

## Cotton Domestic Fundamental

**Current Market Scenario:** Cotton prices noticed weak momentum during the month (May 2014), with a slight recovery reported in the later days. Despite the weaker arrivals, prices of cotton continued to decline as there was enough stock to quench the demand of millers and overseas demand remained sluggish due to revised policy of China.

**News Highlights: The pace of cotton sowing is showing good prospects for cotton in coming year.** In most of the cotton growing region, sowing is in the final phases and in fewer it would last a few more days. According to the farmers, cotton acreage is likely to increase this year as cotton fetches better remuneration than others crops like Paddy and Oilseeds. Besides this, due to availability of improved varieties, cotton cultivation is less associated with weed and pest attacks and it is less labour intensive. Also the threats of El Nino is also doing favors for cotton, as the fibre crop requires the lesser water than paddy and other Kharif crops. The property of cotton to loosen the soil and make it suitable for other crops is also a reason encouraging farmers to grow cotton instead of paddy, which leaves adverse impact on soil.

**India now holds the second rank in global textiles export, beating its** competitors like Italy, Germany and Bangladesh, as per the recent data released by UN Comtrade. China is the leading global textile and apparel exporter followed by India, whose share stood 17.5% in year 2013 in world export of textile.

**According to the third advance estimate released by Ministry of Agriculture,** cotton output would be around 36.50 million bales (of 170 kg each) in the current season compared to 34.22 million bales previous season.

**Export of cotton yarn from India is expected to be around 1,350 million kg. in 2013-14,** according to Cotton Textile Export Promotion Council (Texprocil). On the announcement of Chinese cotton policy, domestic mills shown their concerns over the export of the cotton yarn as China is the major importer of the cotton yarn, But due to its quality and price competitiveness, Indian cotton yarn in China is getting attention of the buyers and hence likely to have good export prospects.

**According to latest release by Cotton Association of India (CAI),** cotton production in India stood 383.50 lakh bales (of 170 kg each) during current season ending September 2014. Production of cotton in Gujarat has been estimated around 120 lakh bales which was 83.25 lakh bales previous season. In Maharashtra, cotton production is estimated 77.25 lakh bales in 2013-14 which was 72.50 lakh bales in 2012-13. Arrivals till 30 April, 2014 stood 341.75 lakh bales.

**Cotton export from India is likely to rise to 8.8 million bales (480-lbs) in 2013-14,** which was earlier expected to be around 8 million bales, according to USDA. Production too in India has increased to 29.5 million bales from earlier expectation of 29 million bales due to additional pickings following winter rains.

### Domestic Balance Sheet

All figures in Lakh Bales (of 170 Kgs. Each)		
Item	2012-13	2013-14
<b>Supply</b>		
Opening stock (CCI)	40	35
Crop size (DAC)	350	365
Imports (CCI)	14.59	17
Availability	404.59	417
<b>Demand</b>		
Mill consumption (CCI)	250.14	258
Small Mill consumption (CCI)	23.02	24
Non-Mill consumption (CCI)	10	15
Total consumption (USDA)	283.16	297
Export (USDA)	101.43	90
Total Demand	384.59	387

CCI: Cotton Corporation of India

DAC: Department of Agriculture and cooperation (Third Advance Estimates)

USDA : United States Department of Agriculture

### Balance Sheet Highlights:

Total availability stood higher this season (Oct'13-Sept'14) due to higher production and imports.

Total consumption during the season is expected higher on increased demand of yarn from overseas and amplified textile and garments exports anticipated for the current season.

Export of cotton (raw) would be on lower side due to the fall in demand from China, the largest importer of cotton.

Despite the higher availability and lesser exports ending stocks would be lower this season due to increased domestic consumption.

