

Domestic Market

- Cotton prices were almost steady on the back of lower export demand. According to market sources, the overall trend is negative and cotton prices may decline this week ended on 06th April 2013.
- India shipped 13 lakh bales of cotton in Month of March 2013, while imports stood at 0.5 lakh bales. Total Exports in current season 2012-13 stood at 79.25 lakh bales while imports are at 7.25 lakh bales
- Largest exported country of Indian raw cotton was China at 3.66 lakh bales followed by Bangladesh bought 3.51 lakh bales in the month of March 2013. Highest importer country to India was USA at 0.15 lakh bales.
- 295 lakh bales have arrived in the market till date, according to market sources. State wise arrivals by CCI data shows 255 lakh bales reached market as on 31 March 2013.

Weekly Outlook: Lower arrivals in market are making prices decline. Low arrivals are not enough to support prices. Prices are likely to decline in coming week.

International Market

- Cotton prices in Brazil continue to rise in March opposite to international prices amid speculation of anticipated purchase by mills before the season off-season peak.
- India and USA constituted 80% of total imports into China in the month of Feb 2013, according to China Cotton Association reports.
- China cotton production is expected to decline from 435 lakh bales to 429 lakh bales in 2012-13.
- China imported 22 lakh tons of cotton in Feb 2013.
- China kept volumes of cotton steady which are offered from its state reserves on Monday, defying expectations that it could ramp up sales to help ease tight domestic supplies after stockpiling most of the domestic crop reported Reuters.
- Pakistan levied 2 percent duty on imported cotton, which is likely to affect Indian exports to same.
- There is power shortage in Australia that could hamper production hence giving gap for importers.

Cotton Prices at Key Spot Markets:

Commodity	Centre & Variety	% Change Over Previous Week	Current Week 5/4/2013	Previous Week 29/3/2013
Cotton	Amravati–Vunni Mech-1#	1.05	4700	4750
	Kadi–Bt Cotton#	-3.03	5100	4950
	Abohar–J-34*	0.48	4180	4200
	Muktsar–J-34 *(Cotton)	0.48	4180	4200
	*(Kapas BT Cotton)	0.61	4870	4900
	Ahmedabad–Shankar-6#	Unch	5050	5050
	Fajlika *(Cotton New)	0.60	4160	4160
	*(Kapas BT Cotton)	2.42	4840	4960
	Khandwa-(M.P)	-	5050	-
	Khargaon-(M.P)	-	5050	-
	Gondal	-	5065	-
	Rajkot-(B.T)	-	5035	-
	Sri-Ganganagar	0.49	4080	4100
	Patan(B.T. Cotton)	-	4750	-

*-Rs/maund, #-Rs.qtl

Cotton Arrivals in Key Centers

Centre	Weekly Arrival		% Change
	Current Week 5/4/2013	Previous Week 29/03/2013	
Amravati –Vunni Mech-1#	11300	6600	71.21
Kadi –Bt Cotton	1075	450	139.89
Abohar–J-34*	4760	2160	120.37
Muktsar–J-34#(Kapas BT Cotton)	2825	975	189.74
Ahmedabad – Shankar-6#	92000	47000	95.74
Fajlika#(Kapas BT Cotton)	10475	5500	90.45
Khandwa (M.P)	3300	-	-
Khargaon-(M.P)	11500	-	-
Gondal	21505	20000	7.5
Rajkot-(B.T)	25260	12000	110.50
Sri-Ganganagar	17000	32116	-47.07
Patan(B.T. Cotton)	10696	-	-

(Amravatai, Fajlika = Quintal,) (Kadi- Motors=100 quintals,) (Ahmadabad, Abohar and Muktsar-Bales)

Cotton Association of India Spot Rates

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy (4/4/2013)	Rs. Per Candy (28/03/2013)	Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	34700	35300	-1.7
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	35600	36100	-1.4
J-34(202)	26mm	3.5 - 4.9	23	381.00	37600	1.3
H-4/ MECH- 1(105)	28mm	3.5 - 4.9	27	38600	38000	1.6
Shankar-6(105)	29mm	3.5 - 4.9	28	39400	38500	2.3
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40500	39800	1.8
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	42000	-	-
DCH-32(107)	34mm	3.0 - 3.8	33	50300	49000	2.7

Fundamental Cotton Price Outlook for Coming Week

We expect cotton prices to witness sideways to bullish tone in the coming days. Downside could be limited amid increasing demand in the near –term.

