	87.15	NIL
SJ Valley	81.40	91.80	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 30/4/2012

Contract	Open	High	Low	Close	Change
May-12	87.37	87.37	85.11	87.25	-1.98
Jul-12	91.23	91.65	87.87	89.4	-1.83
Oct-12	90	90	89.08	89.08	-1.57
Dec-12	87.94	88.35	85.4	86.96	-0.94
Mar-13	89	89	87	87.93	-0.9
May-13	87.71	88.51	87.57	88.51	-0.6

Pakistan Cotton Spot rates: As on 30/4/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6300	130	6430
Equivalent	40 Kgs	6752	130	6882

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