

Cotton Domestic Fundamentals:

- The cotton prices declined in the cotton spot markets except Khandwa which closed on higher side due to lower supplies.
- Poor demand seen almost in all the cotton markets.
- Exporters are slowly buying at the current market price.
- Exporters can apply another RC after executing at least 50% of quantity of exports mentioned in the first Rc as per the instruction given by DGFT.
- The Cotton Yarn production is likely to rise 12% to 3,500 million kgs in 2012/13.
- Domestic consumption of cotton yarn is expected to decline on back of lackluster textile millers' demand due to liquidity crunch which may weigh on the raw cotton demand.

Cotton International Fundamentals

- China 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.
- China is likely to issue extra cotton import quotas around 1 million ton in 2011/12 soon.

Outlook: Domestic and International

Cotton prices may trade in the range of 1032-1058 in next day.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-40	1048	1048	1025	1025
Apr-13	-42.5	1051	1053	1024	1024

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	33	27	64	6
Apr-13	1546	663	1403	105

Spread	Feb-13	Apr-13
Basis	-206.5	
Feb-13		-1.00
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	-4.02	17410	17410	16720	16720
29-Jun-12	-3.98	17700	17700	17130	17130
31-Jul-12	-4.01	17670	17800	17490	17490
31-Aug-12	-3.98	18230	18230	17870	17870

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	11-5-2012	10-5-2012	
Kadi-Bt Cotton#	3900-4250	3900-4350	-100
Amravati-Vunni Mech-1#	4085-4100	4125	-25
Ahmedabad-Shankar-6#	-	-	-
Abohar-J-34*	3770	3800	-30
Muktsar-J-34*	3770	3800	-30
Fajlika#	3750-4190	3800-4300	-110
Khandwa#	3400-4050	3900-4000	+50

*-Rs/maund, #-Rs.qtl

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	11-5-2012	10-5-2012	
Kadi -Bt Cotton	150	125	+25
Amravati -Vunni Mech-1	3000	2000	+1000
Ahmedabad - Shankar-6	-	-	-
Abohar	100	150	-50
Muktsar	-	-	-
Fajlika	50	300	-250
Khandwa	1700	1600	+100

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 10/5/2012

Cotlook Indices	Cents/Pound	Change
A-Index	93.35	-0.35

China Cotton Index: As on 11/5/2012

Index	RMB/Ton	Change
CCIndex(328)	19294	-19
CCIndex(527)	16743	-49
CCIndex(229)	20500	-13

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

USDA Cotton Spot Rates: As on 10/5/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	76.07	79.07	NIL
North Delta	75.32	76.32	NIL
South Delta	75.32	76.32	NIL
East TX-OK	73.50	78.50	NIL
West Texas	73.75	80.00	886
Desert SW	73.07	79.57	NIL
SJ Valley	73.82	84.22	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 10/5/2012

Contract	Open	High	Low	Close	Change
Jul-12	85.85	86.3	81.82	81.82	-4
Oct-12	84.69	84.69	81.6	81.6	-4
Dec-12	83.4	83.75	79.37	79.37	-4
Mar-13	84.7	84.7	80.56	80.56	-4
May-13	84.81	84.81	81.55	81.55	-4
Jul-13	85.57	85.57	82.33	82.35	-3.97

Pakistan Cotton Spot rates: As on 10/5/2012 (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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