

**Cotton Domestic Fundamentals:**

- Cotton markets continued steady to weak tone on Saturday.
- Sluggish demand around current levels weighed on the market.
- Arrivals are increasing in various mandis, adding to the weak tone of the market.
- Millers are buying in lower quantity amid expectation of better levels in the medium –term.
- Cotton arrivals till date are around 30 percent less compared to previous year during the same time period.
- Buying from the exporters remains lower around current levels.
- According to sources, domestic consumption is expected to be around 240 lakh bales during the season.
- In the international market, trading is lack –luster amid long weekend.
- 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.

**Cotton International Fundamentals**

- Three home textile companies in China joined the COTTON USA licensing program to source U.S. cotton yarn.
- According to the General Administration of Customs, China's October cotton imports rose 7.8% from a year earlier to 272,051 metric tons, the General Administration of Customs said Wednesday.
- Cotton futures at NYMEX closed lower amid expected higher stocks during the season.
- Cotton prices noticed weak tone in Pakistan amid lack –luster trading ahead of 'Muharram' holidays.

**Outlook:** We expect domestic cotton prices to notice steady to weak tone on sluggish demand in the ready market.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-4	940	940	926	926
Apr-13	-10	962.5	965.5	956	958

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Feb-13	2	-6	40	0
Apr-13	3075	-3247	13302	-210

**Spread Feb-13 Apr-13**

Basis	-60	
Feb-13		28
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/20kg)**

Contract	+/-	Open	High	Low	Close
Feb-13	-7.1	960	961	954	955.3
Apr-13	-8	969	971	964.1	966

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Feb-13	200	-101	808	39
Apr-13	232	-175	612	26

**Spread Feb-13 Apr-13**

Basis	-85.3	
Feb-13		10.7
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	-0.19	16140	16140	16060	16140
31-Dec-12	-0.31	16190	16190	16070	16130
31-Jan-13	-0.25	16210	16210	16130	16200
28-Feb-13	-0.18	16280	16350	16280	16310
29-Mar-13	Nil	16410	16480	16410	16480

**Cotton Prices at Key Spot Markets**

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	24-11-2012	23-11-2012	
Amravati-Vunni Mech-1#	-	4050	-
Kadi-Bt Cotton#	4250	4350	-100
Ahmedabad-Shankar-6#	4350	4400	-50
Gondal1	4385	4420	-35
Rajkot-(B.T)	4355	4375	-20
Abohar-J-34*	3465	3470	-5
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	3470	3470	Unch
	4150	4150	Unch
Fajlika #(Cotton New) #(Kapas BT Cotton)	3480	3480	Unch
	4250	4250	Unch
Khandwa-(M.P)	-	4100	-
Khargaon-(M.P)	-	4100	-
Sri-Ganganagar	3390	3420	-30
Patan	-	-	-

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

**Cotton Arrivals in Key Centers**

Centre (1 bale = 170 Kg)	Arrivals		Change
	24-11-2012	23-11-2012	
Amravati -Vunni Mech-1#	-	800	-
Kadi -Bt Cotton	45000	35000	+10000
Ahmedabad - Shankar-6#	25000	25000	Unch
Gondal	609	1194	-585
Rajkot-(B.T)	2400	2600	-200
Abohar-J-34*	800	1000	-200
Muktsar-J-34 *(Cotton ) #(Kapas BT Cotton)	-	-	-
	400	450	-50
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	2500	2500	Unch



Khandwa (M.P)	-	3500	-
Khargaon-(M.P)	-	8000	-
Sri-Ganganagar	6000	5000	+1000
Patan	-	-	-

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

### Cotton Association of India Spot Rates: 23/11/2012

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (23/11/2012)	Rs. Per Candy (22/11/2012)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	39300	39500	-200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	39800	40000	-200
J-34(202)	26mm	3.5 - 4.9	23	31700	31800	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32700	32900	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	33700	33700	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34200	34500	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	34500	35000	-500
DCH-32(107)	34mm	3.0 - 3.8	33	45000	45200	-200

### Cotlook Index: As on 23/11/2012

Cotlook Indices	Cents/Pound	Change
A-Index	81.90	Unch

### China Cotton Index: As on 23/11/2012

Index	RMB/Ton	Change
CCIndex(328)	18848	+17
CCIndex(527)	16562	+14
CCIndex(229)	19743	+18

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

### USDA Cotton Spot Rates: As on 23/11/2012

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	69.43	72.68	56
North Delta	68.43	69.93	NIL
South Delta	68	69.93	NIL
East TX-OK	65.5	70	620
West Texas	65.5	71	7360
Desert SW	65.93	72.43	NIL
SJ Valley	66.68	77.33	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 23/11/2012**

Contract	Open	High	Low	Close	Change
Dec-12	72.25	72.37	69.5	69.83	<b>-2.55</b>
Mar-13	72.6	73.13	71.28	71.43	<b>-1.23</b>
May-13	73.37	73.8	72.13	72.21	<b>-1.16</b>
Jul-13	74.28	74.69	73.11	73.22	<b>-1.09</b>
Oct-13	74.9	74.9	74.9	74.9	<b>-1.09</b>
Dec-13	76.67	76.7	75.4	75.45	<b>-1.14</b>

**Pakistan Cotton Spot rates: As on 23/11/2012 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
<b>Cotton</b>	37.32 Kgs	5800	155	5955
<b>Equivalent</b>	40 Kgs	6216	155	6371

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