

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Wednesday except Gondal and Sri Ganganagar.
- CCI is likely to offload 2-3 lakh bales to local mills as per report from market sources.
- Exports are slumped due to none buying of China.
- There is not much demand from the millers around current levels.
- Lack of demand for yarn weighed on prices to certain extent.
- Lack of sufficient stocks in the ready market lent some support to the market.
- According to the Indian Cotton Confederation, production of cotton in 2012 -13 is estimated to be around 326 lakh bales.

Cotton International Fundamentals

- Cotton futures at NYMEX noticed firm tone amid fresh buying by millers.
- According to China Cotton Association, it will start procuring cotton at same price compared to previous year in order to stabilize domestic production.
- Building of stocks by China will weigh on prices in the medium –term.
- 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 sideways to weak tone amid lack of buying interest from the millers.

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

Contract	+/-	Open	High	Low	Close
Apr-13	-1.0	880.0	885.0	874.0	882.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	2658	-204	4558	-204

Spread Feb-13 Apr-13

Basis 127.5

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	-0.40	881	882	871.2	879.00
Apr-14	9.40	1048	1060	1048	1058.00
May-14					

Volumes and OI lots

Contract	Volume	Change	OI	Change
Apr-13	428	-527	879	-65
Apr-14	49	-31	444	11
May-14				

Spread Apr-13 Apr-14 May-14

Spread	Apr-13	Apr-14	May-14
Basis	131.50	-	
April-13	-	92.40	
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	4	17850	18130	17800	18080
31-May-13	1	18200	18440	18110	18380
28-Jun-13	2	18410	18700	18380	18620
31-Jul-13	2	18690	18910	18620	18830

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	17-Apr-13	16-Apr-13	
Amravati–Vunni Mech-1#	4720	4720	Unch
Mahesana-Kadi–Bt Cotton#	4800	5000	-200
Abohar–J-34*	4020	4035	-15
Muktsar–J-34 *(Cotton)	4110	4130	-20
*(Kapas BT Cotton)	4600	4650	-50
Ahmedabad–Shankar-6#	4950	5000	-50
Fajlika *(Cotton New)	3970	4010	-40
*(Kapas BT Cotton)	4600	4650	-50
Khandwa-(M.P)	4700	4800	-100
Khargaon-(M.P)	4700	4800	-100
Gondal	4995	4960	35
Rajkot-(B.T)	4955	5000	-45
Sri-Ganganagar	4040	4000	40
Patan(B.T. Cotton)	4845	4930	-85
Bhiwani– *(Cotton)	3930	3970	-40
*(Kapas BT Cotton)	4600	4600	Unch

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	17-Apr-13	16-Apr-13	
Amravati –Vunni Mech-1#	1500	1600	-100
Mahesana-Kadi –Bt Cotton	200	125	75
Abohar–J-34*	400	500	-100
Muktsar–J-34 *(Kapas BT Cotton)	400	200	200

Ahmedabad – Shankar-6#	17000	17000	Unch
Fajlika#(Kapas BT Cotton)	1000	1000	Unch
Khandwa (M.P)	400	800	-400
Khargaon-(M.P)	2000	2000	Unch
Gondal	529	493	36
Rajkot-(B.T)	2310	2410	-100
Sri-Ganganagar	2141	2141	Unch
Patan(B.T. Cotton)	3035	2500	535
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: 16/4/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (16/4/2013)	Rs. Per Candy (15/4/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33700	34200	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34600	35100	-500
J-34(202)	26mm	3.5 - 4.9	23	36400	37100	-700
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	37300	38100	-800
Shankar-6(105)	29mm	3.5 – 4.9	28	37700	38400	-700
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39200	39900	-700
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40100	40800	-700
DCH-32(107)	34mm	3.0 - 3.8	33	48000	49400	-1400

Cotlook Index: As on 16/4/2013

Cotlook Indices	Cents/Pound	Change
A-Index	92.20	-0.90

China Cotton Index: As on 17/4/2013

Index	RMB/Ton	Change
CCIndex(328)	19380	-2
CCIndex(527)	17011	-1
CCIndex(229)	20082	-1

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

USDA Cotton Spot Rates: As on 16/4/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	81.60	84.85	142

North Delta	80.35	82.85	NIL
South Delta	80.35	82.85	NIL
East TX-OK	78.50	81.25	1366
West Texas	78.50	81.50	23
Desert SW	76.85	83.35	NIL
SJ Valley	77.85	88.50	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 16/4/2013

Contract	Open	High	Low	Close	Change
13-May	84.19	85	83.32	83.35	-0.98
13-Jul	86.01	86.61	85.3	85.42	-0.7
13-Oct	84.95	84.95	84.44	84.69	-0.59
13-Dec	85.1	85.59	84.7	84.75	-0.43
14-Mar	85.38	85.38	84.75	84.76	-0.35
14-May	84.87	84.87	84.8	84.8	-0.26

Pakistan Cotton Spot rates: As on 16/4/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6700	155	6855
Equivalent	40 Kgs	7180	155	7335

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