

COTTON DAILY REPORT INDIANCOMMODITIES.COM 30/07/2010**Price Indicators :**

NYBOT (Cotton No. 2 Futures Contract)
Settlement As On: 29-7-2010 Units:
2010Oct: 80.68 (0.11)
2010Dec: 76.91 (0.6)
2011Mar: 75.21 (0.59)

Cotlook (Index)
Settlement As On: 22-6-2010 Units:
2010July: 95.7 (0.2)

(Cn Cotton)
Settlement As On: 30-7-2010 Units:
2010July: 18660 (-18)
2010July: 18212 (-17)

Exchange Rates (RATE UPDATED: 29-7-2010)

Currency, Rate	Currency, Rate	Currency, Rate	Currency, Rate
1 US \$ = Rs. 46.63	1 UK £ = Rs. 72.86	1 Euro = Rs. 60.74	100 YEN = Rs. 53.39

Weather:

Fairly widespread rain/thundershowers would occur over west coast, western Himalayan region, Sub-Himalayan West Bengal & Sikkim and central & northeast India.

Fairly Widespread rain/thundershowers would occur over Gujarat and Rajasthan during next 24 hours and decrease thereafter.

Fairly Widespread rain/thundershowers would occur over coastal areas of Andhra Pradesh and Orissa and scattered over interior Karnataka during next 24 hours and increase thereafter.

Fairly Widespread rain/thundershowers would occur over plain of northwest India, outside Rajasthan during next 48 hours and decrease thereafter. However it will continue over Uttar Pradesh after 48 hours.

Scattered rain/thundershowers would occur over remaining parts of east India.

Warning: Isolated heavy rainfall would occur over Himachal Pradesh, Uttarakhand, Punjab, Uttar Pradesh, Orissa, coastal Andhra Pradesh, Konkan Goa and coastal Karnataka during next 48 hours. Isolated heavy rainfall would occur over Rajasthan, Gujarat and west Madhya Pradesh during next 24 hours.

Buyer & Seller:

TECHNICAL COMMENTARY:- Today's price action completes a two-day price pattern known as a "bearish engulfing." It is a top reversal in which the market opens unchanged or higher and finishes lower than the previous day's open (76.50). The pattern has occurred just as oscillators were beginning to show overbought, which suggests a pull-back is forthcoming. We would expect support as soon as 75.45, which is the 200-day moving average. Below that, there is 75.00.

North India: Cotton prices reported to be Stable with good demand from local at current level, Very thin business seen in ready dely.

New Crop Quotations : -

Delivery	Punjab RG	Haryana RG
Full September	-	-
Full October	2975	2950
Full November	2955	2930
Full December	2935	2930

Gujarat : Gujarat weather partly cloudy & sunny, Market undertone good, Buyers active in market @ current rates, S-6 ready delivery super grade sold @ 29800 buyer p d, bhadrash trading, Kamal cotton, seller from amreli, babra, wankaner, dhrangadhra & jasdan, Buyers still demanding @ these rates but sellers expecting over 30000 in short time. S-6 Forward market Firm November delivery 30000, Near about 20000 bales sold @ 30000, delivery 1 to 20th November, buyer Gill & company, D P, P D, Bhadrash trading & U B Cotton, Still buyers active @ these rates. December delivery quotation 29800 -900 V-797 Market unchanged. 20200 - 20400 (Harij, Kadi, viramgaon, lakhtar) 20800--900 (Radhanpur, Dhrangadhra), Near about

2500 bales arrival in Gujarat.

Maharashtra & Madhya Pradesh: Cotton prices reported to be stable. Most of the players are out of the market and are waiting for the market to stabilize before entering into fresh contract. Undertone toward the close around previous closing levels & buyers both adopted a wait and watch policy also no major transactions have been reported and demand has been slow at current levels.

Andhra Pradesh & Karnataka : Cotton prices reported to be stable at current level.

Slow business was seen on the cotton market & both buyers and sellers kept on the sidelines & very few buyers were interested in the fresh deals due to higher rates. Good transaction reported to be from South millers at current level.

Kapas and Seed Rates :-

STATE	KAPAS PER QUINTAL	SEED
North	-	1670/90
Gujarat	685/725	285/297
Maharashtra	3200/3225	1340/1400 (good quality)
Madhya Pradesh	-	1350/1450
Andhra Pradesh	3400/3500	1305/1400
Karnataka	3300/3500	1300/1410

Same As Last Year:-

STATE	KAPAS PER QUINTAL	SEED
North	-	1670/-
Gujarat	615/630(20Kg)	285/88(20kg)
Maharashtra	2750/2800	1400/25
Madhya Pradesh	-	1350/1400
Andhra Pradesh	2700/2750	1250/1325
Karnataka	2700/2850	1150/1205

Mandi Arrivals :

