

**Cotton Domestic Fundamentals:**

- Cotton prices continued steady to firm tone on Thursday except slight weakness in Gondal market.
- Buying interest from millers around current levels supported prices.
- Firm tone in the international market lend some support to prices.
- Lower arrivals in various mandis added to the positive tone of the market.
- Arrivals in northern India are reported to be around 9000 bales.
- According to the Indian Cotton Confederation, production of cotton in 2012 -13 is estimated to be around 326 lakh bales.
- Export registration for cotton is likely to exceed the set limit of 80 lakh bales amid good Chinese demand according to the Cotton Advisory Board.
- India shipped 13 lakh bales of cotton in Month of March 2013, while imports stood at 0.5 lakh bales.
- Total Exports in current season 2012-13 stood at 79.25 lakh bales while imports are at 7.25 lakh bales.
- Increase in yarn prices during the last few weeks is likely to affect exports of apparel in the coming days.
- Cotton prices are likely to continue steady to firm tone amid lower arrivals in mandis.

**Cotton International Fundamentals**

- Cotton futures at NYMEX closed higher amid lower global ending stocks of cotton. (China not included). Higher exports amid good demand from China added to the positive tone of the market.
- According to China Cotton Association, it will start procuring cotton at same price compared to previous year in order to stabilize domestic production.
- According to Pakistan Ginner's Association, production of cotton in the first nine months ending on March 31, 2013 is estimated at 12.88 million bales compared to 14.67 million bales during the same period previous year.

**Outlook:** We expect domestic cotton prices to continue steady to firm tone amid lower arrivals in the mandis.

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

| Contract | +/-   | Open  | High  | Low   | Close |
|----------|-------|-------|-------|-------|-------|
| Apr-13   | -11.0 | 945.0 | 949.0 | 914.0 | 931   |

**Volumes and OI in Lots**

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Apr-13   | 5845   | 1513   | 6482 | 1513   |

**Spread Feb-13 Apr-13**

Basis 79.0

**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 |
|----------|--------|-------|--------|-------|-------|
| Apr-13   | -12.10 | 941.9 | 945    | 922.5 | 926.2 |
| Apr-14   | 7.80   | 1070  | 1084.8 | 1068  | 1078  |
| May-14   |        |       |        |       |       |

**Volumes and OI lots**

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Apr-13   | 1141   | 245    | 1409 | 52     |
| Apr-14   | 265    | -385   | 449  | 30     |
| May-14   |        |        |      |        |

**Spread Apr-13 Apr-14 May-14**

| Basis    | Apr-13 | Apr-14 | May-14 |
|----------|--------|--------|--------|
| April-13 | -      | -68.00 |        |
| April-14 | -      | -      | -      |
| May-14   | -      | -      | -      |

**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 |
|-----------|----------|-------|-------|-------|-------|
| 30-Apr-13 | -0.47    | 19100 | 19180 | 18910 | 18960 |
| 31-May-13 | -0.46    | 19400 | 19490 | 19230 | 19280 |
| 28-Jun-13 | -0.41    | 19620 | 19720 | 19450 | 19510 |
| 31-Jul-13 | -0.2     | 19820 | 19900 | 19670 | 19720 |

**Cotton Prices at Key Spot Markets**

| Centre (1 bale = 170 Kg) | Prices (Rs/Qtl) |           | Change |
|--------------------------|-----------------|-----------|--------|
|                          | 11-Apr-13       | 10-Apr-13 |        |
| Amravati-Vunni Mech-1#   | 4925            | 4800      | 125    |
| Mahesana-Kadi-Bt Cotton# | 5100            | 5000      | 100    |
| Abohar-J-34*             | 4190            | 4045      | 145    |
| Muktsar-J-34 *(Cotton )  | 4200            | 4155      | 45     |
| #(Kapas BT Cotton)       | 4950            | 4900      | 50     |
| Ahmedabad-Shankar-6#     | 5050            | 5050      | Unch   |
| Fajlika    #(Cotton New) | 4160            | 4105      | 55     |
| #(Kapas BT Cotton)       | 4871            | 4796      | 75     |
| Khandwa-(M.P)            | -               | -         | -      |
| Khargaon-(M.P)           | -               | -         | -      |
| Gondal                   | 5000            | 5005      | -5     |
| Rajkot-(B.T)             | 5040            | -         | -      |
| Sri-Ganganagar           | 4110            | 4050      | 60     |
| Patan(B.T. Cotton)       | 5000            | -         | -      |
| Bhiwani- *(Cotton )      | 4180            | 4100      | 80     |
| #(Kapas BT Cotton)       | 4870            | 4750      | 120    |

