

Cotton Domestic Fundamentals:

- Cotton prices noticed mixed tone on Monday.
- Cotton prices raised on good demand from millers.
- Cotton Consumption by SSI mill consumption stood at 1.94 lakh bales, 70 thousand more than same period last year. Consumption by non-SSI was 20.8 lakh bales in January -2013 up by 13.6 percent from same period last year. Total mill consumption was at 22.7 lakh bales which is 2.4 lakh bales more than last year, as per data from Textile Commissioner Office.

Cotton International Fundamentals

- US cotton raised on the speculations of lower than expected harvested area for cotton in upcoming USDA plantation report.
- Pakistan levied 2 percent duty on imported cotton, which is likely to affect Indian exports to same.
- There is power shortage in Australia that could hamper production hence giving gap for importers.

Outlook: We expect domestic cotton prices to notice steady to weak tone in the coming days amid lack of demand in the spot market.

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

| Contract | +/- | Open | High | Low | Close |
|----------|------|-------|-------|-------|-------|
| Apr-13 | -0.5 | 939.0 | 939.0 | 922.0 | 925.5 |

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

| Contract | +/- | Open | High | Low | Close |
|----------|------|-------|-------|-------|-------|
| Mar -13 | 7.70 | 871 | 880 | 871 | 878.4 |
| Apr-13 | 0.80 | 949.3 | 953.4 | 941.5 | 949.3 |

Volumes and OI in Lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Apr-13 | 6712 | -743 | 8442 | -743 |

Volumes and OI lots

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Mar -13 | 193 | 0 | 117 | 0 |
| Apr-13 | 791 | -474 | 1461 | 15 |

Spread Feb-13 Apr-13

| Spread | Feb-13 | Apr-13 |
|----------|--------|--------|
| Basis | -170 | |
| Mar-13 | | -84.5 |
| April-13 | | |

Spread Feb-13 Apr-13

| Spread | Feb-13 | Apr-13 |
|----------|--------|--------|
| Basis | 142.6 | |
| Mar -13 | | 58 |
| April-13 | | |

NB: Spread was done by taking avg spot prices at Ahmedabad – Shankar-6 market. Basis = Spot- April

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| Contract | % Change | Open | High | Low | Close |
|-----------|----------|-------|-------|-------|-------|
| 30-Apr-13 | 0.05 | 19370 | 19400 | 19230 | 19340 |
| 31-May-13 | 0.1 | 19700 | 19750 | 19570 | 19680 |
| 28-Jun-13 | 0.05 | 19850 | 19920 | 19770 | 19870 |
| 31-Jul-13 | 0.2 | 20130 | 20130 | 19950 | 20060 |

Cotton Prices at Key Spot Markets

| Centre (1 bale = 170 Kg) | Prices (Rs/Qtl) | | Change |
|--------------------------|-----------------|-----------|--------|
| | 1-Apr-13 | 30-Mar-13 | |
| Amravati-Vunni Mech-1# | 4750 | 4800 | -50 |
| Mahesana-Kadi-Bt Cotton# | 5200 | 5100 | 100 |
| Abohar-J-34* | - | 4250 | - |
| Muktsar-J-34 *(Cotton) | 4280 | 4250 | 30 |
| *(Kapas BT Cotton) | 5100 | 5000 | 100 |
| Ahmedabad-Shankar-6# | - | - | - |
| Fajlika *(Cotton New) | 4200 | 4210 | -10 |
| *(Kapas BT Cotton) | 5040 | 5090 | -50 |
| Khandwa-(M.P) | - | - | - |
| Khargaon-(M.P) | - | - | - |
| Gondal | - | - | - |
| Rajkot-(B.T) | - | - | - |
| Sri-Ganganagar | 4150 | 4140 | 10 |
| Patan(B.T. Cotton) | - | - | - |