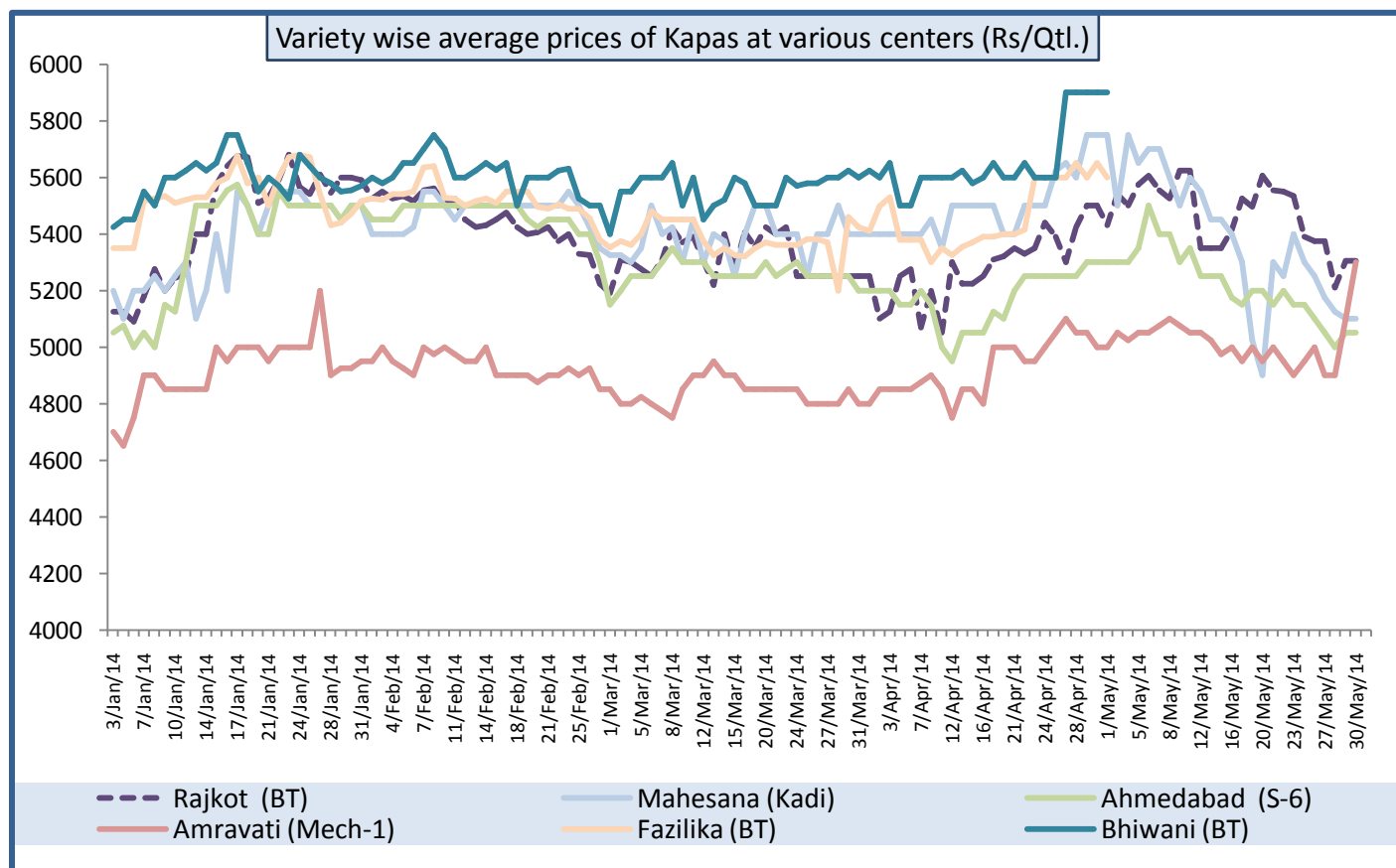
## Domestic Prices and Arrival Trend

### Cotton Prices at Key Spot Market:

Centre	Variety	Prices		Change
		31-May-14	30-Apr-14	
	<b>Kapas</b>	<b>(Rs./Qtl)</b>		
Amravati	Mech-1	4950	5050	<b>-1.98</b>
Khandwa	Mech-1	5000	5300	<b>-5.66</b>
Khargaon	Mech-1	5000	5300	<b>-5.66</b>
	<b>Kapas</b>	<b>(Rs./Qtl.)</b>		
Mahesana(Kadi)	B.T. Cotton	5250	5600	<b>-6.25</b>
Rajkot	B.T. Cotton	5485	5425	<b>1.11</b>
Patan	B.T. Cotton	5540	5950	<b>-6.89</b>
Deesa	B.T. Cotton	NA	NA	-
Muktsar	B.T. Cotton	NA	NA	-
Fazilika	B.T. Cotton	NA	NA	-
Bhiwani	B.T. Cotton	NA	NA	-
Adampur	B.T. Cotton	5750	5825	<b>-1.29</b>
Fatehabad	B.T. Cotton	5650	5800	<b>-2.59</b>
Dabwali	B.T. Cotton	NA	NA	-
Jind	B.T. Cotton	NA	NA	-
Uchana (Jind)	B.T. Cotton	NA	NA	-
