

**Cotton Domestic Fundamentals:**

- Cotton prices noticed mixed tone on Tuesday.
- 90-95 thousand bales of arrivals are reported across India.
- Indian millers don't have enough stocks to fill demand gap.
- Cotton textile exports set to grow at 9 percent to \$9.56 billion in the current fiscal year.
- Domestic spot prices have hit highest of the current season with benchmark Shankar-6 candy at Rs.38,500. This is due to rising demand from China, falling arrivals, holding of stocks by state agencies and stockiest. Chinese demand which has been growing, has allocated as much as 52.5 lakh bales of import quotas earlier in February 2013.

**Cotton International Fundamentals**

- US cotton futures continue to rise on high export demand.
- Egypt agreed to export 5,615 metric tons of cotton in the week ending March 14. The country has shipped 51,170 tons of the fiber.
- Cotton ICE futures reached a high of 94.0 cents a pound on higher US exports to China.
- World cotton surplus estimates are projected lower with rising demand of China. World inventories will total 81.74 million bales in the year ending July 31, down from the February estimate of 81.86 million, the USDA said today in a report.

**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	7	968.5	977.5	963.5	976.50

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

Contract	+/-	Open	High	Low	Close
Mar -13	3	909.5	911.9	904	910
Apr-13	6.4	967.8	976	963.1	975.2

**Volumes and OI in Lots**

Contract	Volume	Change	OI	Change
Mar-13	0	-1	1	-1
Apr-13	7902	-507	9743	-507

**Volumes and OI lots**

Contract	Volume	Change	OI	Change
Mar -13	68	-334	733	-3
Apr-13	1014	-72	1436	34

**Spread Feb-13 Apr-13**

Basis	-170	
Mar-13		-48
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	98.5	
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	0.75	18740	18880	18670	18860
30-Apr-13	0.63	19060	19190	18990	19160
31-May-13	0.57	19380	19490	19280	19470
28-Jun-13	0.46	19620	19740	19530	19710
31-Jul-13	0.5	19910	19980	19820	19980

**Cotton Prices at Key Spot Markets**

Centre	Prices		Change
	19-3-2013	18-3-2013	
Amravati-Vunni Mech-1#	5000	4900	100
Kadi-Bt Cotton#	5000	5100	-100
Abohar-J-34*	4210	4215	-5
Muktsar-J-34 *(Cotton )	4210	4200	10
*(Kapas BT Cotton)	4900	5000	-100
Ahmedabad-Shankar-6#	5050	5050	Unch
Fajlika *(Cotton New)	4170	4230	-60
*(Kapas BT Cotton)	4967	4970	-3
Khandwa-(M.P)	4700	-	-
Khargaon-(M.P)	4700	-	-
Gondal	4760	4960	-200
Rajkot-(B.T)	4965	4975	-10
Sri-Ganganagar	4080	4070	10
Patan(B.T. Cotton)	-	4820	-

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

**Cotton Arrivals in Key Centers**

Centre	Arrivals		Change
	19-3-2013	18-3-2013	
Amravati -Vunni Mech-1#	300	1000	-700
Kadi -Bt Cotton	20000	25000	-5000
Abohar-J-34*	600	600	Unch
Muktsar-J-34 *(Kapas BT Cotton)	250	300	-50
Ahmedabad - Shankar-6#	20000	20000	Unch
Fajlika *(Kapas BT Cotton)	1600	1500	100
Khandwa (M.P)	1500	-	-
Khargaon-(M.P)	6000	-	-
Gondal	1349	889	460
Rajkot-(B.T)	2500	3150	-650

Sri-Ganganagar	4000	5000	<b>-1000</b>
Patan(B.T. Cotton)	-	7478	-

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

**Cotton Association of India Spot Rates: 19/03/2013**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (19/03/2013)	Rs. Per Candy (16/03/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	35600	36100	<b>-500</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	36600	37100	<b>-500</b>
J-34(202)	26mm	3.5 - 4.9	23	37800	38700	<b>-900</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38200	38600	<b>-400</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	39000	39300	<b>-300</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40000	40200	<b>-200</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	48000	48200	<b>-200</b>

**Cotlook Index: As on 18/03/2013**

Cotlook Indices	Cents/Pound	Change
A-Index	98.85	<b>+1.75</b>

**China Cotton Index: As on 19/03/2013**

Index	RMB/Ton	Change
CCIndex(328)	19363	<b>+1</b>
CCIndex(527)	16983	<b>+2</b>
CCIndex(229)	20077	<b>+2</b>

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

**USDA Cotton Spot Rates: As on 18/03/2013**

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	88.58	91.83	<b>913</b>
North Delta	87.33	89.83	<b>NIL</b>
South Delta	87.33	89.33	<b>NIL</b>
East TX-OK	83	85.75	<b>1132</b>
West Texas	83	86	<b>945</b>
Desert SW	84.33	90.83	<b>NIL</b>
SJ Valley	85.33	95.98	<b>NIL</b>

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 18/03/2013**

Contract	Open	High	Low	Close	Change
13-Mar	92.41	92.5	89.8	90.83	-1.67
13-May	92.63	92.63	90.43	91.38	-1.38
13-Jul	89.09	89.09	89.09	89.09	-0.34
13-Oct	88.02	88.45	87.05	88.39	-0.12
13-Dec	87.64	87.75	86.86	87.7	-0.14
14-Mar	86.58	87.3	86.51	87.3	-0.32

**Pakistan Cotton Spot rates: As on 18/03/2013 (in Pakistan Rupees)**

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6800	155	6955
Equivalent	40 Kgs	7288	155	7443

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