

Cotton Domestic Fundamentals:

- Weak tone featured in the cotton spot market except Fajlika market which closed on higher side on Wednesday.
- Lower millers demand weighed on the market. While crops arrived in the market with a mixed pace. According to DGFT notification, one RC for a maximum quantity of 10,000 bales or actual quantity exported in the current season, whichever is less would be issued at a time to an exporter. While for new exporter or who have exported upto 1500 bales can export upto 1500 bales. Rcs will be issued by the 7 designated Regional Authorities of DGFT at Ahmadabad, Bangalore, Chennai, CLA New Delhi, Hyderabad, Kolkata and Mumbai.
- CCI procured 6.6 lakh bales of cotton from Gujarat which is higher than other states in 2011/12 on a commercial price.
- As per sources, India has exported total 11.6 million bales of cotton so far during this season 2011/12. The export record may reach to 20 million bales by this end of the month.

Cotton International Fundamentals

- According to International Cotton Advisory committee, cotton trade is likely to increase by 13% to 8.6 MT in 2011/12 after a record import by China which account for 50% of global import in the current season.
- US exports are recorded down by 21% to 2.5 million tons on account of reduced supplies.

Outlook: Domestic and International

Sideways to bullish momentum could be seen in cotton prices in next day..

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

Contract	+/-	Open	High	Low	Close
Feb-13	9	1073	1078	1072.5	1076
Apr-13	-7.5	1073	1085.5	1066	1067.5

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	7	-23	55	-2
Apr-13	1066	-573	1313	-60

Spread

	Feb-13	Apr-13
Basis	-261	
Feb-13		-8.50
Apr-13		

NB: Spread was done by taking avg spot prices at Amravati 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	0.35	17360	17400	17190	17390
29-Jun-12	0.39	17720	17830	17600	17820
31-Jul-12	-0.05	18160	18230	18030	18180
31-Aug-12	0.43	18490	18660	18470	18660

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	09-5-2012	08-5-2012	
Kadi-Bt Cotton#	4000-4400	4075-4500	-100
Amravati-Vunni Mech-1#	4050-4100	4150	-50
Ahmedabad-Shankar-6#	-	3750-4250	-
Abohar-J-34*	3800	3850	-50
Muktsar-J-34*	3800	3860	-60
Fajlika#	4415	4350	+65
Khandwa#	-	-	-

*-Rs/maund, #-Rs.qtl

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	09-5-2012	08-5-2012	
Kadi -Bt Cotton	150	125	+25
Amravati -Vunni Mech-1	2500	3000	-500
Ahmedabad - Shankar-6	-	20000	-
Abohar	100	100	Unch
Muktsar	-	20	-
Fajlika	250	400	-150
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	+200
Bengal Deshi (SG)	Below 22mm	5.0 - 7.0	15	35800	35500	+300
J-34	25mm	3.5 - 4.9	23	32700	32300	+400
H-4/ MECH-1	28mm	3.5 - 4.9	25	34100	34000	+100
Shankar-6	29mm	3.5 - 4.9	26	35700	35500	+200
Bunny/ Brahma	31mm	3.5 - 4.9	27	36500	36500	Unch
MCU-5/ Surabhi	33mm	3.3 - 4.5	28	N.Q	N.Q	-
DCH-32	35mm	2.8 - 3.6	31	48000	47500	+500

Cotlook Index: As on 08/5/2012

Cotlook Indices	Cents/Pound	Change
A-Index	94.20	-3.70

China Cotton Index: As on 09/5/2012

Index	RMB/Ton	Change
CCIndex(328)	19317	-1
CCIndex(527)	16795	-6
CCIndex(229)	20533	-19

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

USDA Cotton Spot Rates: As on 08/5/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	80.43	83.43	NIL
North Delta	79.68	80.68	NIL
South Delta	79.68	80.68	NIL
East TX-OK	77.50	82.50	91
West Texas	77.75	84.00	197
Desert SW	77.43	83.93	NIL
SJ Valley	78.18	88.58	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 08/5/2012

Contract	Open	High	Low	Close	Change
May-12	85.34	85.34	84.51	84.51	-0.33
Jul-12	86.51	87.45	86.06	86.18	-0.49
Oct-12	87.6	87.6	86.38	86.38	-1.22
Dec-12	84.8	85.58	84.13	84.33	-0.4
Mar-13	86.23	86.45	85.35	85.53	-0.19
May-13	87.12	87.24	86.23	86.47	-0.14

Pakistan Cotton Spot rates: As on 08/5/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6200	130	6330
Equivalent	40 Kgs	6645	130	6775

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