Rawatsar (Hanumangarh)	B.T. Cotton	5625	NA	-
Hubli	B.T. Cotton	4895	5505	<b>-11.08</b>
	<b>Kapas</b>	<b>(Rs./Qtl.)</b>		
Ahmedabad	Shankar-6	5100	5250	<b>-2.86</b>
Gondal	Shankar-6	5125	5260	<b>-2.57</b>
	<b>Kapas</b>	<b>(Rs/Qtl)</b>		
Bijapur	Bunny	5339	5569	<b>-4.13</b>
Hubli	D.C.H.	NA	5289	-
Raichur	H-44 Cotton	5220	5220	<b>Unch</b>
	<b>Lint</b>	<b>(Rs./Maund of 37.32kg each)</b>		
Abohar	J-34	4700	4785	<b>-1.78</b>
Muktsar	J-34	4705	4800	<b>-1.98</b>
Fazilika	J-34	4700	4800	<b>-2.08</b>
Bhatinda	J-34	4715	4815	<b>-2.08</b>
Mansa	J-34	NA	4725	-
Sirsa	J-34	4620	4710	<b>-1.91</b>
Sri-Ganganagar	J-34	NA	4418	-

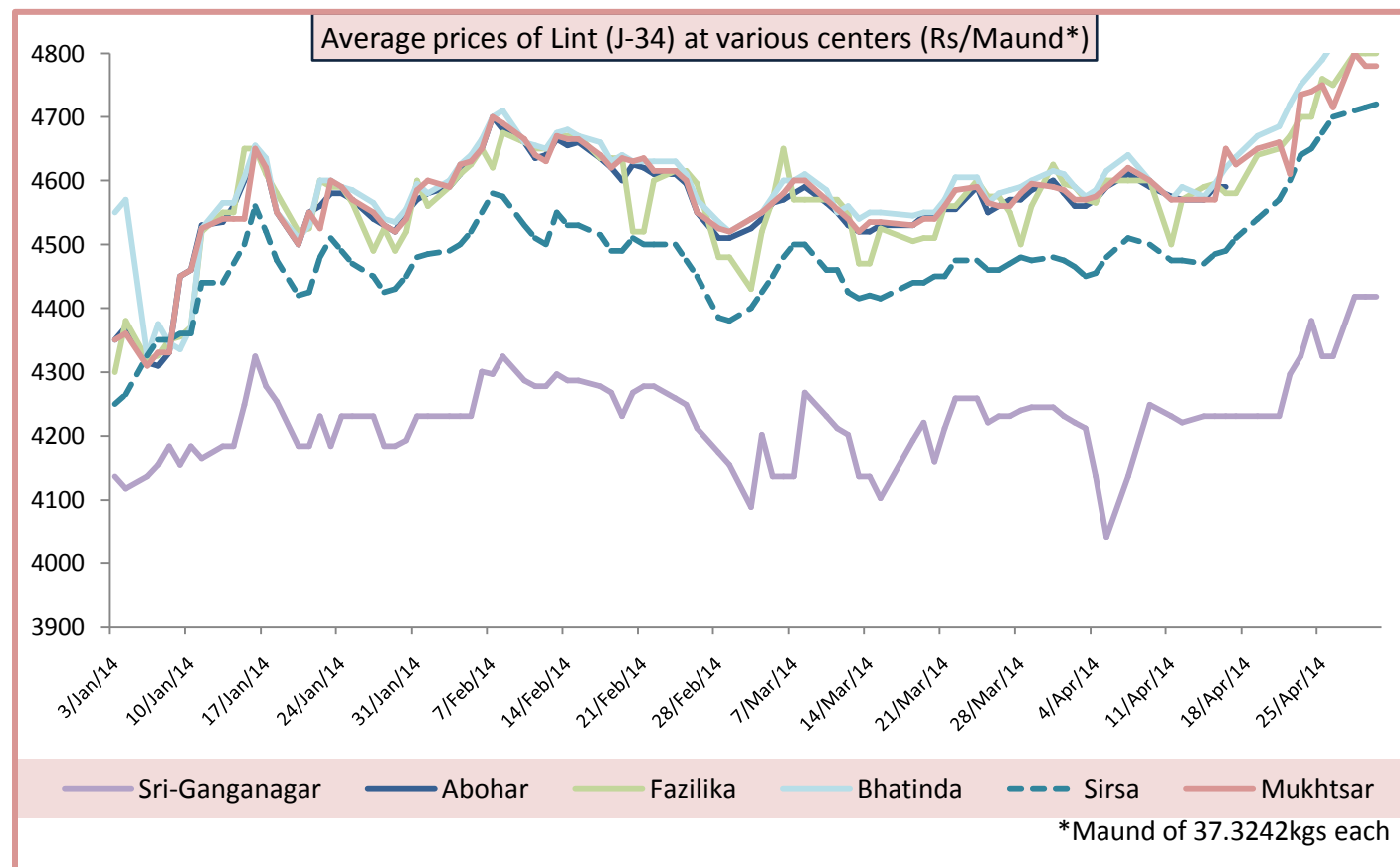
Hanumangarh	B.T. Cotton	4610	4750	<b>-2.95</b>
Adilabad	>30mm	NA	4456	-
Warangal	>30mm	NA	4482	-
Guntur	>30mm	NA	4456	-
Bhainsa	>30mm	NA	NA	-

