

**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 13<sup>th</sup> April 2013.
- 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.
- According to industry sources, an import of cotton in the current season is likely to be higher compared to the previous season's import of 12 lakh bales.
- 300 lakh bales have arrived in the market till date, according to market sources. State wise arrivals by CCI data shows 262lakh bales reached market as on 07 April 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 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.

**Cotton Prices at Key Spot Markets:**

Commodity	Center	Variety	% Change Over Previous Week	Current Week 12/4/2013	Previous Week 5/4/2013
Cotton	Amravati	Vunni Mech-1#	-4.26	4900	4700
	Mahesana-Kadi	Bt Cotton#	0.00	5100	5100
	Abohar	J-34*	0.72	4150	4180
	Muktsar	J-34 *(Cotton )	0.72	4150	4180
		*(Kapas BT Cotton)	0.62	4840	4870
	Ahmedabad	Shankar-6#	-0.99	5100	5050
	Fajilka	*(Cotton New)	0.84	4125	4160
		*(Kapas BT Cotton)	-0.21	4850	4840
	Khandwa	(29mm)	1.98	4950	5050
	Khargaon	(MECH-1 29 MM)	1.98	4950	5050
	Gondal	Sankar 6	0.79	5025	5065
	Rajkot	B.T. Cotton	-0.79	5075	5035
	Sri-Ganganagar	Cotton(J-34)	0.25	4070	4080
	Patan	(B.T. Cotton)	1.19	5000	5060
	Bhiwani	Cotton	0.00	4070	4125
		Kapas-Narma	0.00	4770	4775

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

**Cotton Arrivals in Key Centers**

Center	Variety	Weekly Arrival		% Change
		Current Week 12/4/2013	Previous Week 5/4/2013	
Amravati	Vunni Mech-1#	7200	4700	53.19
Mahesana-Kadi	Bt Cotton#	750	625	20.00
Abohar	J-34*	3412	2600	31.23
Muktsar	*(Kapas BT Cotton)	1730	1850	-6.49
Ahmedabad	Shankar-6	108000	45000	140.00
Fajilka	*(Kapas BT Cotton)	7000	4975	40.70
Khandwa	(29mm)	4000	3300	21.21
Khargaon	(MECH-1 29 MM)	8000	11500	-30.43
Gondal	Sankar 6	3055	2926	4.41
Rajkot	B.T. Cotton	12200	7010	74.04
Sri-Ganganagar	Cotton(J-34)	34257	40680	-15.79
Patan	(B.T. Cotton)	19250	16606	4.82
Bhiwani	Kapas-Narma	1700	900	0.00

(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 (12/4/2013)	Rs. Per Candy (4/03/2013)	Change
Bengal Desi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	34200	34600	-400
Bengal Desi (SG)(201)	Below 22mm	5.0 - 7.0	15	35100	35500	-400
J-34(202)	26mm	3.5 - 4.9	23	37300	37900	-600
H-4/ MECH- 1(105)	28mm	3.5 - 4.9	27	38400	38600	-200
Shankar- 6(105)	29mm	3.5 - 4.9	28	38900	39400	-500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	40400	40500	-100
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	41400	41500	-100
DCH- 32(107)	34mm	3.0 - 3.8	33	50000	50300	-300

**Fundamental Cotton Price Outlook for Coming Week**

We expect cotton prices to witness sideways to bearish tone in the coming days. Downside could extend amid falling demand in the near –term.

**State-Wise Arrivals**

*As on 07 April 2013*

States	2012-13		2011-12	
	Production as per CAB	Arrivals As on	Production as per CAB	Arrivals As on
	23-01-2013	07/4/2013	23-01-2013	07/4/2012
1. Punjab	19	15.44	18.5	16.79
2. Haryana	24	21.14	26	17.71
3. Rajasthan	16	14.87	17.5	15.03
<b>A. North Total (1+2+3)</b>	<b>59</b>	<b>51.45</b>	<b>62</b>	<b>49.53</b>
4. Gujarat	85	61.57	120	82.95
5. Maharashtra	74	61.05	74	57.21
6. Madhya Pradesh	18	16.05	18	15.9
<b>B. Central Total (4+5+6)</b>	<b>177</b>	<b>138.67</b>	<b>212</b>	<b>156.06</b>
7. Andhra Pradesh	72	56.64	56	46.61
8. Karnataka	12	8.98	14	9.37
9. Tamil Nadu	5	2.03	6.5	3.59

<b>C. South Total (7+8+9)</b>	<b>89</b>	<b>67.65</b>	<b>76.5</b>	<b>59.57</b>
10. Orissa	3	2.67	2.5	1.61
11. Others	2	1.5	2	1.72
<b>D. Total (10+11)</b>	<b>5</b>	<b>4.17</b>	<b>4.5</b>	<b>3.33</b>
<b>Grand Total (A+B+C+D)</b>	<b>330</b>	<b>261.94</b>	<b>355</b>	<b>268.49</b>

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	4782.48	4775.61	3962.19	0.14	20.7
Haryana	4650.1	4761.94	3762.1	-2.35	23.6
Karnataka	4561.87	4485.53	3769.18	1.7	21.03
Madhya Pradesh	4747.04	4579.79	3626.73	3.65	30.89
Maharashtra	4714.26	4573.28	3577.6	3.08	31.77
Orissa	4082.01	4104	2872.32	-0.54	42.12
Pondicherry	-	-	2409	-	-
Punjab	4744.96	4805.05	4024.55	-1.25	17.9
Rajasthan	4676.17	4753.59	3740.87	-1.63	25
Tamil Nadu	4758.73	4638.42	4012.8	2.59	18.59
Uttar Pradesh	4144	4055.47	-	2.18	-
<b>Average</b>	<b>4523.78</b>	<b>4537.42</b>	<b>3580.84</b>	<b>-</b>	<b>-</b>

\*Report Generation: As per the data reported by APMCs

Source: Agmarket

**Technical Analysis of Cotton Futures April 2013 contract at NCDEX**


Rs/20 kgs

- 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; 15 April 2013 to 20 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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