

## Cotton Domestic Fundamentals:

- Cotton prices continued to witness weak tone on Friday.
- Marginal Arrivals was registered in spot markets.
- Cotton sowing progress, Cotton has been sown in 113.46 lakh hectares area till 7 September 2012 which was 112.83 lakh hectares last week.
- Cotton crop has been hit by virus in Punjab area which can damage the plant, which will be plucked in coming days.
- Rains received in August are likely to benefit Haryana cotton crop. Yield is likely to increase by 10 percent.
- Cotton prices are likely to remain low due to heavy imports and supply in domestic market bought by ginners and farmers.
- Harvesting of new crop will begin in fortnight from Punjab and Haryana.

## Cotton International Fundamentals

- USA crosses 83,900 bales of net export sales of cotton for 2012-13 marketing year.
- Cotton future in NYSE was raised on Friday on the news of ECB buying bonds.
- World prices are likely to show bearish run when cotton supply start flooding the market

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	-25.50	1003.00	1003	980	980
Apr-13	-22.00	1028.50	1031	1001.5	1006

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	6	6	86	86
Apr-13	6,918	6918	5870	5870

### Spread

	Feb-13	Apr-13
Basis	-60	
Feb-13		26.00
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	-18.20	1027.9	1027.9	1000	1004.9
Apr-13	-18.50	1029	1031	1003.4	1009.5

### Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	196	196	210	210
Apr-13	291	291	423	423

### Spread

	Feb-13	Apr-13
Basis	-84.9	
Feb-13		4.60
April-13		

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

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

Contract	% Change	Open	High	Low	Close
31-Oct-12	-0.63	17610	17640	17470	17490
30-Nov-12	-0.58	17310	17330	17200	17220
31-Dec-12	-0.52	17380	17440	17270	17300
31-Jan-13	-0.23	17660	17660	17660	17660
28-Feb-13	-0.22	17800	17800	17800	17800

## Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	7-9-2012	6-9-2012	
Amravati-Vunni Mech-1#	4700	-	-
Kadi-Bt Cotton#	-	-	-
Ahmedabad-Shankar-6#	4500-4700	4625-4750	-50
Gondal1	2205-4715	2250-4745	-30
Rajkot-(B.T)	3750-4725	3800-4750	-25
Abohar-J-34*	3820	3830	-10
Muktsar-J-34*	3820	3830	-10
Fajlika#	3820	3840	-20
Khandwa M.P.	5200	5200	Unch
Patan-(B.T)	-	-	-
Sri-Ganganagar`	3750	3750	Unch

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

## Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	7-9-2012	6-9-2012	
Amravati -Vunni Mech-1#	-	-	-
Kadi -Bt Cotton	-	-	-
Ahmedabad - Shankar-6#	2000	2000	Unch
Gondal	197	300	-103
Rajkot-(B.T)	640	430	+210
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: 6/9/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (6/9/2012)	Rs. Per Candy (5/9/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	40000	40400	-400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40600	41000	-400
J-34(202)	26mm	3.5 - 4.9	23	34100	34100	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36000	36300	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	36500	36500	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39500	39900	-400
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40500	N.Q.	-
DCH-32(107)	34mm	3.0 - 3.8	33	53000	53000	Unch

**Cotlook Index: As on 6/9/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	85.10	-0.30

**China Cotton Index: As on 7/9/2012**

Index	RMB/Ton	Change
CCIndex(328)	18631	0
CCIndex(527)	16320	+7
CCIndex(229)	19576	+11

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

**USDA Cotton Spot Rates: As on 6/9/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	73.59	76.59	329
North Delta	72.84	74.34	NIL
South Delta	72.84	74.34	NIL
East TX-OK	70.25	75.00	10,891
West Texas	69.75	75.50	52
Desert SW	70.84	77.34	NIL
SJ Valley	71.59	82.24	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 6/9/2012

Contract	Open	High	Low	Close	Change
Oct-12	75.42	75.60	74.95	75.59	+0.70
Dec-12	75.48	76.19	74.80	75.99	+0.64
Mar-13	76.49	77.12	75.73	76.98	+0.66
May-13	77.57	78.13	76.80	78.04	+0.62
Jul-13	78.65	79.20	77.86	79.15	+0.60
Oct-13	80.15	80.15	80.15	80.15	+0.61

## Pakistan Cotton Spot rates: As on 6/9/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5650	155	5805
Equivalent	40 Kgs	6055	155	6210

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