### Average Prices of Kapas (Seed Cotton) at various centers:



The graph mentioned above is showing mixed movement of kapas in domestic market. Among the mentioned markets, Rajkot is fetching the highest prices currently, whereas Mahesana noticed a downtrend. Ahmedabad is also reported with weak prices whereas improvement in prices has been noticed in Amravati. Prices could move in range in coming days with weak biasness. Bhiwani and Fazilika are not reporting any arrivals currently.

### Average Prices of Lint at various centers:



Prices of lint noticed bearish movement during the week amid weak demand of yarn from overseas. Fazilika, Mukhtsar and Bhatinda are fetching highest prices among the mentioned centers. Sirsa is noticing a little lower prices and Sri-Ganganagar is getting the lowest.

### Monthly Prices of Lint (issued by Office of Textile Commissioner):

Month	J-34		H-4		S-6	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
October	29661.9	42979.9	32794.7	43923.3	33517.4	44969.92
November	31580.8	--	32844.6	40715.7	33592.2	40000.16
December	32453	38156.1	33043.9	39704.7	33798.6	39270.36
January	32837.4	41563	33008.3	43047.5	33805.8	42047.16
February	35165.7	42527.8	34332.6	43727.5	35051.8	42616.76
March	37949.6	42100.6	37664.8	43211.3	38319.8	42004.44
April	36963.5		37565.1		38205.9	
May	36507.8		37490.4		37764.5	
June	38871.6		39825.7		39868.4	
July	41278.2		42278.6		42417.4	
August	43321.6		45621.4		45959.6	
September	43143.6		44891.6		47839.3	
Average of the season	36643.1		37615		38344.8	

Figures in Rs./candy (356 kg.each)

