

Cotton Domestic Fundamentals:

- Ups and downs trend seen in the cotton spot markets on Wednesday.
- Arrivals were registered continued on mixed phase.
- During season ending, farmers in hand cotton crops are notified nearly 10 to 12% so far in Gujarat state.
- In Rajasthan, both millers and exporters are inactive in Sri-Ganaganagar. Arrivals are also null. Farmers have sown 40% cotton crops in water availability areas as on date. However, they could shift about 205 cotton area towards Guar on attractive returns.
- While the farmers in Punjab have covered almost 70 to 80% cotton sowing in irrigated parts as on current stage.
- The farmers in Maharashtra are likely to adopt “Brazil Pattern” for rising cotton yield in rain fed areas from the current cotton yield 475 kg/hectare to 600 kg/hectare. Brazilians farmers receive cotton crops about 1,495 kg/hectare in rain-fed areas because of better mechanization.

Cotton International Fundamentals

- According to WASDE report, China’s ending stocks is projected to increase by 14% to 28 million bales during 2012/13.
- Recent sown cotton crop in Yuma has begun to bloom. While in Arizona, cotton sowing is near to complete phase supported by favorable weather condition. In southern California, cotton crops stand made good progress. Source: USDA

Outlook: Domestic and International

We can see range bound trading between 958-980 during next trading day.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-12	968	973	952.5	952.5
Apr-13	-9	970	976.5	957	964.5

MCX Kapas Futures: (Prices in Rs/20/kg)

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

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	6	-16	38	0
Apr-13	1,085	-214	1321	14

Volumes and OI lots

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

Spread	Feb-13	Apr-13
Basis	-177.5	

Spread	April-13
Basis	12.00

NB: Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

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Basis	

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MCX Cotton Futures (29 mm Variety): Prices in Bales

Contract	% Change	Open	High	Low	Close
31-May-12	-0.81	16000	16010	15830	15910
29-Jun-12	-0.73	16290	16400	16220	16300
31-Jul-12	-0.66	16640	16790	16610	16680
31-Aug-12	-0.35	17100	17180	16980	17080

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	30-5-2012	29-5-2012	
Kadi-Bt Cotton#	3750-4250	3600-4075	-25
Amravati-Vunni Mech-1#	-	3650-3750	-
Ahmedabad-Shankar-6#	3750-4000	3625-3900	+100
Gondal	2310-4035	2305-3995	+40
Rajkot	3625-4100	3600-4065	+35
Abohar-J-34*	3540-3560	3535	+25
Muktsar-J-34*	3540-3560	3535	+25
Fajlika#	3650-4050	3650-4070	-20
Khandwa	3300-3750	-	-

*-Rs/maund, #-Rs.qtl

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	30-5-2012	29-5-2012	
Kadi -Bt Cotton	25	10	+15
Amravati -Vunni Mech-1`	-	3000	-
Ahmedabad - Shankar-6	15000	18000	-3000
Gondal	784	635	+149
Rajkot	3500	2500	+1000
Abohar	250	200	+50
Muktsar	-	20	-
Fajlika	700	700	Unch
Khandwa	700	-	-

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

Cotton Association of India Spot Rates: 29/5/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (29/5/2012)	Rs. Per Candy (28/5/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33900	33700	+200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34900	34700	+200
J-34(202)	26mm	3.5 - 4.9	23	30200	30100	+100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32100	32100	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	33200	32900	+300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	35300	35000	+300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	36100	36000	+100
DCH-32(107)	34mm	3.0 - 3.8	33	46700	46500	+200

Cotlook Index: As on 29/5/2012

Cotlook Indices	Cents/Pound	Change
A-Index	83.10	Unch

China Cotton Index: As on 30/5/2012

Index	RMB/Ton	Change
CCIndex(328)	18759	-39
CCIndex(527)	16405	-98
CCIndex(229)	20003	-34

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

USDA Cotton Spot Rates: As on 29/5/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	69.80	72.80	259
North Delta	68.80	69.80	NIL
South Delta	68.80	69.80	88
East TX-OK	65.00	70.00	NIL
West Texas	65.25	71.50	NIL
Desert SW	64.55	71.05	NIL
SJ Valley	65.30	75.95	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 29/5/2012

Contract	Open	High	Low	Close	Change
Jul-12	73.65	75.33	72.45	72.80	-0.82
Oct-12	72.95	72.95	72.60	72.71	-0.01
Dec-12	70.50	72.90	70.31	71.30	+0.41
Mar-13	72.75	73.87	72.60	73.00	+0.83
May-13	74.28	74.51	74.20	74.51	+0.95
Jul-13	75.55	76.16	75.43	76.16	+1.24

Pakistan Cotton Spot rates: As on 29/5/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5600	130	5730
Equivalent	40 Kgs	6002	130	6132

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