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

**Cotton Arrivals in Key Centers**

| Centre (1 bale = 170 Kg)        | Arrivals  |           | Change |
|---------------------------------|-----------|-----------|--------|
|                                 | 11-Apr-13 | 10-Apr-13 |        |
| Amravati -Vunni Mech-1#         | 3000      | 1500      | 1500   |
| Mahesana-Kadi -Bt Cotton        | 50        | 50        | Unch   |
| Abohar-J-34*                    | 400       | 500       | -100   |
| Muktsar-J-34 #(Kapas BT Cotton) | 200       | 260       | -60    |
| Ahmedabad - Shankar-6#          | 18000     | 18000     | Unch   |

|                            |      |      |              |
|----------------------------|------|------|--------------|
| Fajlika#(Kapas BT Cotton)  | 1000 | 2500 | <b>-1500</b> |
| Khandwa (M.P)              | -    | -    | -            |
| Khargaon-(M.P)             | -    | -    | -            |
| Gondal                     | 746  | 801  | <b>-55</b>   |
| Rajkot-(B.T)               | 2100 | -    | -            |
| Sri-Ganganagar             | 4282 | 4282 | <b>Unch</b>  |
| Patan(B.T. Cotton)         | 4400 | -    | -            |
| Bhiwani #(Kapas BT Cotton) | 500  | 500  | <b>Unch</b>  |

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

**Cotton Association of India Spot Rates:10/4/2013**

| Trade Name                            | Staple     | Micronaire | Strength/<br>GPT | Rs. Per<br>Candy<br>(10/4/2013) | Rs. Per<br>Candy<br>(8/4/2013) | Change      |
|---------------------------------------|------------|------------|------------------|---------------------------------|--------------------------------|-------------|
| Bengal Deshi (RG)/ Assam Comilla(101) | Below 22mm | 5.0 - 7.0  | 15               | 34200                           | 34200                          | <b>Unch</b> |
| Bengal Deshi (SG)(201)                | Below 22mm | 5.0 - 7.0  | 15               | 35100                           | 35100                          | <b>Unch</b> |
| J-34(202)                             | 26mm       | 3.5 - 4.9  | 23               | 37500                           | 37500                          | <b>Unch</b> |
| H-4/ MECH-1(105)                      | 28mm       | 3.5 - 4.9  | 27               | 38400                           | 38300                          | <b>100</b>  |
| Shankar-6(105)                        | 29mm       | 3.5 - 4.9  | 28               | 39000                           | 38800                          | <b>200</b>  |
| Bunny/<br>Brahma(105)                 | 31mm       | 3.5 - 4.9  | 30               | 40400                           | 40100                          | <b>300</b>  |
| MCU-5/<br>Surabhi(106)                | 32mm       | 3.3 - 4.9  | 31               | 41400                           | 41100                          | <b>300</b>  |
| DCH-32(107)                           | 34mm       | 3.0 - 3.8  | 33               | 50000                           | 49800                          | <b>200</b>  |

**Cotlook Index: As on 10/4/2013**

| Cotlook Indices | Cents/Pound | Change       |
|-----------------|-------------|--------------|
| A-Index         | 91.75       | <b>-0.40</b> |

**China Cotton Index: As on 10/4/2013**

| Index        | RMB/Ton | Change    |
|--------------|---------|-----------|
| CCIndex(328) | 19386   | -         |
| CCIndex(527) | 17009   | <b>+2</b> |
| CCIndex(229) | 20085   | <b>+1</b> |

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

**USDA Cotton Spot Rates: As on 10/4/2013**

| Growth Area | Leaf 4 to Staple 34 | Leaf 3 to Staple 35 | Arrivals  |
|-------------|---------------------|---------------------|-----------|
|             | cents/lb.           |                     | bales     |
| Southeast   | 83.37               | 86.62               | <b>33</b> |

|             |       |       |     |
|-------------|-------|-------|-----|
| North Delta | 82.12 | 84.62 | NIL |
| South Delta | 82.12 | 84.62 | NIL |
| East TX-OK  | 80    | 82.75 | NIL |
| West Texas  | 80    | 83    | 19  |
| Desert SW   | 78.87 | 85.37 | NIL |
| SJ Valley   | 79.87 | 90.52 | 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 10/4/2013**

| Contract | Open  | High  | Low   | Close | Change |
|----------|-------|-------|-------|-------|--------|
| 13-May   | 84.64 | 86.53 | 84.64 | 85.37 | 0.73   |
| 13-Jul   | 86.66 | 88.5  | 86.61 | 87.48 | 0.87   |
| 13-Oct   | 86.96 | 86.96 | 86.96 | 86.96 | 0.87   |
| 13-Dec   | 86.05 | 87.48 | 85.85 | 86.57 | 0.78   |
| 14-Mar   | 86.5  | 86.99 | 85.97 | 86.6  | 0.7    |
| 14-May   | 86.55 | 86.55 | 86.55 | 86.55 | 0.7    |

**Pakistan Cotton Spot rates: As on 10/4/2013 (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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