

**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 10 May 2013.
- CCI and Nafed have auctioned 90,000 bales of cotton, out of which 3000 bales were sold. Buyers are making lower bids as cotton prices have come down as low buying interest from millers and exporters. Ginners are not buying much amid lack of demand from yarn and fabric industry.
- India shipped 2.50 lakh bales of cotton in Month of April 2013, while imports stood at 0.76 lakh bales. Total Exports in current season 2012-13 stood at 81.75 lakh bales while imports are at 8.65 lakh bales.
- Largest exported country of Indian raw cotton was Bangladesh at 1.49 lakh bales followed by China bought 0.98 lakh bales in the month of April 2013. Highest importer country to India was USA at 0.24 lakh bales.

**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 plantation in US has reached to 17 percent which was 35 percent at this point of time last year.
- Cotton futures at NYMEX closed higher amid expectation of lower output in the U.S and strong Chinese demand.
- ICAC has projected increase in the prices of the cotton in 2013-14 due to fall in acreage, as demand is likely to increase.
- 14% of US cotton plantation progress has been completed.
- USA export has reached to 2.37 lakh bales (1 bale=218kg), mainly to China which is higher than previous month.

**Cotton Prices at Key Spot Markets:**

Commodity	Center	Variety	% Change Over Previous Week	Current Week 10/5/2013	Previous Week 03/5/2013
Cotton	Amravati	Vunni Mech-1#	-3.30	4400	4550
	Mahesana-Kadi	Bt Cotton#	Unch	4750	4750
	Abohar	J-34*	-1.23	4030	4080
	Muktsar	J-34 *#(Cotton )	-0.98	4040	4080
		#(Kapas BT Cotton)	2.17	4700	4600
	Ahmedabad	Shankar-6#	0.51	4975	4950
	Fajilka	#(Cotton New)	-1.23	4005	4055
		#(Kapas BT Cotton)	-	No Arrival	4750
	Khandwa	(29mm)	-	No Arrival	4300
	Khargaon	(MECH-1 29 MM)	-	No Arrival	4300
	Gondal	Sankar 6	-0.20	4895	4905
	Rajkot	B.T. Cotton	-0.71	4895	4930
	Sri-Ganganagar	Cotton(J-34)	-	No Arrival	3970
	Patan	(B.T. Cotton)	2.28	4925	4815
	Bhiwani	Cotton	-0.74	4000	4030
		Kapas-Narma	-0.54	4625	4650

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

**Cotton Arrivals in Key Centers**

Center	Variety	Weekly Arrival		% Change
		Current Week 10/5/2013	Previous Week 03/5/2013	
Amravati	Vunni Mech-1#	21000	15800	32.91
Mahesana-Kadi	Bt Cotton#	510	320	59.38
Abohar	J-34*	300	460	-34.78
Muktsar	#(Kapas BT Cotton)	No Arrival	-	-
Ahmedabad	Shankar-6	66000	74000	-10.81
Fajilka	#(Kapas BT Cotton)	450	1500	-70.00
Khandwa	(29mm)	No Arrival	450	-
Khargaon	(MECH-1 29 MM)	No Arrival	3500	-
Gondal	Sankar 6	2826	3243	-12.86
Rajkot	B.T. Cotton	8490	10300	-17.57
Sri-Ganganagar	Cotton(J-34)	2569	5139	-50.01
Patan	(B.T. Cotton)	5738	10400	-44.83
Bhiwani	Kapas-Narma	1550	1200	29.17

(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 (09/5/2013)	Rs. Per Candy (02/5/2013)	% 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	36100	36200	-0.28
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	36700	36400	0.82
Shankar-6(105)	29mm	3.5 - 4.9	28	37500	37000	1.35
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	38900	38700	0.52
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	40000	39600	1.01
DCH-32(107)	34mm	3.0 - 3.8	33	48500	48000	1.04