From: 29-7-2010

To: 29-7-2010

	Quantity	Units
Maharashtra		
Maharashtra	700	bls
Gujarat		
Gujarat	2500	bls
Andhra Pradesh		
Andhra Pradesh	1200	bls
Karnataka		
Karnataka	400	bls

SPOT PRICES:

Raw Cotton >> Bengal Deshi : 30-7-2010 4:44:55 AM

Origin	DESI RG	DESI SG
Haryana	0 / bls -	0 / bls -
Rajasthan	2850 / bls -	2900 / bls -

Raw Cotton >> Gujarat : 30-7-2010 4:44:55 AM

Origin Gujarat	S-6 29mm 29900 / Rs/candy -	S-6 28mm 28900 / Rs/candy -	S-6 Lower 0 / Rs/candy -	V797 Kadi 20400 / Rs/candy -
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Raw Cotton >> Haryana : 30-7-2010 4:44:55 AM

Origin	J34 CS SG
Sirsa	3130 / Rs/md -
Fatehabad	3130 / Rs/md -
Ellenabad	3130 / Rs/md -
Narwana	3130 / Rs/md -

Raw Cotton >> Rajasthan : 30-7-2010 4:44:55 AM

Origin	J34 GA SG
Gang. Line	2980 / Rs/md -
H.Garg	3030 / Rs/md -
Rawatsar	3020 / Rs/md -

Raw Cotton >> Madhya Pradesh : 30-7-2010 4:44:55 AM

Origin Madhya Pradesh	H4 27mm RG 0 / Rs/Candy -	H4 28mm RG 0 / Rs/Candy -	MECH 29mm 29500 / Rs/Candy -	MECH 30mm 0 / Rs/Candy -
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Raw Cotton >> Karnataka : 30-7-2010 4:44:55 AM

Origin Karnataka	Jayadhar RG 21500 / Rs/candy -	DCH-32 34.5mm 0 / Rs/candy -	Brahma 29mm 29100 / Rs/candy -	Brahma 28mm 28400 / Rs/candy -
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Raw Cotton >> Andhra Pradesh : 30-7-2010 4:44:55 AM

Origin Andhra Pradesh	MCU-5 30 mm 29500 / Rs/candy -	MCU-5 31mm 30500 / Rs/candy -
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Raw Cotton >> Punjab : 30-7-2010 4:44:55 AM

Origin	J34 CS SG
Mansa	3125 / Rs/md -
Budhlada	0 / Rs/md -
Muktsar	3180 / Rs/md -
Abhor	3160 / Rs/md -

Raw Cotton >> Maharashtra : 30-7-2010 4:44:55 AM

Origin Maharashtra	28mm 28600 / Per Candy -	29mm 29600 / Per Candy -	31mm 0 / Per Candy -
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FUTURE ACTIVITY:

NYBOT Cotton No. 2 Futures Contract Settlement As On: 29-7-2010 Units:

Contract	Open	High	Low	Close	Settle	Change	Volume	Open Interest
2010Oct:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	80.68	(0.11)	0	0
2010Dec:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	76.91	(0.6)	0	0
2011Mar:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	75.21	(0.59)	0	0
2011May:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	75.8	(0.49)	0	0
2011July:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	76.62	(0.45)	0	0

Cotlook Index Settlement As On: 22-6-2010 Units:

Contract	Open	High	Low	Close	Settle	Change	Volume	Open Interest
2010July:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	95.7	(0.2)	0	0

Cn Cotton Settlement As On: 30-7-2010 Units:

Contract	Open	High	Low	Close	Settle	Change	Volume	Open Interest
2010July:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	18660	(-18)	0	0
2010July:	0 Bid:0 Ask:0	0	0	0 Bid:0 Ask:0	18212	(-17)	0	0

International Developments:

In Nybot: Cotton prices rose Thursday as export sales data indicated continued strong demand for the developing U.S. cotton crop is taking the earliest available supplies off of the market. Nearby cotton for October delivery settled 0.11 cent, or 0.4%, higher at 80.68 cents a pound on ICE Futures U.S. The most actively traded December contract ended 0.60 cent, or 0.8%, higher at 76.91.

Cotton futures are 40% higher than the same time last year as world textile demand has rebounded with the [economy](#). Consumers put off buying socks and sheets when budgets are tight. But a resurgence in demand has drawn down available stocks. Merchants have sold a good portion of the earliest-harvested cotton, leaving a lag in availability through the rest of the year, analysts said. At this point, merchants could usually rely on certified exchange stocks for a backup, but those bales are being quickly drawn down.

"There's been so much cotton sold to be delivered between now and the end of the year that when we look at the snapshot today, it's difficult to see cert[ified] stock building," said Ron Lawson, managing director at LOGIC Investment Services in Sonoma, Calif. The U.S. is expected to produce 50% more cotton, or 18.3 million 480-pound bales, in the approaching 2010-11 season that begins Aug. 1, USDA data show. Rebounding demand pushed prices higher in comparison to alternatives crops and encouraged farmers to plant more cotton. Ideal [weather](#) has fostered crop growth throughout the season.