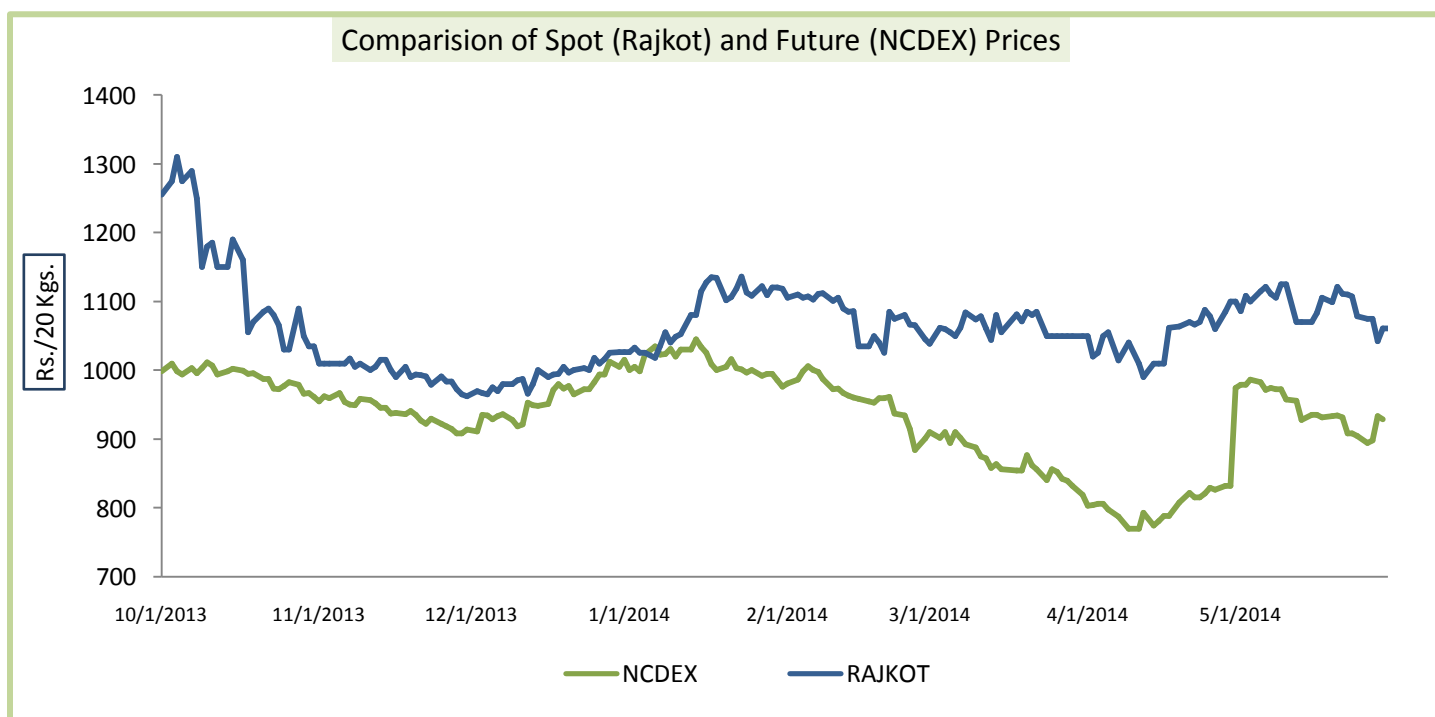
### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	% Change
				30-May-14	30-Apr-14	
Bengal Deshi (RG)/Assam Comilla (101)	<22mm	5.0 - 7.0	15	39400	38500	2.34
Bengal Deshi (SG)(201)	<22mm	5.0 - 7.0	15	39800	39000	2.05
J-34(202)	26mm	3.5 - 4.9	23	42900	44000	-2.50
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	38900	40600	-4.19
Shankar-6(105)	29mm	3.5 - 4.9	28	40700	42400	-4.01
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	43000	43700	-1.60
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	44600	44700	-0.22
DCH-32(107)	34mm	3.0 - 3.8	33	58500	59000	-0.85

### Spot and Future Prices

#### Movement of Prices at Spot and Future Market:

Both future and spot market are showing bearish trend on monthly basis. Weak demand and ample stocks has dragged the prices down. For the coming month also, we are expecting sideways movement with bearish tone.



