

Cotton Domestic Fundamentals:

- Cotton prices continued to showed strong tone on Friday except Muktsar.
- Textile Industry has welcomed union budget decision of removing the excise duty on garments. Giving investment allowance of 15% in on investments more than Rs 100 crores in plant & machinery will boost the growth of the industry.
- Ministry of Textile, has given directions to CCI to increase its procurement rate in all states, which millers are opposing as they are left with short stock for their inventory.

Cotton International Fundamentals

- On 18th February,2013 reserve cotton release restarted. During the Spring Festival, international cotton price edged higher, narrowing its gap between domestic cotton. Reserve cotton release actual transaction of the week was 126,290 ton, 31.51% of the release target, 25% up than that before holiday. By 22nd, February, reserve cotton of 2012/13 season released for 1,519,000 ton, and concluded by 517,975 ton, by 34.1%.
- China cotton, with still sluggish demand, cotton spot price was stable.

Outlook: We expect domestic cotton prices to continue steady to firm tone on good buying by millers.

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

Contract	+/-	Open	High	Low	Close
Mar-13	0	0	0	0	0
Apr-13	-32.5	1010	1022.5	969.5	974.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-13	0	0	2	0
Apr-13	20944	-857	11121	-857

Spread Feb-13 Apr-13

Basis	-92	
Mar-13		17
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
Mar -13	-18.4	951.1	953.8	922	926
Apr-13	-29.9	1014	1019	976.2	976.5

Volumes and OI lots

Contract	Volume	Change	OI	Change
Mar -13	470	223	1304	-99
Apr-13	2088	728	1516	11

Spread Feb-13 Apr-13

Basis	54	
Mar -13		50.5
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
29-Mar-13	-1.19	18620	18740	18200	18310
30-Apr-13	-1.38	18980	19060	18500	18600
31-May-13	-1.41	19360	19360	18720	18860
28-Jun-13	-1.4	18950	19500	18950	19060
31-Jul-13	-1.48	19900	19900	19290	19370

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	01-3-2013	28-2-2013	
Amravati-Vunni Mech-1#	4700	4700	Unch
Kadi-Bt Cotton#	4900	4800	100
Abohar-J-34*	4130	4100	30
Muktsar-J-34 *(Cotton)	4140	4100	40
*(Kapas BT Cotton)	4950	5030	-80
Ahmedabad-Shankar-6#	5000	4900	100
Fajlika *(Cotton New)	4110	4080	30
*(Kapas BT Cotton)	5175	5060	115
Khandwa-(M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Gondal	5125	4910	215
Rajkot-(B.T)	5020	4900	120
Sri-Ganganagar	4160	4020	140
Patan(B.T. Cotton)	4950	4920	30

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	01-3-2013	28-2-2013	
Amravati -Vunni Mech-1#	3000	1500	1500
Kadi -Bt Cotton	20000	15000	5000
Abohar-J-34*	400	300	100
Muktsar-J-34 *(Cotton)	400	250	150
*(Kapas BT Cotton)	20000	20000	Unch
Ahmedabad - Shankar-6#	700	600	100
Fajlika *(Cotton New)	-	-	-
*(Kapas BT Cotton)	-	-	-
Khandwa (M.P)	1024	1807	-783
Khargaon-(M.P)	9100	3600	5500
Gondal	2000	1000	1000

Rajkot-(B.T)	7504	7810	-306
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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: 28/02/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (28/02/2013)	Rs. Per Candy (27/02/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	35100	34600	+500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	36100	35600	+500
J-34(202)	26mm	3.5 - 4.9	23	37700	36900	+800
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36300	35700	+600
Shankar-6(105)	29mm	3.5 - 4.9	28	37200	36600	+600
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	37500	36900	+600
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	47300	47300	Unch

Cotlook Index: As on 28/02/2013

Cotlook Indices	Cents/Pound	Change
A-Index	90.50	+1.70

China Cotton Index: As on 01/03/2013

Index	RMB/Ton	Change
CCIndex(328)	19326	+1
CCIndex(527)	16948	+4
CCIndex(229)	20058	+2

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

USDA Cotton Spot Rates: As on 28/02/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.29	85.54	2446
North Delta	80.79	83.29	NIL
South Delta	80.79	83.29	NIL
East TX-OK	77.25	80.25	2379
West Texas	77.25	80.5	2798
Desert SW	78.79	85.29	NIL
SJ Valley	79.54	90.19	200

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 28/02/2013

Contract	Open	High	Low	Close	Change
13-Mar	82.55	84.36	81.9	83.56	0.83
13-May	84.38	85.97	83.62	85.29	0.91
13-Jul	84.8	86.39	84.25	85.94	1.14
13-Oct	85.5	85.58	85.5	85.58	0.21
13-Dec	84.65	85.4	84.35	85.21	0.51
14-Mar	84	85	83.93	84.54	0.1

Pakistan Cotton Spot rates: As on 28/02/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6450	155	6605
Equivalent	40 Kgs	6912	155	7067

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