

## Cotton Domestic Fundamentals:

- Mixed tone featured in the cotton spot markets on Monday on back of average demand.
- Patchy arrivals were seen in the markets.
- Rains/thundershowers are likely to reach at many places in forth west coast and also over northeastern states. Rainfall activity will increase in parts of Madhya Pradesh, north of Andhra Pradesh and Maharashtra during this week.
- Bangladesh and China are asking very limited quantum of cotton from India due to which May month exports stood near 1 million bales only. On the other hand, cheaper international rate against Indian cotton prices making an opportunity for Indian spinners to import cotton from foreign market at cheaper prices where they can pay amount within six month without paying interest rate. The cotton importing cost for Shanakr-6 is 75 cents per points from foreign markets against 80 cents per pound of India.

## Cotton International Fundamentals

- Crops are making good progress in Kansas and Oklahoma. However normal rain is essential to promote normal plant development. On the other hand, Boll setting was good in Yuma and Arizona.

## Outlook: Domestic and International

We could see range bound trading activities.

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

Contract	+/-	Open	High	Low	Close
Feb-13	7.5	978	1009	978	1005
Apr-13	11	1001	1019	997	1014

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	11	-3	47	-1
Apr-13	2,709	890	2773	89

Spread	Feb-13	Apr-13
Basis	-187.5	
Feb-13		9.00
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
Feb-13	14.5	1007.9	1014.9	1005	1014.9
Apr-13	7	998	1018	998	1010

### Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	4	-6	18	-1
Apr-13	77	51	93	13

Spread	Feb-13	Apr-13
Basis	-197.4	
Apr-13		-4.90

**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-Jul-12	0.97	16410	16680	16330	16590
31-Aug-12	0.83	16780	17020	16750	16950
31-Oct-12	0.92	17280	17550	17270	17490
30-Nov-12	0.82	17030	17250	17030	17150
31-Dec-12	0.88	17200	17300	17200	17250

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	02-7-2012	30-6-2012	
Amravati-Vunni Mech-1#	4300	4250	+50
Kadi-Bt Cotton#	4250-4500	4250-4500	Unch
Ahmedabad-Shankar-6#	3875-4300	3875-4375	-75
Gondal	-	-	-
Rajkot-(B.T)	3875-4295	3780-4250	+45
Abohar-J-34*	3525	3540	-15
Muktsar-J-34*	3525	3540	-15
Fajlika#	3600	3325	+275
Khandwa M.P.	-	3300-3700	-
Patan-(B.T)	4300-4350	-	-
Sri-Ganganagar	3510-3515	3500	+15

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	02-7-2012	30-6-2012	
Amravati -Vunni Mech-1`	2000	3000	-1000
Kadi -Bt Cotton	100	25	+75
Ahmedabad - Shankar-6	20000	10000	+10000
Gondal	-	-	-
Rajkot-(B.T)	800	1450	-650
Abohar	10	20	-10
Muktsar	-	-	-
Fajlika	-	-	-
Khandwa M.P.	-	-	-
Patan-(B.T)	-	-	-
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: 29/6/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (29/6/2012)	Rs. Per Candy (28/6/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	37700	37000	<b>+700</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39000	38300	<b>+700</b>
J-34(202)	26mm	3.5 - 4.9	23	32200	32000	<b>+200</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	33700	33300	<b>+400</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	34500	33800	<b>+700</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	36100	35600	<b>+500</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	37500	37000	<b>+500</b>
DCH-32(107)	34mm	3.0 - 3.8	33	47200	46500	<b>+700</b>

**Cotlook Index: As on 29/6/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	81.20	<b>+0.90</b>

**China Cotton Index: As on 02/7/2012**

Index	RMB/Ton	Change
CCIndex(328)	18158	<b>-6</b>
CCIndex(527)	15831	<b>-24</b>
CCIndex(229)	19307	<b>-5</b>

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

**USDA Cotton Spot Rates: As on 29/6/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	71.07	74.07	NIL
North Delta	69.82	70.82	NIL
South Delta	69.82	70.82	NIL
East TX-OK	62.75	67.75	NIL
West Texas	63.00	69.25	NIL
Desert SW	67.82	74.32	NIL
SJ Valley	68.57	79.22	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 29/6/2012**

Contract	Open	High	Low	Close	Change
Jul-12	70.98	72.16	70.98	72.16	1.86
Oct-12	69.73	72.25	69.73	71.57	2.06
Dec-12	69.53	71.65	69.14	71.33	1.82
Mar-12	70.7	72.77	70.54	72.51	1.81
May-12	71.57	73.89	71.56	73.55	1.86
Jul-12	73.27	74.5	73.27	74.27	1.68

**Pakistan Cotton Spot rates: As on 30/6/2012 (in Pakistan Rupees)**

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

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