State-Wise Arrivals

As on 31 March 2013

States	2012-13*		2011-12*	
	Production as per CAB	Arrivals As on	Production as per CAB	Arrivals As on
	23-01-2013	31-3-2013	23-01-2013	31-3-2012
1. Punjab	19	15	18.5	16.13
2. Haryana	24	20.64	26	17.14
3. Rajasthan	16	14.52	17.5	14.46
A. North Total (1+2+3)	59	50.16	62	47.73
4.Gujarat	85	59.66	120	80.98
5.Maharashtra	74	59.55	74	54.85
6.Madhya Pradesh	18	15.58	18	15.53
B. Central Total (4+5+6)	177	134.79	212	151.36

7. Andhra Pradesh	72	55.3	56	44.72
8. Karnataka	12	8.6	14	8.91
9. Tamil Nadu	5	1.87	6.5	3.25
C. South Total (7+8+9)	89	65.77	76.5	56.88
10. Orissa	3	2.6	2.5	1.57
11. Others	2	1.35	2	1.67
D. Total (10+11)	5	3.95	4.5	3.24
Grand Total (A+B+C+D)	330	254.67	355	259.21

* Inclusive of new crop arrivals in September 2012

Source: CCI

State Wise Comparisons (in Rs/Qtl)

State	Prices April, 2013	Prices March, 2013	Prices April, 2012	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3900	4378.9	3631.85	-10.94	7.38
Gujarat	4722.93	4774.49	3962.19	-1.08	19.2
Haryana	4713.81	4752.59	3762.1	-0.82	25.3
Karnataka	4590.9	4485.53	3769.18	2.35	21.8
Madhya Pradesh	4760.76	4580.68	3626.73	3.93	31.27
Maharashtra	4717.45	4573.19	3577.6	3.15	31.86
Orissa	4102.55	4104.11	2872.32	-0.04	42.83
Pondicherry	-	-	2409	-	-
Punjab	4789.87	4805.05	4024.55	-0.32	19.02
Rajasthan	4753.44	4753.59	3740.87	0	27.07
Tamil Nadu	4789.93	4638.42	4012.8	3.27	19.37
Uttar Pradesh	-	4035.6	-	-	-
Average	4584.16	4534.74	3580.84		

*Report Generation: As per the data reported by APMCs

Source: Agmarket

Cotton Exports

Cotton Exports(In Lakh Bales)		
	2011-12	2012-13
Oct	16.41	2.29
Nov	18.37	7.68
Dec	12.92	15.83
Jan	19.71	19.71
Feb	23.30	20.67
Mar	3.57	13.07
Apr	13.26	-
May	7.90	-
Jun	4.99	-
Jul	5.14	-
Aug	0.48	-
Sep	0.61	-
Total	126.65	79.25

Cotton Imports

Cotton Imports(In Lakh Bales)		
	2011-12	2012-13
Oct	0.05	3.30
Nov	0.14	1.98
Dec	0.06	0.88
Jan	0.26	0.63
Feb	0.80	0.56
Mar	1.20	0.55
Apr	0.93	-
May	0.79	-
Jun	0.34	-
Jul	0.28	-
Aug	0.63	-
Sep	1.98	-
Total	7.45	7.89

Export Break-Up by Major Countries in Month of Mar-2013
Mar-13

Country	Quantity (In Lakh Bales)
China	3.66
B'Desh	3.51
Pakistan	1.10
Vietnam	0.93
Indonesia	0.22
Hong Kong	0.20

Import Break-Up by Major Countries in Month of Mar-2013
Mar-13

Country	Quantity (In Lakh Bales)
USA	0.15
Egypt	0.10

Technical Analysis of Cotton Futures April 2013 contract at NCDEX


- Prices are showing downward movement and breached strong support of Rs. 915
- Immediate support could be seen at 910 touching such level price could slide down to 900.
- Our short term outlook on the contract is sideways to bearish.

Support and Resistance:

Support 2	Support 1	Resistance 1	Resistance 2
900	910	963	970

Expected Price range of Cotton Prices for next week

Markets	Expected Trading Band for the coming week	Expected Trend for coming week
NCDEX	900-940	Sideways to Bearish Momentum

Future Trend in International Markets; 01 April 2013 to 06 April 2013
ICE Cotton Futures (May 2013 Contract) Technical Analysis


March 2013 Contract of ICE futures closed on up side. Prices ranged between 92.27 to 86.54 during the week. Immediate resistance level is at 95.01 breaching this may touch 97 levels during upcoming week.

Support 2	Support 1	Resistance 1	Resistance 2
77.30	78.40	95	97

All in cents/pound

Source: MRCI

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