

Cotton Domestic Fundamentals:

- Cotton prices noticed steady to weak tone on Friday except slight firmness in Ahmedabad, Gondal and Rajkot markets.
- Millers are buying in small quantities around current levels.
- Lower demand for yarn added to the weak tone of the market.
- Arrivals in the country are reported to be around 70000 bales.
- According to the Indian Cotton Confederation, production of cotton in 2012 -13 is estimated to be around 326 lakh bales.
- According to industry sources, imports of cotton in the current season is likely to be higher compared to the previous season's import of 12 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.
- Total Exports in current season 2012-13 stood at 79.25 lakh bales while imports are at 7.25 lakh bales.
- Cotton prices are likely to notice steady to weak tone amid lack of demand around current levels.

Cotton International Fundamentals

- Cotton futures at NYMEX noticed firm tone amid expectation of higher demand from China.
- 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 notice steady to weak tone amid lower demand around current levels.

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

Contract	+/-	Open	High	Low	Close
Apr-13	2.5	926.5	937.0	924.0	932

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	3084	-43	6439	-43

Spread Feb-13 Apr-13

Basis 88.0

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	1.40	922.1	932	921.5	927.50
Apr-14	-1.30	1078	1079.5	1075	1076
May-14					

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-13	429	-712	1390	-19
Apr-14	66	-199	453	4
May-14				

Spread Apr-13 Apr-14 May-14

Spread	Apr-13	Apr-14	May-14
Basis	92.50	-	
April-13	-	-56.00	
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	-0.37	18900	18970	18840	18900
31-May-13	-0.31	19230	19290	19160	19230
28-Jun-13	-0.36	19430	19520	19390	19460
31-Jul-13	-0.25	19590	19720	19590	19680

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	12-Apr-13	11-Apr-13	
Amravati-Vunni Mech-1#	4900	4925	-25
Mahesana-Kadi-Bt Cotton#	5100	5100	Unch
Abohar-J-34*	4150	4190	-40
Muktsar-J-34 *(Cotton)	4150	4200	-50
#(Kapas BT Cotton)	4840	4950	-110
Ahmedabad-Shankar-6#	5100	5050	50
Fajlika #(Cotton New)	4125	4160	-35
#(Kapas BT Cotton)	4850	4871	-21
Khandwa-(M.P)	4950	-	-
Khargaon-(M.P)	4950	-	-
Gondal	5025	5000	25
Rajkot-(B.T)	5075	5040	35
Sri-Ganganagar	4070	4110	-40
Patan(B.T. Cotton)	5000	5000	Unch
Bhiwani- *(Cotton)	4070	4180	-110
#(Kapas BT Cotton)	4770	4870	-100

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	12-Apr-13	11-Apr-13	
Amravati -Vunni Mech-1#	1500	3000	-1500
Mahesana-Kadi -Bt Cotton	50	50	Unch
Abohar-J-34*	800	400	400
Muktsar-J-34 #(Kapas BT Cotton)	260	200	60
Ahmedabad - Shankar-6#	20000	18000	2000

Fajlika#(Kapas BT Cotton)	1000	1000	Unch
Khandwa (M.P)	2000	-	-
Khargaon-(M.P)	2000	-	-
Gondal	619	746	-127
Rajkot-(B.T)	2700	2100	600
Sri-Ganganagar	4282	4282	Unch
Patan(B.T. Cotton)	4400	4400	Unch
Bhiwani #(Kapas BT Cotton)	400	500	-100

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

Cotlook Index: As on 11/4/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.60	0.85

China Cotton Index: As on 12/4/2013

Index	RMB/Ton	Change
CCIndex(328)	19387	1
CCIndex(527)	17009	-
CCIndex(229)	20085	2

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

USDA Cotton Spot Rates: As on 11/4/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.66	85.91	1

North Delta	81.66	84.16	968
South Delta	81.66	84.16	524
East TX-OK	79.25	82.00	839
West Texas	79.25	82.25	28
Desert SW	78.16	84.66	NIL
SJ Valley	79.16	89.81	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 11/4/2013 (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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