

**Cotton Domestic Fundamentals:**

- Mixed tone witnessed in the cotton spot markets on Friday amid patchy demand.
- Arrivals have been registered up in the markets.
- North India still facing warm and dry weather which may negatively affect on cotton crops.
- Cotton prices in South India traded up as demand improved due to delay in planting.
- There has been little bit rain received in Gujarat which has affected cotton sowing.
- Directorate of Agriculture revealed that Farmers of Saurashtra are more concerned sowing Groundnut rather than cotton.
- Cotton Yarn prices are likely to increase in anticipation of textiles millers demand.

**Cotton International Fundamentals**

- New York. Cotton futures decline under the stronger dollar and expectations that USDA will report more cancellations in US cotton export sales tomorrow. Cotton for December delivery sheds 2.8% to settle at 70.58c/lb

**Outlook: Domestic and International**

We expect domestic cotton price to trade on bullish phase.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-21.5	1024.5	1027.5	1006.5	1006.5
Apr-13	-13	1026.5	1038	1021.5	1023

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

Contract	+/-	Open	High	Low	Close
Feb-13	-10.8	1021.5	1029	1013.1	1015.5
Apr-13	-11.6	1028.4	1032.9	1017	1018.5

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	13	12	42	38
Apr-13	2,931	-889	3621	-105

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Feb-13	56	-14	13	-5
Apr-13	107	-33	129	-9

Spread	Feb-13	Apr-13
Basis	-206.5	
Feb-13		16.50
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	-215.5	
Apr-13		3.00

**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	-0.71	16770	16820	16660	16680
31-Jul-12	-0.76	17080	17170	17000	17020
31-Aug-12	-0.63	17410	17410	17260	17280
31-Sep-12	-0.76	17100	17130	16950	17000
31-Oct-12	-1.34	17200	17200	16950	16950

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	6-7-2012	5-7-2012	
Amravati-Vunni Mech-1#	4400	4400	Unch
Kadi-Bt Cotton#	4050-4525	4100-4500	+25
Ahmedabad-Shankar-6#	3750-4250	3750-4300	-50
Gondal	-	-	-
Rajkot-(B.T)	3800-4300	3850-4325	-25
Abohar-J-34*	3600	3600-3680	-80
Muktsar-J-34*	3600	3600-3680	-80
Fajlika#	3570	3570	Unch
Khandwa M.P.	3300-3700	-	-
Patan-(B.T)	4300-4350	4300-4350	Unch
Sri-Ganganagar	3560	3550	+10

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	6-7-2012	5-7-2012	
Amravati -Vunni Mech-1`	2000	1000	+1000
Kadi -Bt Cotton	80	50	+30
Ahmedabad - Shankar-6	12000	12000	Unch
Gondal	-	-	-
Rajkot-(B.T)	780	560	+220
Abohar	-	-	-
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: 5/7/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (5/7/2012)	Rs. Per Candy (4/7/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	40300	40300	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	41600	41600	Unch
J-34(202)	26mm	3.5 - 4.9	23	32900	32900	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	34500	34500	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	35000	35000	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	37500	37500	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	38700	38700	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	50000	50000	Unch

**Cotlook Index: As on 5/7/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	83.40	Unch

**China Cotton Index: As on 6/7/2012**

Index	RMB/Ton	Change
CCIndex(328)	18159	NIL
CCIndex(527)	15829	+1
CCIndex(229)	19320	-1

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

**USDA Cotton Spot Rates: As on 5/7/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	69.52	72.52	889
North Delta	68.27	69.27	NIL
South Delta	68.27	69.27	NIL
East TX-OK	60.75	65.75	NIL
West Texas	61.00	67.25	100
Desert SW	66.02	72.52	NIL
SJ Valley	66.77	77.42	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 5/7/2012**

Contract	Open	High	Low	Close	Change
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Jul-12	72.75	72.75	72.75	72.75	0.6
Oct-12	72.43	72.94	72	72.9	0.6
Dec-12	72.1	72.65	71	72.6	0.58
Mar-12	73.31	73.85	72.25	73.79	0.6
May-12	74.4	74.7	73.48	74.63	0.41
Jul-12	75.04	75.56	74.24	75.56	0.43

**Pakistan Cotton Spot rates: As on 5/7/2012 (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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