

Cotton Domestic Fundamentals:

- Cotton prices noticed strong tone on Saturday, 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

- USDA report; China increased import forecast from 12.5 million bales to 14 million bales.
- 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	1	810.00	820.00	810.00	820.00
Apr-13	5	883	888	882	886.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-13	5	-17	20	-1
Apr-13	3220	-284	13376	-284

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	5.9	856	861	854.1	860.10
Apr-13	5.4	890	895	888	893.30

Volumes and OI lots

Contract	Volume	Change	OI	Change
Feb-13	221	-226	1310	-60
Apr-13	326	-472	2050	-45

Spread Feb-13 Apr-13

Basis	9.9	
Feb-13		33.2
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	0.54	16820	16890	16810	16860
29-Mar-13	0.53	17100	17200	17100	17170
30-Apr-13	0.46	17470	17490	17400	17450
31-May-13	0.68	17660	17770	17660	17750
28-Jun-13	1.41	17910	18010	17910	18010

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	09-02-2013	08-02-2013	
Amravati-Vunni Mech-1#	4025	4050	-25
Kadi-Bt Cotton#	4250	4225	+25
Ahmedabad-Shankar-6#	4350	4350	Unch
Gondal	4295	4285	+10
Rajkot-(B.T)	4290	4285	+5
Abohar-J-34*	3735	3720	+15
Muktsar-J-34 *(Cotton) #(Kapas BT Cotton)	3740	3730	+10
	4350	4200	+150
Fajlika #(Cotton New) #(Kapas BT Cotton)	3710	3660	+50
	4390	4350	+40
Khandwa-(M.P)	-	4080	-
Khargaon-(M.P)	-	4080	-
Sri-Ganganagar	3660	3650	+10

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	09-02-2013	08-02-2013	
Amravati -Vunni Mech-1#	3000	2500	+500
Kadi -Bt Cotton	35000	45000	-10000
Ahmedabad - Shankar-6#	42000	42000	Unch
Gondal	1234	2319	-1085
Rajkot-(B.T)	4200	3900	+300
Abohar-J-34*	700	700	Unch
Muktsar-J-34 *(Cotton) #(Kapas BT Cotton)	-	-	-
	-	-	-
Fajlika #(Cotton New) #(Kapas BT Cotton)	-	-	-
	1500	1500	Unch
Khandwa (M.P)	-	3500	-
Khargaon-(M.P)	-	8000	-

Sri-Ganganagar	5000	5000	Unch
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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 (08/02/2013)	Rs. Per Candy (07/02/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33900	33600	+300
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34300	34000	+300
J-34(202)	26mm	3.5 - 4.9	23	33900	33600	+300
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	33500	33300	+200
Shankar-6(105)	29mm	3.5 - 4.9	28	34100	33900	+200
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 08/02/2013

Cotlook Indices	Cents/Pound	Change
A-Index	89.05	-0.10

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 08/02/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	79.42	82.67	1203
North Delta	78.42	80.92	NIL
South Delta	78.42	80.92	NIL
East TX-OK	74.5	77.25	195
West Texas	74.5	77.75	1638
Desert SW	77.17	83.67	NIL
SJ Valley	77.92	88.57	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	81.27	83.03	81.01	82.67	1.27
13-May	82.3	83.5	81.86	83.3	1.02
13-Jul	83.05	84.08	82.62	83.97	0.92
13-Oct	83.4	83.52	83.4	83.52	0.22
13-Dec	82.01	83	81.94	82.92	0.54
14-Mar	82.98	83.84	82.98	83.84	0.51

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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