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

Cotton Arrivals in Key Centers

| Centre (1 bale = 170 Kg) | Arrivals | | Change |
|---------------------------------|----------|-----------|--------|
| | 1-Apr-13 | 30-Mar-13 | |
| Amravati -Vunni Mech-1# | 1000 | 1200 | -200 |
| Mahesana-Kadi -Bt Cotton | 50 | 100 | -50 |
| Abohar-J-34* | - | 500 | - |
| Muktsar-J-34 *(Kapas BT Cotton) | 300 | 350 | -50 |
| Ahmedabad - Shankar-6# | - | - | - |
| Fajlika*(Kapas BT Cotton) | 175 | 800 | -625 |
| Khandwa (M.P) | - | - | - |
| Khargaon-(M.P) | - | - | - |
| Gondal | - | - | - |

| | | | |
|--------------------|------|------|-------|
| Rajkot-(B.T) | - | - | - |
| Sri-Ganganagar | 6423 | 8564 | -2141 |
| Patan(B.T. Cotton) | - | - | - |

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

Cotton Association of India Spot Rates: 30/03/2013

| Trade Name | Staple | Micronaire | Strength/ GPT | Rs. Per Candy (29/03/2013) | Rs. Per Candy (29/03/2013) | Change |
|---------------------------------------|------------|------------|------------------|----------------------------------|----------------------------------|--------|
| Bengal Deshi (RG)/ Assam Comilla(101) | Below 22mm | 5.0 - 7.0 | 15 | 35300 | 35200 | +100 |
| Bengal Deshi (SG)(201) | Below 22mm | 5.0 - 7.0 | 15 | 36100 | 36000 | +100 |
| J-34(202) | 26mm | 3.5 - 4.9 | 23 | 37800 | 37600 | +200 |
| H-4/ MECH-1(105) | 28mm | 3.5 - 4.9 | 27 | 38300 | 38100 | +200 |
| Shankar-6(105) | 29mm | 3.5 - 4.9 | 28 | 38800 | 38600 | +200 |
| Bunny/ Brahma(105) | 31mm | 3.5 - 4.9 | 30 | 40000 | 39900 | +100 |
| MCU-5/ Surabhi(106) | 32mm | 3.3 - 4.9 | 31 | - | - | - |
| DCH-32(107) | 34mm | 3.0 - 3.8 | 33 | 50000 | 49500 | +500 |

Cotlook Index: As on 28/03/2013

| Cotlook Indices | Cents/Pound | Change |
|-----------------|-------------|--------|
| A-Index | 94.80 | +0.20 |

China Cotton Index: As on 1/04/2013

| Index | RMB/Ton | Change |
|--------------|---------|--------|
| CCIndex(328) | 19377 | +2 |
| CCIndex(527) | 16995 | +2 |
| CCIndex(229) | 20077 | Unch |

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

USDA Cotton Spot Rates: As on 28/03/2013

| Growth Area | Leaf 4 to Staple 34 | Leaf 3 to Staple 35 | Arrivals |
|-------------|---------------------|---------------------|----------|
| | cents/lb. | | bales |
| Southeast | 86.21 | 89.46 | NIL |
| North Delta | 84.96 | 87.46 | NIL |
| South Delta | 84.96 | 87.46 | NIL |
| East TX-OK | 81 | 83.75 | 1588 |
| West Texas | 81 | 84 | 176 |
| Desert SW | 81.96 | 88.46 | NIL |

| | | | |
|-----------|-------|-------|------------|
| SJ Valley | 82.96 | 93.61 | 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 28/03/2013

| Contract | Open | High | Low | Close | Change |
|---------------|-------|-------|-------|-------|--------------|
| 13-May | 88.44 | 90.27 | 87.93 | 88.46 | -0.07 |
| 13-Jul | 89.7 | 91.58 | 89.2 | 89.81 | 0.01 |
| 13-Oct | 88.56 | 88.56 | 87.73 | 87.73 | -0.07 |
| 13-Dec | 87.2 | 88.48 | 86.9 | 87.37 | 0.12 |
| 14-Mar | 87.07 | 88 | 87 | 87.18 | 0.17 |
| 14-May | 86.6 | 87 | 86.6 | 86.82 | 0.15 |

Pakistan Cotton Spot rates: As on 30/03/2013 (in Pakistan Rupees)

| Product | Rate for | Ex-Gin Price | Up Country Sales | Spot Rate Karachi |
|-------------------|-----------|--------------|------------------|-------------------|
| Cotton | 37.32 Kgs | 6900 | 155 | 7055 |
| Equivalent | 40 Kgs | 7395 | 155 | 7550 |

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