**Cotton Arrivals in Key Centers:**

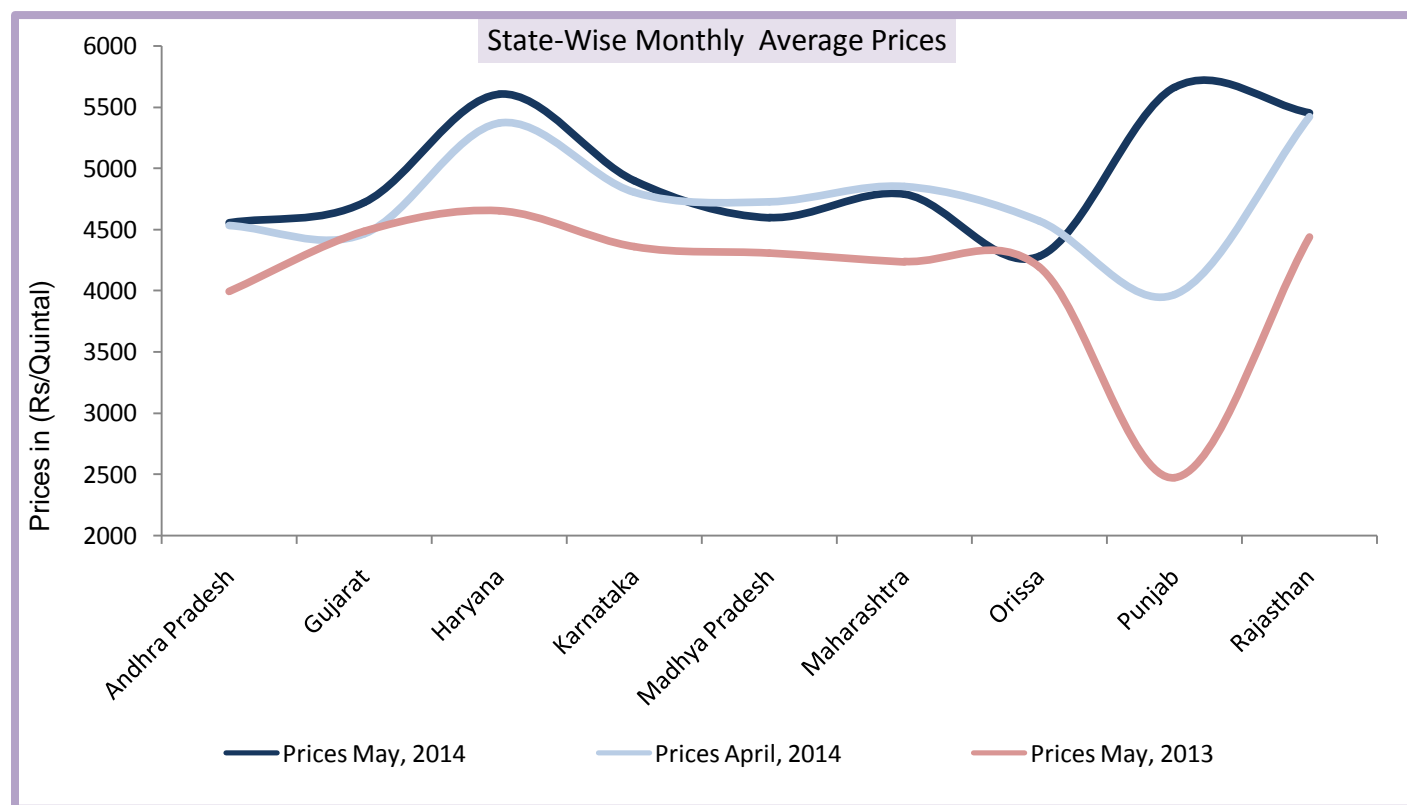
Centre	Variety	Arrivals (Qtl)		Change
		31-May-14	30-Apr-14	
Amravati	Mech-1	824500	552000	49.37
Khandwa	Mech-1	5500	15000	-63.33
Khargaon	Mech-1	28000	57500	-51.30
Mahesana(Kadi)	B.T. Cotton	610000	565000	7.96
Rajkot	B.T. Cotton	98550	87050	13.21
Patan	B.T. Cotton	67204	163933	-59.01
Deesa	B.T. Cotton	NA	NA	-
Fazilika	B.T. Cotton	NA	4920	-
Bhiwani	B.T. Cotton	NA	2400	-
Adampur	B.T. Cotton	3145	13005	-75.82
Fatehabad	B.T. Cotton	NA	7900	-
Dabwali	B.T. Cotton	NA	2910	-
Jind	B.T. Cotton	NA	3254	-
Uchana (Jind)	B.T. Cotton	NA	11920	-
Rawatsar (Hanumangarh)	B.T. Cotton	NA	1170	-
Hubli	B.T. Cotton	254	4558	-94.43
Ahmedabad	Shankar-6	1118600	1067600	4.78
Gondal	Shankar-6	28257	42227	-33.08
Bijapur	Bunny	37710	43450	-13.21
Hubli	D.C.H.	NA	78	-
Raichur	H-44 Cotton	19523	40567	-51.87
Abohar	J-34	NA	6613	-
Muktsar	J-34	NA	1304	-
Bhatinda	J-34	NA	202640	-
Mansa	J-34	NA	4930	-
Sirsa	J-34	5355	13345	-59.87
Sri-Ganganagar	J-34	NA	8415	-
Hanumangarh	B.T. Cotton	NA	650	-

