

Cotton Domestic Fundamentals:

- Cotton market remained closed due to festive holidays.
- No major movement in any of spot markets.
- Cotton Association of India decreased production estimates of cotton by 5% this year to 354 lakh bales.
- The MSP of medium staple cotton was hiked to Rs 3,600 a quintal from Rs 2,800 and that of long staple cotton was raised up to Rs 3,900 a quintal from Rs 3,300.
- Prices are expected to be lower at current levels, through this week.
- Good demand is expected from the millers by mid –November.
- Farmers are bringing less produce to the market ahead of ‘Diwali’.
- Arrivals are expected to increase in the medium –term, thereby weighing on prices.
- Crop loss in Andhra Pradesh has been reported following rains during the last few days..
- According to official estimates, cotton crop has been damaged in 75,000 acres of land in Guntur district of Andhra Pradesh. This will affect the ginning industry.

Cotton International Fundamentals

- Cotton seed demand in Pakistan is picking up. This is likely to raise prices for same.
- According to the data from Chinese customs, China totally imported 1.08 million tonnes of cotton yarn in the first 9 months of 2012, up a massive 74.17 percent or 462,800 tons over the same period last year.
- Cotton futures at NYMEX closed lower following bearish monthly supply and demand USDA report.
- According to USDA, cotton ending stocks estimates for 2012 -13 season touched an all time high of 80.27 million bales.

Outlook: We expect domestic cotton prices to notice sideways to firm tone in the near –term amid lower arrivals during festival.

NCDEX Kapas Futures: (Prices in Rs/20kg)

Contract	+/-	Open	High	Low	Close
Feb-13	-	-	-	-	-
Apr-13	-	-	-	-	-

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

Contract	+/-	Open	High	Low	Close
Feb-13	-	-	-	-	-
Apr-13	-	-	-	-	-

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	-	-	-	-
Apr-13	-	-	-	-

Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	-	-	-	-
Apr-13	-	-	-	-

Spread Feb-13 Apr-13

Basis	-	
Feb-13		-
April-13		

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

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Basis	-	-
Feb-13		-
April-13		

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

Contract	% Change	Open	High	Low	Close
30-Nov-12	0.31	16170	16220	16120	16220
31-Dec-12	0.19	16160	16220	16150	16210
31-Jan-13	0.25	16300	16300	16300	16300

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	14-11-2012	12-11-2012	
Amravati-Vunni Mech-1#	4100	4100	-50
Kadi-Bt Cotton#	-	4250-4500	Unch
Ahmedabad-Shankar-6#	-	4250-4400	Unch
Gondal1	-	-	-
Rajkot-(B.T)	-	-	-
Abohar-J-34*	3500	3470	-30
Muktsar-J-34*	3500	3470	-30
Fajlika #(Cotton New) #(Kapas BT Cotton)	3450	3450	Unch
	4275	4100-4265	Unch
Khandwa-(M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Sri-Ganganagar	-	-	-
Patan	-	-	-

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	14-11-2012	12-11-2012	
Amravati -Vunni Mech-1#	1000	1000	Unch
Kadi -Bt Cotton	-	12500	-
Ahmedabad - Shankar-6#	-	10000	-
Gondal	-	-	-
Rajkot-(B.T)	-	-	-
Abohar	-	800	-800
Muktsar	25	50	-25
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	1000	1000	Unch
Khandwa (M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Sri-Ganganagar	-	-	-
Patan	-	-	-

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

Cotton Association of India Spot Rates: 12/11/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (12/11/2012)	Rs. Per Candy (10/11/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	40000	40200	-200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40500	40700	-200
J-34(202)	26mm	3.5 - 4.9	23	31500	31600	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32700	32800	-100
Shankar-6(105)	29mm	3.5 - 4.9	28	33700	33500	+200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	35100	35000	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	35800	35800	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	44700	44700	Unch

Cotlook Index: As on 13/11/2012

Cotlook Indices	Cents/Pound	Change
A-Index	80.45	+0.95

China Cotton Index: As on 14/11/2012

Index	RMB/Ton	Change
CCIndex(328)	18775	+7
CCIndex(527)	16495	+6
CCIndex(229)	19677	+9

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

USDA Cotton Spot Rates: As on 09/11/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	67.33	70.33	790
North Delta	66.08	67.58	NIL
South Delta	66.08	67.58	NIL
East TX-OK	64.75	69.25	1121
West Texas	64.75	70.50	7538
Desert SW	64.08	70.58	NIL
SJ Valley	64.83	75.48	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 13/11/2012

Contract	Open	High	Low	Close	Change
Dec-12	70.63	71.28	70.41	70.81	-0.07
Mar-13	71.20	71.20	70.53	70.61	-0.59
May-13	72.22	72.22	71.58	71.65	-0.75
Jul-13	73.38	73.38	72.70	72.83	-0.76
Oct-13	74.65	74.65	74.65	74.65	-0.78
Dec-13	75.55	75.60	75.09	75.28	-0.82

Pakistan Cotton Spot rates: As on 10/11/2012 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	5850	155	6005
Equivalent	40 Kgs	6269	155	6424

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