Though USDA data released Thursday show both cotton exports and sales decreased from the week before, the volumes are still considered strong for this point in the season, analysts said. Net U.S. cotton sales for the 2010-11 marketing year decreased to 236,800 running bales in the week ended July 22 from 289,300 running bales the week before. Weekly cotton exports also decreased to 304,200 bales from 334,100 bales last week. At this point, commercial traders are hedging in the March contract, while speculators, like banks and hedge funds, are driving price direction in the December contract, Lawson said.

More support for cotton came as speculative buying lifted most commodities prices Thursday, including [Chicago Board of Trade](#) grains, as well as metals and energies. The dollar dropped as jobless data for the previous reporting period was revised higher, indicating the U.S. economic recovery may be slowing. The skidding greenback made futures contracts less expensive in other currencies. Volume was estimated 11,700 lots. In options, approximately 6,739 calls and 2,165 puts traded, according to exchange data. ICE daily cotton stocks decreased by 3,032 500-pound bales Wednesday to total 47,793 bales with 2,771 decertification orders, according to exchange data. ICE cotton open interest--the number of active positions left at the end of the session--increased by 328 positions Wednesday to total 164,826, according to the exchange.

U.S. EXPORT SALES FOR WEEKENDING: Cotton: Net Upland sales of 600 running bales for delivery in 2009/10--a marketing-year low--resulted as increases for Thailand (25,500 RB), Bangladesh (3,900 RB), Hong Kong (3,500 RB), and Malaysia (1,100 RB, including 200 RB switched from Japan), were partially offset by decreases for Brazil (17,600 RB), China (7,500 RB), Turkey (4,000 RB), and Vietnam (3,100 RB). Net sales of 215,700 RB for delivery in 2010/11 were mainly for China (82,900 RB), Turkey (20,400 RB), Brazil (18,900 RB), and Pakistan (17,700 RB). Decreases were reported for Morocco (800 RB). Exports for own account were reported for China (1,600 RB). Exports of 303,500 RB were down 9 percent from the previous week, but up 6 percent from the prior 4-week average. The primary destinations were China (128,600 RB), Turkey (38,200 RB), Mexico (32,600 RB), Bangladesh (21,500 RB), and Indonesia (16,100 RB). Net American Pima sales of 100 RB were for India. Net sales of 21,100 RB for delivery in 2010/11 were mainly for Taiwan (8,200 RB) and India (7,300 RB). Exports of 700 RB were down 54 percent from the previous week and 63 percent from the prior 4-week average. The primary destinations were Indonesia (300 RB) and Mexico (200 RB).

In Pakistan: Activity was thin on the cotton market on Thursday as ginneries raised asking price owing the tight supplies due to monsoon rains, dealers said. The Karachi Cotton Association (KCA) official spot rate for the second day in a row, was raised by Rs 100 to Rs 6200, they said. In the ready business, only 1600

bales of cotton changed hands between Rs 6000-6400, they said.

Phutti prices in Sindh were at Rs 2650-2700 and in Punjab, the rates were at Rs 2800-2900, they added. Some market observers said that business activity was slow as ginners raised asking price due to short supply position. The present scenario is against expectations as the market players were hoping that the lapse of Regulatory Duty (RD) will help in increasing the business activity but monsoon rains changed the scenario, they observed. They said that due to said factor, prices may go up further in the coming days, in the meantime, the rains have stopped in Sindh and Punjab and this is good for the crop.

On Wednesday the NY cotton futures finished easier on profit-taking after climbing previously to a three-week top with the market still facing the prospect of tight deliverable supplies, brokers said. The December cotton contract shed 0.39 cent to close at 76.31 cents per lb, dealing from 76.11 to 77.29 cents. On Tuesday, the contract ended at 76.70 cents in the highest close for the second position contract since July 8, according to Thomson Reuters data.

The spot October cotton contract fell 0.88 cent to finish at 80.57 cents. October has a 4.26 cents premium over key December, down from the previous session's premium of 4.75 cents. Volume traded in the December contract stood at 8,724 lots at 2:26 pm EDT (1826 GMT).

The following deals were reported: 200 bales of cotton from Sakrand Arif wala sold at Rs 6000, 200 bales from Mir Pur Khas at Rs 6000, 200 bales from Shahdad Pur at Rs 6000, 200 bales from Bahawal Nagar at Rs 6300, 200 bales from Chichawatni at Rs 6400, 200 bales from Chichawatni at Rs 6400, 200 bales from Burewala at Rs 6400 and 200 bales from Chichawatni at Rs 6400.

KCA spot rates FOR BASE GRADE 3 STAPLE LENGTH 1-1/32" a	
Rate for	EX-GIN PRICES
37.32 Kgs	6,200.00 (+100)
40 Kgs	6,645.00 (+100)