

## Cotton Domestic Fundamentals:

- Cotton prices witness weak tone on Wednesday due to sluggish demand.
- Marginal Arrivals was registered in spot markets.
- Gujarat sowing progress, 86% of the sowing has been completed, this year 212.2 thousand hectares has been reduced due to delayed rainfall.
- Marginal demand is reported in key spot markets, as millers are importing at cheaper prices.
- Damage reported in Maharashtra cotton crop due to heavy rains.
- Demand is mainly pushed by denim manufacturers in Gujarat, where demand it is steady.

## Cotton International Fundamentals

- Australia agriculture department has forecasted lower cotton production in winter crop during 2012-13.
- China cotton imports increased by 48 percent till August 2012. Increased reserves by China are likely to affect international price downwards.

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	-4.00	991.00	991	979.5	979.5
Apr-13	-9.50	1017.50	1026	1006.5	1012.5

### Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	3	-10	84	-1
Apr-13	5,622	-2,680	5799	-123

### Spread Feb-13 Apr-13

Spread	Feb-13	Apr-13
Basis	-54.5	
Feb-13		33.00
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	-14.90	1013.1	1017	992.1	999.5
Apr-13	-14.30	1020	1026.5	1006	1008.7

### Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	462	212	318	103
Apr-13	271	35	342	-51

### Spread Feb-13 Apr-13

Spread	Feb-13	Apr-13
Basis	-74.5	
Feb-13		9.20
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	-0.57	17510	17520	17380	17430
30-Nov-12	-1.16	17190	17190	17000	17010
31-Dec-12	-1.45	17210	17210	17040	17040
31-Jan-13	-1.37	17450	17450	17240	17260
28-Feb-13	-2.25	17550	17550	17280	17400

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	12-9-2012	11-9-2012	
Amravati-Vunni Mech-1#	4550	4600	-50
Kadi-Bt Cotton#	-	-	-
Ahmedabad-Shankar-6#	4500-4750	4500-4750	Unch
Gondal1	3555-4635	3755-4680	-45
Rajkot-(B.T)	3750-4700	3850-4770	-70
Abohar-J-34*	3780	3810	-30
Muktsar-J-34*	3780	3810	-30
Fajlika#	3825	3800	+25
Khandwa M.P.	4600	4600	Unch
Patan-(B.T)	-	-	-
Sri-Ganganagar	3725-3730	3720	+10

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	12-9-2012	11-9-2012	
Amravati -Vunni Mech-1#	800	1000	-200
Kadi -Bt Cotton	-	-	-
Ahmedabad - Shankar-6#	2000	2000	Unch
Gondal	97	57	+40
Rajkot-(B.T)	210	350	-140
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: 11/9/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (11/9/2012)	Rs. Per Candy (10/9/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39200	39200	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39800	39800	Unch
J-34(202)	26mm	3.5 - 4.9	23	33900	33900	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	35800	35800	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	36400	36400	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39500	39500	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40500	40500	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	53000	53000	Unch

**Cotlook Index: As on 11/9/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	85.05	-0.80

**China Cotton Index: As on 12/9/2012**

Index	RMB/Ton	Change
CCIndex(328)	18636	0
CCIndex(527)	16325	+2
CCIndex(229)	19578	+1

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

**USDA Cotton Spot Rates: As on 11/9/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	72.53	75.53	NIL
North Delta	71.53	73.03	NIL
South Delta	71.53	73.03	NIL
East TX-OK	68.75	73.50	1402
West Texas	68.25	74.00	48
Desert SW	69.53	76.03	NIL
SJ Valley	70.28	80.93	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 11/9/2012**

Contract	Open	High	Low	Close	Change
Oct-12	75.40	75.40	74.28	74.28	-0.70
Dec-12	75.80	76.28	74.85	74.93	-0.70
Mar-13	76.62	77.06	75.50	75.59	-0.88
May-13	77.55	77.97	76.43	76.50	-0.96
Jul-13	78.58	78.95	77.46	77.46	-1.07
Oct-13	78.53	78.53	78.53	78.53	-1.10

**Pakistan Cotton Spot rates: As on 11/9/2012 (in Pakistan Rupees)**

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

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