

Cotton Domestic Fundamentals:

- Cotton prices noticed strong tone on Friday, except Amravati.
- Cotton traded higher in on good expected demand ahead of USDA report.
- Spinners and exporters are active in the market.
- Export enquiries are reported from China at 85 cents per pound and Bangladesh at 87-88 cents per pound.
- Currently, mills are primary buyers, while export demand is very limited. In this condition, price may remain at the current level.

Cotton International Fundamentals

- Net upland sales of 93,600 bales for 2012-13 marketing year were 29 percent down. Mainly exported to Turkey, Taiwan, and Vietnam.
- Bangladesh is inking a deal with India to procure 15 lakh bales every year.

Outlook: We expect domestic cotton prices to continue steady to weak tone on rising arrivals and normal demand.

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

Contract	+/-	Open	High	Low	Close
Feb-13	-8	831.00	831.00	813.00	817.00
Apr-13	-11	892	895	875	881.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	22	16	21	-3
Apr-13	9815	291	13660	291

Spread Feb-13 Apr-13

Basis	65	
Feb-13		16
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	-11.1	864.5	867.8	851.7	854.2
Apr-13	-9.6	897	900	882.8	888.00

Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	447	6	1370	12
Apr-13	798	276	2095	77

Spread Feb-13 Apr-13

Basis	10.8	
Feb-13		33.8
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
28-Feb-13	0.18	16740	16800	16610	16750
29-Mar-13	0.41	17020	17110	16900	17070
30-Apr-13	0.58	17270	17380	17180	17370
31-May-13	0.74	17560	17630	17450	17630
28-Jun-13	0.85	17710	17830	17710	17830

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	08-02-2013	07-02-2013	
Amravati-Vunni Mech-1#	4050	4065	-15
Kadi-Bt Cotton#	4225	4200	25
Ahmedabad-Shankar-6#	4350	4325	25
Gondal	4285	4260	25
Rajkot-(B.T)	4285	4260	25
Abohar-J-34*	3720	3690	30
Muktsar-J-34 *(Cotton) #(Kapas BT Cotton)	3730	3690	40
	4200	-	-
Fajlika #(Cotton New) #(Kapas BT Cotton)	3660	3650	10
	4350	4335	15
Khandwa-(M.P)	4080	4080	Unch
Khargaon-(M.P)	4080	4080	Unch
Sri-Ganganagar	3650	3615	35

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	08-02-2013	07-02-2013	
Amravati -Vunni Mech-1#	2500	4000	-1500
Kadi -Bt Cotton	45000	45000	Unch
Ahmedabad - Shankar-6#	42000	42000	Unch
Gondal	2319	913	1406
Rajkot-(B.T)	3900	3930	-30
Abohar-J-34*	700	500	200
Muktsar-J-34 *(Cotton) #(Kapas BT Cotton)	-	-	-
	-	-	-
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	1500	1200	300
Khandwa (M.P)	3500	4000	-500
Khargaon-(M.P)	8000	10000	-2000
Sri-Ganganagar	5000	5000	Unch

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

Cotton Association of India Spot Rates: 07/02/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (07/02/2013)	Rs. Per Candy (06/02/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33600	33600	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34000	34000	Unch
J-34(202)	26mm	3.5 - 4.9	23	33600	33600	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	33300	33300	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	33900	33900	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34800	34800	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	35600	35600	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	45500	45500	Unch

Cotlook Index: As on 07/02/2013

Cotlook Indices	Cents/Pound	Change
A-Index	89.15	+0.25

China Cotton Index: As on 07/02/2013

Index	RMB/Ton	Change
CCIndex(328)	19273	-2
CCIndex(527)	16917	-3
CCIndex(229)	20033	-2

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

USDA Cotton Spot Rates: As on 07/02/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	78.15	81.4	589
North Delta	77.15	79.65	NIL
South Delta	77.15	79.65	NIL
East TX-OK	73.25	76	3835
West Texas	73.25	76.5	3243
Desert SW	75.9	82.4	NIL
SJ Valley	76.65	87.3	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 07/02/2013

Contract	Open	High	Low	Close	Change
13-Mar	81.51	82.13	80.6	81.4	-0.32
13-May	82.51	82.78	81.42	82.28	-0.27
13-Jul	83	83.47	82.21	83.05	-0.27
13-Oct	83.3	83.3	83.3	83.3	0.39
13-Dec	81.93	82.5	81.4	82.38	0.38
14-Mar	82.65	83.33	82.65	83.33	0.4

Pakistan Cotton Spot rates: As on 07/02/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6100	155	6255
Equivalent	40 Kgs	6537	155	6692

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