

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 19th April 2013.
- According to the Indian Cotton Confederation, production of cotton in 2012 -13 is estimated to be around 326 lakh bales. According to industry sources, imports of cotton in the current season are likely to be higher compared to the previous season's import of 12 lakh bales.
- Export registration for cotton is likely to exceed the set limit of 80 lakh bales amid good Chinese demand according to the Cotton Advisory Board.
- CCI has decided to release 2.5 lakh bales to textile industry.

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

- 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 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.

Cotton Prices at Key Spot Markets:

Commodity	Center	Variety	% Change Over Previous Week	Current Week 20/4/2013	Previous Week 12/4/2013
Cotton	Amravati	Vunni Mech-1#	-3.67	4720	4900
	Mahesana-Kadi	Bt Cotton#	-6.86	4750	5100
	Abohar	J-34*	-2.41	4050	4150
	Muktsar	J-34 *#(Cotton)	-2.17	4060	4150
		#(Kapas BT Cotton)	-3.41	4675	4840
	Ahmedabad	Shankar-6#	-1.96	5000	5100
	Fajilka	#(Cotton New)	-1.82	4050	4125
		#(Kapas BT Cotton)	-2.06	4750	4850
	Khandwa	(29mm)	-5.05	4700	4950
	Khargaon	(MECH-1 29 MM)	-5.05	4700	4950
	Gondal	Sankar 6	-1.69	4940	5025
	Rajkot	B.T. Cotton	-3.45	4900	5075
	Sri-Ganganagar	Cotton(J-34)	-2.46	3970	4070
	Patan	(B.T. Cotton)	-3.10	4845	5000
	Bhiwani	Cotton	-2.46	3970	4070
		Kapas-Narma	-3.04	4625	4770

*-Rs/maund, #-Rs.qtl

Cotton Arrivals in Key Centers

Center	Variety	Weekly Arrival		% Change
		Current Week 04-20-2013	Previous Week 04-12-2013	
Amravati	Vunni Mech-1#	6100	7200	-15.28
Mahesana-Kadi	Bt Cotton#	775	750	3.33
Abohar	J-34*	2700	3412	-20.87
Muktsar	#(Kapas BT Cotton)	750	1730	-56.65
Ahmedabad	Shankar-6	96000	108000	-11.11
Fajilka	#(Kapas BT Cotton)	5000	7000	-28.57
Khandwa	(29mm)	2000	4000	-50.00
Khargaon	(MECH-1 29 MM)	4000	8000	-50.00
Gondal	Shankar 6	2685	3055	-12.11
Rajkot	B.T. Cotton	14180	12200	16.23
Sri-Ganganagar	Cotton(J-34)	14987	34257	-56.25
Patan	(B.T. Cotton)	9685	19250	-49.69
Bhiwani	Kapas-Narma	2900	1700	70.59

(Amravatai, Fajilka = 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 (18/4/2013)	Rs. Per Candy (12/03/2013)	% Change
Bengal Deshi (RG)/ Assam Comilla(101)	Below 22mm	5.0 - 7.0	15	33700	34200	-1.5
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	34600	35100	-1.4
J-34(202)	26mm	3.5 - 4.9	23	36500	37300	-2.1
H-4/ MECH- 1(105)	28mm	3.5 - 4.9	27	37300	38400	-2.9
Shankar- 6(105)	29mm	3.5 - 4.9	28	37900	38900	-2.6
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	39200	40400	-3.0
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40100	41400	-3.1
DCH-32(107)	34mm	3.0 - 3.8	33	48000	50000	-4.0

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 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	4784.02	4775.61	3962.19	0.18	20.74
Haryana	4636.51	4761.94	3762.1	-2.63	23.24
Karnataka	4530.65	4485.53	3769.18	1.01	20.2
Madhya Pradesh	4731.64	4579.79	3626.73	3.32	30.47
Maharashtra	4688.12	4573.28	3577.6	2.51	31.04
Orissa	4112.29	4104	2872.32	0.2	43.17
Pondicherry	2501	-	2409	-	3.82
Punjab	4726.57	4805.05	4024.55	-1.63	17.44
Rajasthan	4677.62	4753.59	3740.87	-1.6	25.04
Tamil Nadu	4749.26	4638.4	4012.8	2.39	18.35
Uttar Pradesh	4144	4055.47	-	2.18	-
Average	3900	4378.9	3631.85	-10.94	7.38

*Report Generation: As per the data reported by APMCs

Source: Agmarket

Prices

Month	J-34	H-4	S-6	BB	DCH-32
MSP 12-13	3800	3800	3850	3900	4300
MSP 11-12	3100	3150	3150	3300	3700
1-Oct-12'	3920	--	4000	--	--
1-Oct-11'	4350	--	--	--	--
15-Oct-12	3970	--	4150	--	4600
15-Oct-11	4450	4300	4600	3800	4800
31-Oct-12	4100	--	4350	--	4940
30-Oct-11	4480	--	4100	4100	--
15-Nov-12	4325	4175	4190	3900	4600
15-Nov-11	4130	4200	4525	4000	4750
30-Nov-12	4270	4050	4275	3900	4759
30-Nov-11	4070	3850	4200	3650	4465
15-Dec-12	4350	4120	4325	3900	4700
15-Dec-11	3950	3750	4250	3750	4500
31-Dec-12	4225	4000	4350	3900	4829
31-Dec-11	4210	3850	4350	3850	4676
15-Jan-13	4195	3980	4275	3900	4550
15-Jan-12	4725	4000	4525	3950	4790
31-Jan-13	4255	3980	4300	3900	4840
31-Jan-12	4500	3978	4475	3890	4869
15-Feb-13	4465	4065	4365	3900	--
15-Feb-12	4370	3925	4350	3880	4777
28-Feb-13	4950	4780	4850	4300	--
28-2-13	4180	3700	4300	3550	4289
15-3-13	4810	4625	4925	4800	--
15-3-12	4440	3700	4250	3625	--
31-3-13	4925	4675	4975	4500	--
31-3-12	4285	3725	4350	3850	--

Source: CCI* In Rs/Quintal

International Prices

World Monthly average Cotlook A Index (FE) in US Cent per pound		
Month	2011-12	2012-13
August	114.1	84.4
September	116.9	84.15
October	110.61	82.17
November	104.75	80.87
December	95.45	83.37
January	101.11	85.51
February	100.75	89.71
March	99.5	94.45
April	100.1	-
May	88.79	-
June	82.18	-
July	83.97	-

Technical Analysis of Cotton Futures April 2013 contract at NCDEX


- Prices are showing downward movement and breached strong support of Rs. 835
- Immediate support could be seen at 820 touching such level price could slide down to 810.
- Our short term outlook on the contract is sideways to bearish.

Support and Resistance:

Support 2	Support 1	Resistance 1	Resistance 2
810	820	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	810-920	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 86.53 to 83.12 during the week. Immediate support level is at 82.0 breaching this may touch 81 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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