

**Cotton Domestic Fundamentals:**

- Mixed tone featured in the cotton spot markets on Monday.
- Arrivals were registered on mixed notes in the markets.
- The textile industries are demanding for debt restructuring package as most of spinning mills are facing financial crisis.
- As per ministry of agriculture the use of Bt cotton seed should not decline in this year on account of better performance as last few years records revealed.
- The farmers in Punjab and Rajasthan are busy in cotton sowing as on date. However, other major growing states are likely to plant cotton since May last in irrigated parts and after the monsoon in rain-fed areas.

**Cotton International Fundamentals**

- The world cotton ending stocks is forecasted at a record 73.75 million bales which is up around 10% from 66.9 million bales in 2011/12. While, world cotton production for 2012/13 is forecasted at 116.7 from previous year record to 123 million bales.
- According to USDA forecast, U.S cotton yields in 2012/13 down to 777 lbs per acre against previous year record to 790 lbs in 2011/12.

**Outlook: Domestic and International**

We expect domestic cotton price to continue on bearish phase in next day.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-20	982	986	965	972
Apr-13	-14	985	992	974	982

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	30	-3	43	-21
Apr-13	1410	-136	1276	-127

**Spread**

	Feb-13	Apr-13
Basis	-153.5	
Feb-13		10.00
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	-1.02	16560	16670	16450	16480
29-Jun-12	-0.76	16990	17020	16860	16890
31-Jul-12	-0.8	17360	17410	17250	17300
31-Aug-12	-0.84	17750	17800	17650	17700

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	14-5-2012	12-5-2012	
Kadi-Bt Cotton#	3900-4200	3800-4250	<b>-50</b>
Amravati-Vunni Mech-1#	3950	4050	<b>-100</b>
Ahmedabad-Shankar-6#	-	-	-
Abohar-J-34*	3680	3670	<b>+10</b>
Muktsar-J-34*	3680	3670	<b>+10</b>
Fajlika#	4165	4150	<b>+15</b>
Khandwa#	3400-3800	3400-4000	<b>-200</b>

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	14-5-2012	12-5-2012	
Kadi -Bt Cotton	75	100	<b>-25</b>
Amravati -Vunni Mech-1	3000	2000	<b>+1000</b>
Ahmedabad - Shankar-6	-	-	-
Abohar	250	300	<b>-50</b>
Muktsar	100	-	-
Fajlika	60	80	<b>-20</b>
Khandwa	1200	1200	<b>Unch</b>

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

**Cotton Association of India Spot Rates: 12/5/2012**

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 11/5/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	89.55	<b>-3.80</b>

**China Cotton Index: As on 14/5/2012**

Index	RMB/Ton	Change
CCIndex(328)	19269	<b>-25</b>
CCIndex(527)	16736	<b>-7</b>
CCIndex(229)	20475	<b>-25</b>

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

**USDA Cotton Spot Rates: As on 11/5/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	73.22	76.22	NIL
North Delta	72.47	73.47	NIL
South Delta	72.47	73.47	3
East TX-OK	70.75	75.75	440
West Texas	71.00	77.25	NIL
Desert SW	70.22	76.72	NIL
SJ Valley	70.97	81.37	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 11/5/2012**

Contract	Open	High	Low	Close	Change
Jul-12	81.5	81.76	77.16	78.97	-2.85
Oct-12	79.14	80.13	78.48	78.48	-3.12
Dec-12	78.87	79.17	74.46	76.34	-3.03
Mar-13	79.88	79.88	76.03	77.58	-2.98
May-13	80.79	80.79	77.43	78.71	-2.84
Jul-13	81.54	81.54	78.09	79.55	-2.8

**Pakistan Cotton Spot rates: As on 12/5/2012 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6100	130	6230
Equivalent	40 Kgs	6537	130	6667

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