

**Cotton Domestic Fundamentals:**

- Cotton markets traded steady to strong in key spot markets on Wednesday.
- Markets are expecting good demand in coming days. Millers are buying for short term consumption.
- Cotton production estimates at 320 lakh bales for this season, Agriwatch research.
- 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.

**Cotton International Fundamentals**

- Net Sales of USA cotton is running in 370,000 bales for 2012-13, Mainly to China and India.
- Australian cotton production rose by 12 percent to 944,000 tonnes as reported by Australian Bureau of Statistics.
- Cotton seed demand in Pakistan is picking up. This is likely to raise prices for same.

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

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

Contract	+/-	Open	High	Low	Close
Feb-13	-7	932	932	932	932
Apr-13	-7	980	981.5	972	973.5

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

Contract	+/-	Open	High	Low	Close
Feb-13	-3.5	967.5	967.5	960.6	961.1
Apr-13	-5.2	982	982	975.1	976.5

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	2	-17	42	-2
Apr-13	4268	-2088	13521	-126

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Feb-13	350	-272	817	24
Apr-13	355	-156	526	50

**Spread Feb-13 Apr-13**

Basis	-110	
Feb-13		43.5
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	-141.1	
Feb-13		15.4
April-13		

**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
30-Nov-12	-0.18	16240	16300	16220	16240
31-Dec-12	-0.12	16290	16340	16270	16280
31-Jan-13	0.06	16310	16400	16300	16340
28-Feb-13	0.18	15970	16880	15950	16460
29-Mar-13	0.48	16650	16870	16610	16620

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	21-11-2012	20-11-2012	
Amravati-Vunni Mech-1#	4100	4100	Unch
Kadi-Bt Cotton#	4250	4400	-150
Ahmedabad-Shankar-6#	4450	4450	Unch
Gondal1	4500	-	-
Rajkot-(B.T)	-	-	-
Abohar-J-34*	3505	3500	+5
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	3505	3500	+5
	4250	4225	+25
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	3490	-
	-	4325	-
Khandwa-(M.P)	4200	4225	-25
Khargaon-(M.P)	4200	4200	Unch
Sri-Ganganagar	3440	3420	+20
Patan	-	-	-

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	21-11-2012	20-11-2012	
Amravati -Vunni Mech-1#	1200	1000	+200
Kadi -Bt Cotton	35000	15000	+20000
Ahmedabad - Shankar-6#	25000	20000	+5000
Gondal	1620	-	-
Rajkot-(B.T)	-	-	-
Abohar-J-34*	400	1000	-600
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	500	500	Unch
	500	500	Unch
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	-	2500	-
Khandwa (M.P)	3500	3000	+500
Khargaon-(M.P)	9000	8000	+1000

Sri-Ganganagar	5000	5000	<b>Unch</b>
Patan		-	-

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

**Cotton Association of India Spot Rates: 20/11/2012**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (20/11/2012)	Rs. Per Candy (19/11/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	40000	40300	<b>-300</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	40500	40800	<b>-300</b>
J-34(202)	26mm	3.5 - 4.9	23	32000	31800	<b>+200</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32900	33000	<b>-100</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	33700	33800	<b>-100</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34500	34800	<b>-300</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	35100	35500	<b>-400</b>
DCH-32(107)	34mm	3.0 - 3.8	33	45200	45200	<b>Unch</b>

**Cotlook Index: As on 20/11/2012**

Cotlook Indices	Cents/Pound	Change
A-Index	81.35	<b>-0.35</b>

**China Cotton Index: As on 20/11/2012**

Index	RMB/Ton	Change
CCIndex(328)	18807	<b>+13</b>
CCIndex(527)	16528	<b>+16</b>
CCIndex(229)	19706	<b>+11</b>

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

**USDA Cotton Spot Rates: As on 20/11/2012**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	70.49	73.74	<b>3417</b>
North Delta	69.49	70.99	NIL
South Delta	69	70.99	NIL
East TX-OK	66.25	70.75	<b>1013</b>
West Texas	66.25	71.75	<b>12123</b>
Desert SW	66.99	73.49	NIL
SJ Valley	67.74	78.39	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 20/11/2012**

Contract	Open	High	Low	Close	Change
Dec-12	71.99	72.84	71.71	72.5	0.45
Mar-13	72.06	72.87	71.71	72.49	0.43
May-13	73.15	73.75	72.95	73.34	0.34
Jul-13	74.1	74.7	74.02	74.31	0.39
Oct-13	75.99	75.99	75.99	75.99	0.49
Dec-13	76	76.8	76	76.44	0.55

**Pakistan Cotton Spot rates: As on 20/11/2012 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	37.32 Kgs	5900	155	6055
<b>Equivalent</b>	40 Kgs	6323	155	6478

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