

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone, except Kadi, amid virtually no arrivals in the market on Thursday.
- Export demand is less on China announcement to sell some of cotton reserve also low buying from millers which are putting pressure on prices.
- 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.

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	-6.0	850.0	853.5	834.0	851.00
Feb-14	8.5	995.5	995.5	995.5	995.50
Mar-14	0	0.0	0.0	0.0	0.0
Apr-14	-5.5	1,020.0	1,021.0	1,002.0	1019.50

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	989	-718	2699	-718
Feb-14	1	0	4	0
Mar-14	0	0	0	0
Apr-14	921	175	707	175

Spread	Apr-13	Feb-14	Mar-14	Apr-14
Basis	129.0			
Feb-14		-15.5		
Mar-14			980.0	
Apr-14				-39.50

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	-10.20	838.9	846	835	840.5
Apr-14	9.60	981.6	1012	980	1012
May-14	-3.20	1014	1019	1003	1018

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-13	121	-692	988	-121
Apr-14	97	43	115	9
May-14	123	-27	357	-1

Spread	Apr-13	Apr-14	May-14
Basis	139.50		
April-14		-32.00	
May-14			-38.00

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	-1.52	17680	17690	17290	17540
31-May-13	-1.77	17940	17980	17550	17770
28-Jun-13	-2.02	18040	18080	17780	17950
31-Jul-13	-1.83	18120	18320	18060	18210

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	25-Apr-13	24-Apr-13	
Amravati-Vunni Mech-1#	4200	4350	-150
Mahesana-Kadi-Bt Cotton#	4750	4700	50
Abohar-J-34*	3980	4030	-50
Muktsar-J-34 *(Cotton)	3990	4030	-40
*(Kapas BT Cotton)	4500	4600	-100
Ahmedabad-Shankar-6#	4900	4950	-50
Fajlika *(Cotton New)	3870	-	-
*(Kapas BT Cotton)	4475	-	-
Khandwa-(M.P)	-	4300	-
Khargaon-(M.P)	-	4300	-
Gondal	-	4500	-
Rajkot-(B.T)	-	4950	-
Sri-Ganganagar	3920	3970	-50
Bhiwani- *(Cotton)	3850	3870	-20
*(Kapas BT Cotton)	4500	4600	-100
Patan(B.T. Cotton)	-	-	-

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	25-Apr-13	24-Apr-13	
Amravati -Vunni Mech-1#	3000	1500	1500
Mahesana-Kadi -Bt Cotton	50	50	Unch
Abohar-J-34*	300	300	Unch
Muktsar-J-34 *(Kapas BT Cotton)	50	-	-
Ahmedabad - Shankar-6#	10000	10000	Unch

Fajlika#(Kapas BT Cotton)	400	-	-
Khandwa (M.P)	-	700	-
Khargaon-(M.P)	-	2500	-
Gondal	-	487	-
Rajkot-(B.T)	-	1750	-
Sri-Ganganagar	1713	2141	-428
Bhiwani #(Kapas BT Cotton)	300	200	100
Patan(B.T. Cotton)	-	-	-

Cotton Association of India Spot Rates: 25/4/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (24/4/2013)	Rs. Per Candy (23/4/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33500	33500	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34400	34400	Unch
J-34(202)	26mm	3.5 - 4.9	23	36100	36200	-100
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36700	36700	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	37200	37200	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	38400	38400	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	39400	39400	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	46500	46500	Unch

Cotlook Index: As on 24/4/2013

Cotlook Indices	Cents/Pound	Change
A-Index	91.90	-0.60

China Cotton Index: As on 25/4/2013

Index	RMB/Ton	Change
CCIndex(328)	19366	-3
CCIndex(527)	17007	-1
CCIndex(229)	20074	-2

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

USDA Cotton Spot Rates: As on 24/4/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	80.2	83.45	582
North Delta	79.2	81.7	NIL

South Delta	79.2	81.7	NIL
East TX-OK	77.75	80.5	423
West Texas	77.75	80.75	NIL
Desert SW	75.45	81.95	NIL
SJ Valley	76.45	87.1	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 24/4/2013

Contract	Open	High	Low	Close	Change
13-May	82.75	83.07	80.82	81.1	-1.58
13-Jul	84.87	85.21	82.84	82.95	-2.15
13-Oct	82.85	82.85	82.85	82.85	-2.23
13-Dec	85.35	85.41	83.28	83.42	-1.99
14-Mar	85.05	85.05	83.52	83.62	-1.96
14-May	85.19	85.19	83.76	83.76	-1.98

Pakistan Cotton Spot rates: As on 24/4/2013 (in Pakistan Rupees)

Product	Rate for	Ex-Gin Price	Up Country Sales	Spot Rate Karachi
Cotton	37.32 Kgs	6600	155	6755
Equivalent	40 Kgs	7073	155	7228

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