**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 May, 2013	Prices April, 2013	Prices May, 2012	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3783.33	3868.52	3747.19	-2.2	0.96
Gujarat	4582.78	4733.66	3827.48	-3.19	19.73
Haryana	4653.42	4622.3	4088.94	0.67	13.81
Karnataka	4165.49	4470.64	3666.08	-6.83	13.62
Madhya Pradesh	4445.33	4637.56	3728.31	-4.15	19.23
Maharashtra	4239.76	4588.27	3659.92	-7.6	15.84
Orissa	4200	4109.16	2838.19	2.21	47.98
Pondicherry	3029	2501	2578.92	21.11	17.45
Punjab	4680	4270.17	4270.05	9.6	9.6
Rajasthan	4582.24	4669.57	4096.63	-1.87	11.85
Tamil Nadu	4304.94	4668.61	3889.81	-7.79	10.67
Uttar Pradesh	-	4144	-	-	-
Average	4242.39	4273.62	3671.96	-	-

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

Source: Agmarket

**Cotton Exports**
**Cotton Imports**

Cotton Exports(In Lakh Bales)			Cotton Imports(In Lakh Bales)		
	2011-12	2012-13		2011-12	2012-13
<b>Oct</b>	16.41	2.29	<b>Oct</b>	0.05	3.30
<b>Nov</b>	18.37	7.68	<b>Nov</b>	0.14	1.98
<b>Dec</b>	12.92	15.83	<b>Dec</b>	0.06	0.88
<b>Jan</b>	19.71	19.71	<b>Jan</b>	0.26	0.63
<b>Feb</b>	23.30	20.67	<b>Feb</b>	0.80	0.56
<b>Mar</b>	3.57	13.07	<b>Mar</b>	1.20	0.55
<b>Apr</b>	13.26	2.50	<b>Apr</b>	0.93	0.76
<b>May</b>	7.90	-	<b>May</b>	0.79	-
<b>Jun</b>	4.99	-	<b>Jun</b>	0.34	-
<b>Jul</b>	5.14	-	<b>Jul</b>	0.28	-
<b>Aug</b>	0.48	-	<b>Aug</b>	0.63	-
<b>Sep</b>	0.61	-	<b>Sep</b>	1.98	-
<b>Total</b>	<b>126.65</b>	<b>81.75</b>	<b>Total</b>	<b>7.45</b>	<b>8.65</b>

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

Country	Quantity (In Lakh Bales)
B'Desh	1.49
China	0.98
Pakistan	0.23
Vietnam	0.18
Indonesia	0.06
Hong Kong	0.01

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

Country	Quantity (In Lakh Bales)
USA	0.24
Egypt	0.08

**NCDEX 'Shankar Kaps' Futures**

NCDEX Shankar Futures			
Contracts	9/5/2013	9/4/2013	Month Change
Oct-13	4992.50	-	-
Dec-13	5060.00	-	-

\*PRICE UNIT-Rs/Quintal

**Technical Analysis of Cotton Futures April 2014 contract at NCDEX**


- Prices are showing upward movement and touched strong support of Rs. 1025
- Immediate support could be seen at 1020 touching such level price could slide up to 1010.
- Our short term outlook on the contract is sideways to bullish.

**Support and Resistance:**

Support 2	Support 1	Resistance 1	Resistance 2
1010	1020	1075	1080

**Expected Price range of Cotton Prices for next week**

Markets	Expected Trading Band for the coming week	Expected Trend for coming week
NCDEX	1010-1075	Sideways to Bearish Momentum

