

## Cotton Domestic Fundamentals:

- Cotton prices traded in mixed tone in the cotton spot markets on average demand along with comparatively lower arrivals.
- Exporters are engaged to buy average quantity of cotton.
- According to Cotton Advisory Board estimate India has exported a record 11.5 million bales of cotton so far which may create a problem for textile industries to face less availability of cotton to fulfill their needs.
- CCI has started commercial procurement of this season from the different states like Andhra Pradesh at 2.09 lac quintals at a average price of Rs.3949/quintal, Maharashtra 2.65 lac quintals at an average price of Rs.4075/quintal, Gujarat 6.60 lac quintals at an average price of Rs.4448 per quintal and in the other States 1.26 lac quintals at a rate of Rs.4185/quintal as the cotton prices are quoting on higher side as compared to MSP.

## Cotton International Fundamentals

- Cotton planting superior without any disruption in the United State region. Local professionals estimated that approximately 70-75 percent of the crop was planted. The crop made good progress in Yuma, Arizona. Seedlings were emerging in central Arizona, New Mexico, and El Paso, Texas. No insect pressures and wetness was recorded in the period.

## Outlook: Domestic and International

We expect domestic cotton price to sideways to bullish phase amid strong millers buying activities.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-26.5	1098.5	1098.5	1070	1074
Mar-13	3	1109	1109	1109	1109
Apr-13	-28	1110	1114	1078	1082

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	39	11	55	0
Mar-13	1	-5	6	0
Apr-13	1504	440	1397	-5

### Spread

	Feb-13	Mar-13	Apr-13
Basis	-274		
Feb-13		35.00	
Mar-13			-27.00
April-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-13	-	-	-	-	-

### Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-13	-	-	-	-

### Spread

	April-13
Basis	
Apr-13	

**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
31-May-12	-1.62	17900	17900	17510	17600
29-Jun-12	-1.75	18390	18390	17920	18000
31-Jul-12	-1.44	18670	18670	18300	18420
31-Aug-12	-1.52	19050	19050	18750	18810

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	07-5-2012	05-5-2012	
Kadi-Bt Cotton#	4350-4600	4250-4650	<b>-50</b>
Amravati-Vunni Mech-1#	-	4050-4100	-
Ahmedabad-Shankar-6#	3750-4250	3750-4250	<b>Unch</b>
Abohar-J-34*	3880	3910	<b>-30</b>
Muktsar-J-34*	3880	3910	<b>-30</b>
Fajlika#	4380	3800-4350	<b>+30</b>
Khandwa#	-	-	-

\*-Rs/maund, #-Rs.qtl

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	07-5-2012	05-5-2012	
Kadi -Bt Cotton	125	100	<b>+25</b>
Amravati -Vunni Mech-1	-	2000	-
Ahmedabad - Shankar-6	20000	25000	<b>-5000</b>
Abohar	190	150	<b>+40</b>
Muktsar	-	-	-
Fajlika	80	1000	<b>-920</b>
Khandwa	-	-	-

Khandwa, Kadi, Fajlika-1 Truck-100 Qtls, Amravati-1 Truck-100 kgs, Ahmadabad, Abohar and Muktsar-Bales

**Cotton Association of India Spot Rates: 05/5/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (05/5/2012)	Rs. Per Candy (04/5/2012)	Change
Bengal Deshi (RG)/ Assam Comilla	Below 22mm	5.0 - 7.0	15	34600	34400	<b>+200</b>
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	35800	35500	<b>+300</b>
J-34	25mm	3.5 - 4.9	23	32700	32300	<b>+400</b>
H-4/ MECH-1	28mm	3.5 - 4.9	25	34100	34000	<b>+100</b>
Shankar-6	29mm	3.5 - 4.9	26	35700	35500	<b>+200</b>
Bunny/ Brahma	31mm	3.5 - 4.9	27	36500	36500	<b>Unch</b>
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q	N.Q	-
DCH-32	35mm	2.8 - 3.6	31	48000	47500	<b>+500</b>

**Cotlook Index: As on 04/5/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	97.90	<b>-0.05</b>

**China Cotton Index: As on 07/5/2012**

Index	RMB/Ton	Change
CCIndex(328)	19320	<b>-8</b>
CCIndex(527)	16809	<b>0</b>
CCIndex(229)	20570	<b>-25</b>

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

**USDA Cotton Spot Rates: As on 04/5/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.24	85.24	NIL
North Delta	81.49	82.49	NIL
South Delta	81.49	82.49	NIL
East TX-OK	78.75	83.75	50
West Texas	78.50	84.75	55
Desert SW	79.24	85.74	NIL
SJ Valley	79.99	90.39	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 04/5/2012**

Contract	Open	High	Low	Close	Change
<b>May-12</b>	87.23	87.23	86.07	86.07	<b>-1.17</b>
<b>Jul-12</b>	89.33	89.56	87.91	87.99	<b>-1.22</b>
<b>Oct-12</b>	87.82	87.82	87.82	87.82	<b>-1.03</b>
<b>Dec-12</b>	86.60	86.77	85.50	85.80	<b>-0.72</b>
<b>Mar-13</b>	87.81	87.81	86.63	86.76	<b>-1.02</b>
<b>May-13</b>	88.49	88.49	87.61	87.67	<b>-1.10</b>

**Pakistan Cotton Spot rates: As on 05/5/2012 (in Pakistan Rupees)**

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

**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.