

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Wednesday.
- Cotton prices are likely to firm in coming days amid good demand from millers in domestic market and
- 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

- China imported 37.88 lakh tons of cotton in Feb 2013 which take total import in 2013 at 83.6 lakh tons.
- China kept volumes of cotton steady which are offered from its state reserves on Monday, defying expectations that it could ramp up sales to help ease tight domestic supplies after stockpiling most of the domestic crop reported Reuters.
- 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	-3.5	945.5	949.5	934.0	941.00

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

Contract	+/-	Open	High	Low	Close
Apr-13	-1.50	943	947	933.9	940.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	5003	125	8596	125

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-13	807	-692	1448	-38

Spread Feb-13 Apr-13

Spread	Feb-13	Apr-13
Basis	-170	
April-13		

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

Spread Feb-13 Apr-13

Spread	Feb-13	Apr-13
Basis	142.6	
April-13		

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

Contract	% Change	Open	High	Low	Close
30-Apr-13	0.26	19330	19350	19190	19280
31-May-13	0.2	19620	19660	19500	19580
28-Jun-13	0.1	19800	19840	19690	19750
31-Jul-13	0.1	20000	20000	19920	19940

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	3-Apr-13	2-Apr-13	
Amravati-Vunni Mech-1#	-	-	-
Mahesana-Kadi-Bt Cotton#	5200	5200	Unch
Abohar-J-34*	4240	4220	20
Muktsar-J-34 *(Cotton)	4215	4240	-25
*(Kapas BT Cotton)	5000	4950	50
Ahmedabad-Shankar-6#	5050	-	-
Fajlika *(Cotton New)	4210	4210	Unch
*(Kapas BT Cotton)	4970	4985	-15
Khandwa-(M.P)	5050	4800	250
Khargaon-(M.P)	5050	4800	250
Gondal	5050	5020	30
Rajkot-(B.T)	5085	5125	-40
Sri-Ganganagar	4100	4125	-25
Patan(B.T. Cotton)	5250	5125	125

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	3-Apr-13	2-Apr-13	
Amravati -Vunni Mech-1#	-	-	-
Mahesana-Kadi -Bt Cotton	100	100	Unch
Abohar-J-34*	600	500	100
Muktsar-J-34 *(Kapas BT Cotton)	350	300	50
Ahmedabad - Shankar-6#	15000	-	-
Fajlika#(Kapas BT Cotton)	1000	1000	Unch
Khandwa (M.P)	600	-	-
Khargaon-(M.P)	3000	-	-
Gondal	732	564	168
Rajkot-(B.T)	1600	1050	550

Sri-Ganganagar	6423	6423	Unch
Patan(B.T. Cotton)	2500	2286	214

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

Cotton Association of India Spot Rates: 2/4/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (2/04/2013)	Rs. Per Candy (1/04/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	34700	35100	-400
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	35600	36000	-400
J-34(202)	26mm	3.5 - 4.9	23	38100	38500	-400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38200	38500	-300
Shankar-6(105)	29mm	3.5 - 4.9	28	38900	39200	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40200	40500	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	-	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	50000	50000	Unch

Cotlook Index: As on 2/04/2013

Cotlook Indices	Cents/Pound	Change
A-Index	94.00	-0.80

China Cotton Index: As on 3/4/2013

Index	RMB/Ton	Change
CCIndex(328)	19383	+3
CCIndex(527)	17001	+6
CCIndex(229)	20079	+2

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

USDA Cotton Spot Rates: As on 2/4/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	86.62	89.87	NIL
North Delta	85.37	87.87	NIL
South Delta	85.37	87.87	NIL
East TX-OK	82.25	85.00	10
West Texas	82.25	85.25	2459
Desert SW	82.37	88.87	96
SJ Valley	83.37	94.02	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 2/4/2013

Contract	Open	High	Low	Close	Change
13-May	87.39	89.69	87.21	88.87	+1.48
13-Jul	88.82	91.15	88.60	90.34	+1.50
13-Oct	87.35	89.40	87.35	88.85	+1.50
13-Dec	86.53	88.10	86.53	87.54	+0.61
14-Mar	86.99	87.45	86.95	87.32	+0.65
14-May	86.70	87.13	86.70	87.13	+0.74

Pakistan Cotton Spot rates: As on 2/4/2013 (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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