

Cotton Domestic Fundamentals:

- Cotton prices noticed strong tone on Wednesday except Amravati.
- CCI is likely to offload around 4 lakh bales of cotton in domestic market along with NAFED, which could auction 3.63 lakh bales, by first week of April. This move is likely to ease prices which are firm at Rs38,500 a candy.
- 1.07 lakh 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.

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	2.5	978	983	972	977.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Mar-13	0	-1	1	-1
Apr-13	5777	-506	9744	-506

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

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

Contract	+/-	Open	High	Low	Close
Mar -13	3.9	911.8	916.9	907	913
Apr-13	1.5	974	981.6	972	975.3

Volumes and OI lots

Contract	Volume	Change	OI	Change
Mar -13	226	-176	688	-48
Apr-13	989	-97	1484	82

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	0.64	18890	19010	18830	18950
30-Apr-13	0.52	19210	19330	19150	19260
31-May-13	0.67	19480	19630	19450	19570
28-Jun-13	0.46	19720	19870	19700	19810
31-Jul-13	0.7	20000	20100	19840	20040

Cotton Prices at Key Spot Markets

Centre	Prices		Change
	20-3-2013	19-3-2013	
Amravati-Vunni Mech-1#	4900	5000	-100
Kadi-Bt Cotton#	5100	5000	100
Abohar-J-34*	4225	4210	15
Muktsar-J-34 *(Cotton)	4225	4210	15
#(Kapas BT Cotton)	4950	4900	50
Ahmedabad-Shankar-6#	5050	5050	Unch
Fajlika #(Cotton New) #(Kapas BT Cotton)	4200	4170	30
	5040	4967	73
Khandwa-(M.P)	4750	4700	50
Khargaon-(M.P)	4750	4700	50
Gondal	4760	4760	Unch
Rajkot-(B.T)	4975	4965	10
Sri-Ganganagar	4080	4080	Unch
Patan(B.T. Cotton)	4975	-	-

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

Cotton Arrivals in Key Centers

Centre	Arrivals		Change
	20-3-2013	19-3-2013	
Amravati -Vunni Mech-1#	400	300	100
Kadi -Bt Cotton	12500	20000	-7500
Abohar-J-34*	600	600	Unch
Muktsar-J-34 #(Kapas BT Cotton)	300	250	50
Ahmedabad - Shankar-6#	22000	20000	2000
Fajlika #(Kapas BT Cotton)	1300	1600	-300
Khandwa (M.P)	1200	1500	-300
Khargaon-(M.P)	6000	6000	Unch
Gondal	700	1349	-649
Rajkot-(B.T)	2600	2500	100
Sri-Ganganagar	4000	4000	Unch

Patan(B.T. Cotton)	6641	-	-
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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: 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	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	36600	37100	-500
J-34(202)	26mm	3.5 - 4.9	23	37800	38700	-900
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38200	38600	-400
Shankar-6(105)	29mm	3.5 - 4.9	28	39000	39300	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40000	40200	-200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	48000	48200	-200

Cotlook Index: As on 19/03/2013

Cotlook Indices	Cents/Pound	Change
A-Index	97.45	-1.40

China Cotton Index: As on 20/03/2013

Index	RMB/Ton	Change
CCIndex(328)	19364	+1
CCIndex(527)	16983	Unch
CCIndex(229)	20077	Unch

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

USDA Cotton Spot Rates: As on 19/03/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	88.88	92.13	233
North Delta	87.63	90.13	NIL
South Delta	87.63	90.13	53
East TX-OK	83.25	86	1486
West Texas	83.25	86.25	243
Desert SW	84.63	91.13	NIL
SJ Valley	85.63	96.28	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 19/03/2013

Contract	Open	High	Low	Close	Change
13-Mar	90.83	91.67	90.45	91.13	0.3
13-May	91.31	91.99	90.92	91.53	0.15
13-Jul	89.2	89.2	89.02	89.15	0.06
13-Oct	88	88.53	87.56	88.26	-0.13
13-Dec	87.75	87.75	87.02	87.62	-0.08
14-Mar	86.65	87.29	86.65	87.29	-0.01

Pakistan Cotton Spot rates: As on 19/03/2013 (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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