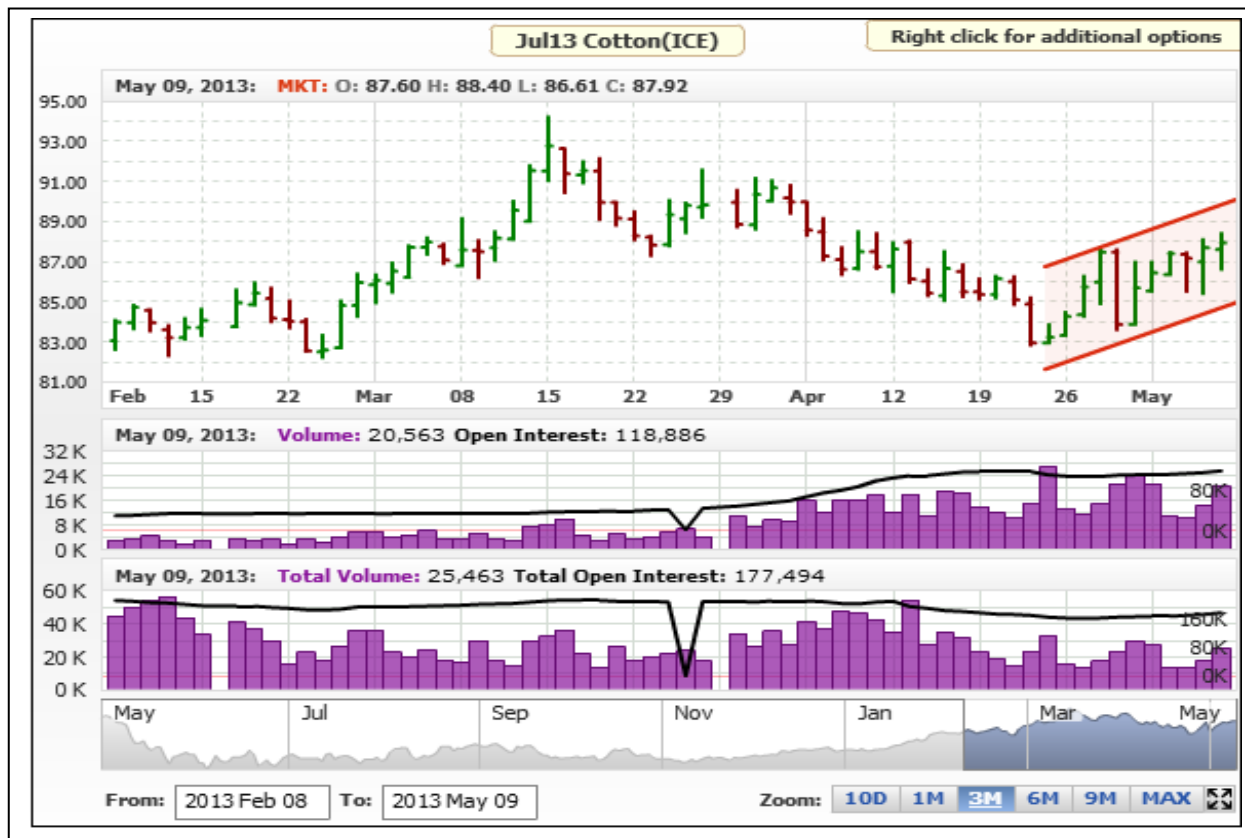
### International Prices

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	94.94
May	88.79	94.92
June	82.18	94.11
July	83.97	-

### Cotton Future Contracts on ICE (International Market)

ICE Futures Cotton					
Contracts	9/5/2013	9/4/2013	9/5/2012	% M-o-M Change	% Y-o-Y Change
May-13	37999.30	37311.61	37254.31	1.84	2.00
Jul-13	38757.53	38180.04	37831.79	1.51	2.45
Oct-13	38545.93	37950.81	37734.81	1.57	2.15
Dec-13	38356.37	37818.57	36751.76	1.42	4.37
Mar-14	38334.33	37867.06	37276.35	1.23	2.84
May-14	38263.80	37845.02	37712.77	1.11	1.46

\*PRICE UNIT-Rs/Candy (1Candy=356kg)

**ICE Cotton Futures (July 2013 Contract) Technical Analysis**


March 2013 Contract of ICE futures closed on up side. Prices ranged 87.62 to 82.95 during the week. Immediate support level is at 83 breaching this may touch 80 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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