

Cotton Domestic Fundamentals:

- Cotton prices noticed week tone on Thursday except Amravati and Gondal.
- Ginners are reluctant to sell cotton that is supporting prices in near term.
- Exports are virtually at standstill, China is buying from other countries even after Indian raw cotton are competitively priced.
- Cotton Corporation of India (CCI) has started to off load Cotton from Friday through e-auction. It offered to sell 25,000 bales. In effort to make arrivals in market. This is likely to increase prices as millers have yet to procure for whole year and arrivals are already short.
- Export demand is less on China announcement to sell some of cotton reserve also low buying from millers which are putting pressure on prices.

Cotton International Fundamentals

- 14% of US cotton plantation progress has been completed.
- ICE cotton continue to fall on weak demand, US export sale grew from previous week amid good demand from China.
- USA export has reached to 2.37 lakh bales (1 bales=218kg), mainly to China which is higher than previous month.

Outlook: We expect domestic cotton prices to notice sideways to strong tone amid buying interest from the millers.

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

Contract	+/-	Open	High	Low	Close
Feb-14	0	0.0	0.0	0.0	0.0
Mar-14	0	0.0	0.0	0.0	0.0
-					
Apr-14	27.5	1,054.0	1,054.0	1,029.0	1029.00

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Feb-14	0	0	7	0
Mar-14	0	0	1	0
Apr-14	1253	30	845	30

Spread	Feb-14	Mar-14	Apr-14
Feb-14	0		
Mar-14		0	
Apr-14			-29.00

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-14	-22.50	1020	1023.6	1008	1008
May-14	-26.50	1047	1047.5	1026.6	1027

Volumes and OI in Lots

Contract	Volume	Change	OI	Change
Apr-14	74	31	101	-12
May-14	221	169	371	17

Spread	Apr-14	May-14
April-14	-8	
May-14		-27

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
31-May-13	-2.24	18200	18210	17790	17920
28-Jun-13	-2.48	18410	18430	18010	18100
31-Jul-13	-2.76	18640	18640	18260	18300

Cotton Prices at Key Spot Markets

Centre (1 bale = 170 Kg)	Prices (Rs/Qtl)		Change
	02-May-13	01-May-13	
Amravati-Vunni Mech-1#	4600	4500	100
Mahesana-Kadi-Bt Cotton#	4750	4750	Unch
Abohar-J-34*	4080	4120	-40
Muktsar-J-34 *(Cotton)	4100	4115	-15
*(Kapas BT Cotton)	4600	4650	-50
Ahmedabad-Shankar-6#	5000	5050	-50
Fajlika *(Cotton New)	4055	4090	-35
*(Kapas BT Cotton)	4750	4751	-1
Khandwa-(M.P)	4300	Closed	-
Khargaon-(M.P)	4300	Closed	-
Gondal	4995	4940	55
Rajkot-(B.T)	4925	4950	-25
Sri-Ganganagar	3890	Closed	-
Patan(B.T. Cotton)	4870	4870	-
Bhiwani- *(Cotton)	4000	4000	Unch
*(Kapas BT Cotton)	4625	4650	-25

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

Cotton Arrivals in Key Centers

Centre (1 bale = 170 Kg)	Arrivals		Change
	02-May-13	01-May-13	
Amravati -Vunni Mech-1#	1500	4500	-3000
Mahesana-Kadi -Bt Cotton	50	50	Unch
Abohar-J-34*	60	50	10
Muktsar-J-34 *(Kapas BT Cotton)	-	-	-
Ahmedabad - Shankar-6#	12000	12000	Unch

Fajlika#(Kapas BT Cotton)	200	300	-100
Khandwa (M.P)	150	Closed	-
Khargaon-(M.P)	2000	Closed	-
Gondal	342	386	-44
Rajkot-(B.T)	1950	1650	300
Sri-Ganganagar	1285	Closed	-
Patan(B.T. Cotton)	2000	2200	-200
Bhiwani #(Kapas BT Cotton)	200	400	-200

Cotton Association of India Spot Rates: 30/4/2013

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (30/4/2013)	Rs. Per Candy (29/4/2013)	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	36700	36100	+600
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36900	36700	+200
Shankar-6(105)	29mm	3.5 - 4.9	28	37500	37300	+200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39200	38800	+400
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40100	39700	+400
DCH-32(107)	34mm	3.0 - 3.8	33	48500	48000	+500

Cotlook Index: As on 01/5/2013

Cotlook Indices	Cents/Pound	Change
A-Index	94.90	+1.70

China Cotton Index: As on 02/5/2013

Index	RMB/Ton	Change
CCIndex(328)	19360	-2
CCIndex(527)	16999	Unch
CCIndex(229)	20072	Unch

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

USDA Cotton Spot Rates: As on 01/5/2013

Growth Area	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
	cents/lb.		bales
Southeast	81.87	85.12	85
North Delta	80.62	83.12	NIL

South Delta	80.62	83.12	NIL
East TX-OK	77.75	80.5	733
West Texas	77.75	80.75	199
Desert SW	76.37	82.87	NIL
SJ Valley	77.37	88.02	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 01/5/2013

Contract	Open	High	Low	Close	Change
13-May	85.68	85.68	82.09	82.09	-3.44
13-Jul	87.46	87.6	83.6	83.87	-3.6
13-Oct	84.1	84.1	83.12	83.12	-3.29
13-Dec	86.3	86.3	82.92	83.04	-3.24
14-Mar	86.24	86.24	83.25	83.33	-3.17
14-May	86.48	86.48	83.52	83.52	-3.18

Pakistan Cotton Spot rates: As on 30/4/2013 (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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