

Cotton Domestic Fundamentals:

- Cotton prices noticed mix tone on Monday.
- Lower demand of cotton forced downward trend on most markets. With summer heat increasing with each passing day, trading activity is falling across Indian markets. According to market sources, 40 lakh bales are still with farmers across India which will come to markets in coming months till end of this season
- 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.

Cotton International Fundamentals

- China state reserve off load upset export demand of Indian Cotton.
- China has imported most of its cotton stocks from India, shows data released by agency.
- 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.

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	16.5	815.0	856.5	813.0	848.50
Feb-14	0	0.0	0.0	0.0	0.0
Mar-14	0	0.0	0.0	0.0	0.0
Apr-14	12.0	1,011.0	1,039.5	997.0	1027.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	3829	-689	3672	-689
Feb-14	0	0	4	0
Mar-14	0	0	0	0
Apr-14	1084	8	556	8

Spread	Apr-13	Feb-14	Mar-14	Apr-14
Basis	151.5			
Feb-14		0		
Mar-14			0	
Apr-14				-27.00

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	16.60	827	852.8	809	846.20
Apr-14	13.90	971.2	1020.7	970	1005
May-14	18.20	1006.8	1038	994	1027.90

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	1446	559	958	-132
Apr-14	85	-12	112	-1
May-14	337	114	393	-2

Spread	Apr-13	Apr-14	May-14
Basis	153.80		
April-14		-5.00	
May-14			-27.90

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	2.57	17520	18030	17270	17990
31-May-13	2.58	17780	18320	17550	18280
28-Jun-13	2.55	17800	18510	17680	18470
31-Jul-13	2.3	18090	18710	17980	18700

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	22-Apr-13	20-Apr-13	
Amravati-Vunni Mech-1#	4400	-	-
Mahesana-Kadi-Bt Cotton#	4700	4750	-50
Abohar-J-34*	4030	4050	-20
Muktsar-J-34 *(Cotton)	3950	4060	-110
*(Kapas BT Cotton)	4650	4675	-25
Ahmedabad-Shankar-6#	4900	5000	-100
Fajlika *(Cotton New)	3870	4050	-180
*(Kapas BT Cotton)	4475	4750	-275
Khandwa-(M.P)	4300	-	-
Khargaon-(M.P)	4300	-	-
Gondal	4800	-	-
Rajkot-(B.T)	4860	4900	-40
Sri-Ganganagar	3870	3970	-100
Patan(B.T. Cotton)	4820	-	-
Bhiwani- *(Cotton)	3930	3970	-40
*(Kapas BT Cotton)	4550	4625	-75

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	22-Apr-13	20-Apr-13	
Amravati -Vunni Mech-1#	1500	-	-
Mahesana-Kadi -Bt Cotton	50	100	-50
Abohar-J-34*	300	300	Unch
Muktsar-J-34 *(Kapas BT Cotton)	50	50	Unch
Ahmedabad - Shankar-6#	15000	15000	Unch
Fajlika*(Kapas BT Cotton)	600	1000	-400
Khandwa (M.P)	600	-	-

Khargaon-(M.P)	2500	-	-
Gondal	282	-	-
Rajkot-(B.T)	1210	2460	-1250
Sri-Ganganagar	2141	2141	Unch
Patan(B.T. Cotton)	3000	-	-
Bhiwani #(Kapas BT Cotton)	200	300	-100
Khandwa, Kadi, Fajlika-1 Truck-100 Qtls, Amravati-1 Truck-100 kgs, Ahmadabad, Abohar and Muktsar-Bales			

Cotton Association of India Spot Rates: 20/4/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (20/4/2013)	Rs. Per Candy (18/4/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33700	33700	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34600	34600	Unch
J-34(202)	26mm	3.5 - 4.9	23	36500	36500	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	37300	37300	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	37600	37900	-300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	38900	39200	-300
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	39800	40100	-300
DCH-32(107)	34mm	3.0 - 3.8	33	47500	48000	-500

Cotlook Index: As on 19/4/2013

Cotlook Indices	Cents/Pound	Change
A-Index	91.75	-0.95

China Cotton Index: As on 22/4/2013

Index	RMB/Ton	Change
CCIndex(328)	19373	+2
CCIndex(527)	17010	+2
CCIndex(229)	20078	+1

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

USDA Cotton Spot Rates: As on 19/4/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	82.61	85.86	NIL
North Delta	81.36	83.86	NIL
South Delta	81.36	83.86	NIL
East TX-OK	79.5	82.25	NIL
West Texas	79.5	82.5	NIL
Desert SW	77.86	84.36	NIL

SJ Valley	78.86	89.51	NIL
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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 19/4/2013

Contract	Open	High	Low	Close	Change
13-May	83.5	84.09	83.12	83.48	Unch
13-Jul	85.48	86.15	85.11	85.36	-0.12
13-Oct	85.48	85.48	85.26	85.26	0.35
13-Dec	85.26	86.1	85.05	85.17	0.09
14-Mar	85.16	85.86	84.98	85.13	0.15
14-May	85.13	85.13	85.13	85.13	0.26

Pakistan Cotton Spot rates: As on 20/4/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6650	155	6805
Equivalent	40 Kgs	7127	155	7282

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