

Cotton Domestic Fundamentals:

- Cotton prices noticed firm tone on Thursday.
- Mills viewed early lower prices as an opportunity to buy and pushed the market to recover from the session's initial losses.
- Lack of buying around current levels weighed on prices.
- Arrivals increased in various mandis.
- Buyers are looking for better prices in the coming days.
- Overall tone is positive amid lower supply in the domestic market.
- Imports of cotton from Africa added to the weak tone of the market.
- According to CCI, till date around 22.56 million bales of cotton has arrived in the country.

Cotton International Fundamentals

- Australian cotton projection for 2013-14 is lower by 9 lakh bales, as area under cotton planting is likely to be down.
- Cotton futures at NYMEX closed lower amid profit –booking around higher levels.
- Cotton prices in Pakistan reached to two and a half year high following shortage of quality cotton in the domestic market and firm tone in the overseas markets.
- According to USDA, world inventories will total 81.74 million bales in the year ending July 31, down from the February estimate of 81.86 million bales.

Outlook: We expect domestic cotton prices to notice sideways to weak tone amid lack of buying around current levels.

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

Contract	+/-	Open	High	Low	Close
Mar-13	0	0.00	0.00	0.00	0.00
Apr-13	6	973	978.5	966.5	976.00

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

Contract	+/-	Open	High	Low	Close
Mar -13	-2.6	911.2	918	911	912.00
Apr-13	5.4	971.3	978.7	968.2	976.4

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-13	0	-1	2	1
Apr-13	7589	-338	11445	-338

Volumes and OI lots

Contract	Volume	Change	OI	Change
Mar -13	205	62	968	-52
Apr-13	975	15	1622	-45

Spread Feb-13 Apr-13

Basis	-160	
Mar-13		-38
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	88.5	
Mar -13		52
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	0.7	18700	18840	18700	18780
30-Apr-13	0.69	19000	19150	19000	19100
31-May-13	0.52	19390	19470	19350	19400
28-Jun-13	0.46	19660	19720	19600	19640
31-Jul-13	0.51	19990	19990	19840	19850

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	14-3-2013	13-3-2013	
Amravati-Vunni Mech-1#	4850	4800	50
Kadi-Bt Cotton#	5200	5000	200
Abohar-J-34*	4225	4180	45
Muktsar-J-34 *(Cotton)	4225	4185	40
*(Kapas BT Cotton)	5050	5000	50
Ahmedabad-Shankar-6#	5000	5000	Unch
Fajlika *(Cotton New)	4180	4130	50
*(Kapas BT Cotton)	4980	4886	94
Khandwa-(M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Gondal	4940	4905	35
Rajkot-(B.T)	4925	4900	25
Sri-Ganganagar	4120	4070	50
Patan(B.T. Cotton)	4925	4925	Unch

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	14-3-2013	13-3-2013	
Amravati -Vunni Mech-1#	2500	3000	-500
Kadi -Bt Cotton	25000	20000	5000
Abohar-J-34*	400	500	-100
Muktsar-J-34 *(Kapas BT Cotton)	300	300	Unch
Ahmedabad - Shankar-6#	20000	20000	Unch
Fajlika *(Kapas BT Cotton)	1200	1200	Unch
Khandwa (M.P)	-	-	-
Khargaon-(M.P)	-	-	-
Gondal	1070	730	340
Rajkot-(B.T)	3400	3500	-100
Sri-Ganganagar	3000	4000	-1000

Patan(B.T. Cotton)	7600	6171	1429
--------------------	------	------	-------------

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

Cotton Association of India Spot Rates: 13/03/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (13/03/2013)	Rs. Per Candy (12/03/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	35900	36100	-200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	36900	37100	-200
J-34(202)	26mm	3.5 - 4.9	23	38200	38100	+100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37500	37700	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	38200	38200	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39000	39200	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	47800	47800	Unch

Cotlook Index: As on 13/03/2013

Cotlook Indices	Cents/Pound	Change
A-Index	93.80	+0.35

China Cotton Index: As on 14/03/2013

Index	RMB/Ton	Change
CCIndex(328)	19356	+5
CCIndex(527)	16977	Unch
CCIndex(229)	20070	+2

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

USDA Cotton Spot Rates: As on 13/03/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	86.11	89.36	700
North Delta	85.11	87.61	202
South Delta	85.11	87.61	NIL
East TX-OK	80.75	83.75	371
West Texas	80.75	84	1139
Desert SW	82.11	88.61	NIL
SJ Valley	82.86	93.51	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 13/03/2013

Contract	Open	High	Low	Close	Change
13-Mar	87.2	89.15	87.2	88.61	1.28
13-May	88.13	90.01	88.1	89.55	1.39
13-Jul	87.77	88.66	87.77	88.52	0.98
13-Oct	86.66	87.72	86.58	87.51	0.55
13-Dec	85.83	86.59	85.83	86.59	0.5
14-Mar	85.41	86.29	85.41	86.29	0.4

Pakistan Cotton Spot rates: As on 13/03/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6750	155	6905
Equivalent	40 Kgs	7234	155	7389

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2013 Indian Agribusiness Systems Pvt Ltd.

