

**Cotton Domestic Fundamentals:**

- Mixed tone featured in the cotton spot markets on Saturday on back of patchy demand.
- Lower overseas demand weigh on the market.
- Arrivals were also registered in mixed phase in the markets.
- In North, arrivals reported in the range of 3,500 bales today.
- As per the cotton association of India, per day arrivals in India is recorded around 65000 now a days.
- In Gujarat, cotton seed sales is likely to touch below 30 lakh packets against 38 lakh packets of last year during this sowing season.
- Cotton Yarn production declined to 267.8 million kgs in March, 2012 compared to 268.06 kg in 2011 in the corresponding period of time while blended yarn production stood down by 22.93 to 56.50 million kg and down by 6.76 % on month.

**Cotton International Fundamentals**

- As per ICAC forecast, cotton prices are weak on global phase in anticipation of higher ending stock to 14.46 million tons against previous year record 13.26 million tons despite a lower forecast of cotton production to 25.10 million tons in 2012/13.

**Outlook: Domestic and International**

We expect domestic cotton price to trade on bearish phase.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-5.5	944.5	949	942.5	949
Apr-13	-8	955	956	945.5	947

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

Contract	+/-	Open	High	Low	Close
Feb-13	-12.4	940	947	935.1	940.5
Apr-13	-4.7	957	960	945.5	950

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	16	8	43	3
Apr-13	2,381	2381	1461	1461

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Feb-13	6	-10	14	1
Apr-13	34	7	32	6

Spread	Feb-13	Apr-13
Basis	-194	
Feb-13		-2.00
April-13		

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

Spread	Feb-13	Apr-13
Basis	-185.5	
Apr-13		9.50

**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
29-Jun-12	3.17	15250	15710	14780	15600
31-Jul-12	3.17	15560	16060	15290	15930
31-Aug-12	2.64	15980	16460	15700	16300

## Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	9-6-2012	8-6-2012	
Amravati-Vunni Mech-1#	3750-3775	3750	+25
Kadi-Bt Cotton#	3750-4100	3750-4100	Unch
Ahmedabad-Shankar-6#	3700-3850	3750-3950	-100
Gondal	-	2500-4895	+965
Rajkot	3500-3890	3535-4015	-125
Abohar-J-34*	3475	3550	-25
Muktsar-J-34*	3475	3550	-25
Fajlika#	3400-3750	3615	+135
Khandwa	3400-3700	3400-3700	Unch
Patan	3600-3650	3650	Unch
Sri-Ganganagar	3200-3400	3360	+40

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

## Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	9-6-2012	8-6-2012	
Amravati -Vunni Mech-1`	2000	2000	Unch
Kadi -Bt Cotton	50	25	+25
Ahmedabad - Shankar-6	12000	5000	+7000
Gondal	-	675	+274
Rajkot	3900	4200	-300
Abohar	200	200	Unch
Muktsar	50	-	-
Fajlika	100	150	-50
Khandwa	100	-	-
Patan	-	10	-
Sri-Ganganagar	-	-	-

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

**Cotton Association of India Spot Rates: 7/6/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (8/6/2012)	Rs. Per Candy (6/6/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	34800	34500	<b>+300</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	36000	35700	<b>+300</b>
J-34(202)	26mm	3.5 - 4.9	23	30700	30500	<b>+200</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	31500	31500	<b>Unch</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	32500	32500	<b>Unch</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	35000	35000	<b>Unch</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	36000	36000	<b>Unch</b>
DCH-32(107)	34mm	3.0 - 3.8	33	46500	46500	<b>Unch</b>

**Cotlook Index: As on 8/6/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	83.85	<b>+3.20</b>

**China Cotton Index: As on 8/6/2012**

Index	RMB/Ton	Change
CCIndex(328)	18473	<b>-19</b>
CCIndex(527)	16200	<b>-10</b>
CCIndex(229)	19575	<b>-22</b>

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

**USDA Cotton Spot Rates: As on 8/6/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	69.90	72.90	NIL
North Delta	68.90	69.90	NIL
South Delta	68.90	69.90	NIL
East TX-OK	64.25	69.25	NIL
West Texas	64.50	70.75	476
Desert SW	64.65	71.15	NIL
SJ Valley	65.40	76.05	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 8/6/2012**

Contract	Open	High	Low	Close	Change
Jul-12	74.80	74.88	70.79	72.90	-0.99
Oct-12	70.35	70.35	68.00	68.72	-2.57
Dec-12	71.96	71.97	68.70	69.88	-2.40
Mar-12	73.32	73.32	70.36	71.72	-1.91
May-12	74.12	74.12	71.09	72.60	-1.85
Jul-12	74.92	74.92	72.02	73.26	-1.89

**Pakistan Cotton Spot rates: As on 7/6/2012 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5600	130	5630
Equivalent	40 Kgs	5002	130	6024

**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.