### State wise Prices (Rs./Qtl.)

State	Prices May, 2014	Prices April, 2014	Prices May, 2013	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4556.2	4529.81	3995.45	0.58	14.03
Gujarat	4719.49	4462.61	4482.8	5.76	5.28
Haryana	5606.64	5369.28	4654.47	4.42	20.46
Karnataka	4897.36	4802.92	4357.15	1.97	12.4
Madhya Pradesh	4596.23	4726.16	4308.27	-2.75	6.68
Maharashtra	4787.4	4849.06	4236.72	-1.27	13
Orissa	4280.58	4570.23	4190.29	-6.34	2.15
Punjab	5661.37	3967.84	2471.18	42.68	129.1
Rajasthan	5454.56	5421.2	4438.21	0.62	22.9
<b>Average</b>	<b>4812.67</b>	<b>4599.11</b>	<b>4059.6</b>		

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

Prices this year in most of the region are prevailing higher compared to the previous year except Gujarat and Punjab, where prices have fallen down this month compared to the corresponding period last year. Among the major states, Punjab recorded the highest prices followed by Haryana and Rajasthan this month, whereas during last month, highest remuneration was reported in Rajasthan.

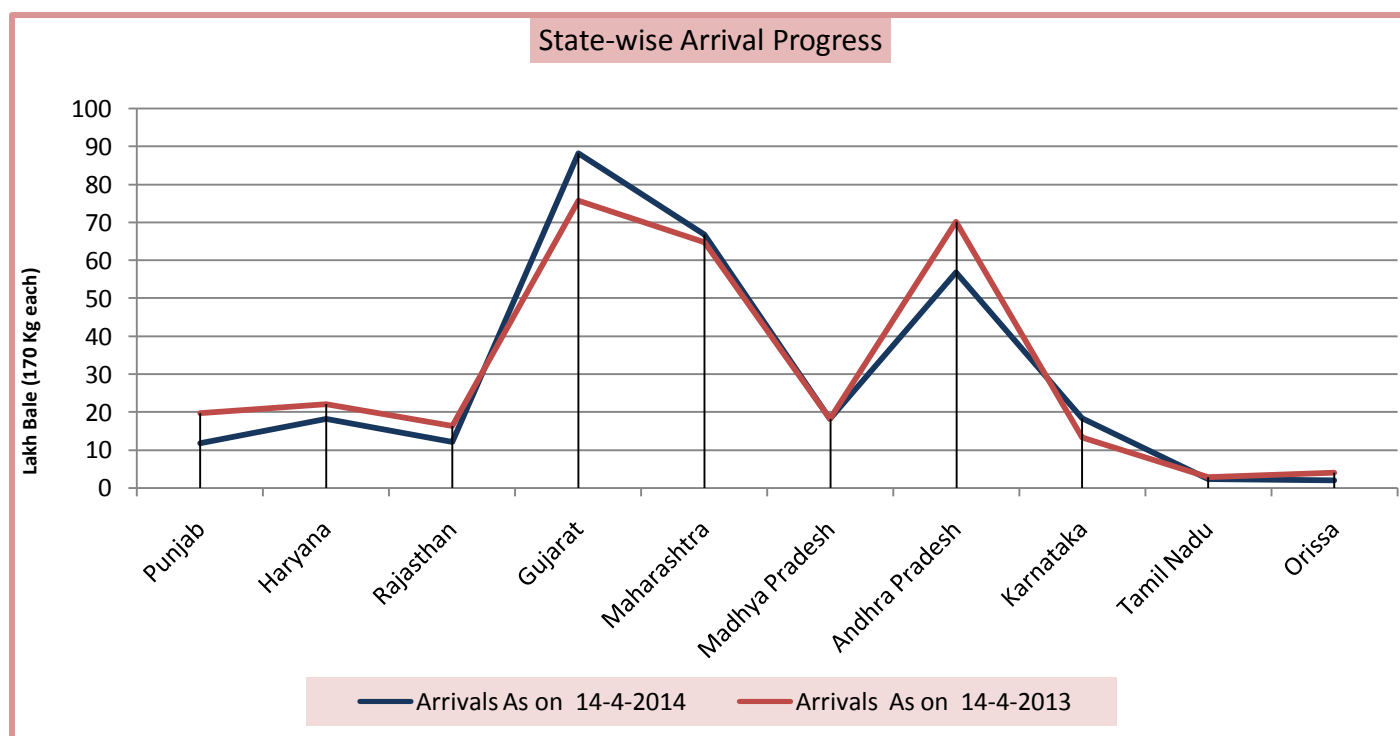




### State wise Arrivals (in lakh bales of 170 kgs each):

States	2013-14		2012-13	
	Production as per CAB	Arrivals As on	Production as per CAB	Arrivals As on
	01-11-2013	04-05-2014	01-11-2012	04-05-2013
1. Punjab	21	11.6	21	19.7
2. Haryana	23	18.05	25	22.04
3. Rajasthan	14	12.03	17	16.36
<b>A. North Total (1+2+3)</b>	<b>58</b>	<b>41.68</b>	<b>63</b>	<b>58.1</b>
4. Gujarat	116	88.11	93	75.64
5. Maharashtra	81	66.66	79	64.76
6. Madhya Pradesh	19	18.11	19	18.22
<b>B. Central Total (4+5+6)</b>	<b>216</b>	<b>172.88</b>	<b>191</b>	<b>158.62</b>
7. Andhra Pradesh	72	56.72	84	70.09
8. Karnataka	18	18.31	15	13.21
9. Tamil Nadu	5	2.27	6	2.81
<b>C. South Total (7+8+9)</b>	<b>95</b>	<b>77.3</b>	<b>105</b>	<b>86.11</b>
10. Orissa	4	1.89	4	3.91
11. Others	2	1.41	2	1.76
<b>D. Total (10+11)</b>	<b>6</b>	<b>3.3</b>	<b>6</b>	<b>5.67</b>
<b>Grand Total (A+B+C+D)</b>	<b>375</b>	<b>295.16</b>	<b>365</b>	<b>308.5</b>

Source: Cotton Corporation of India



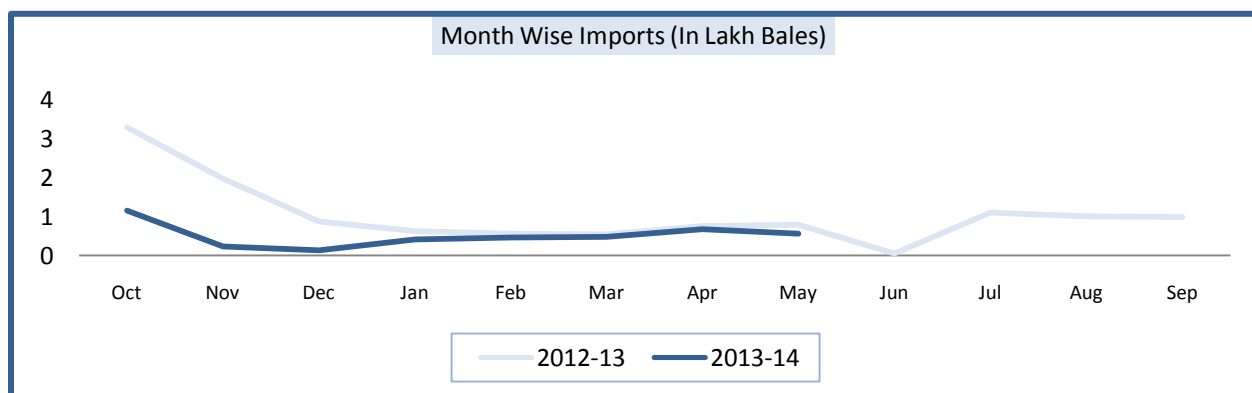
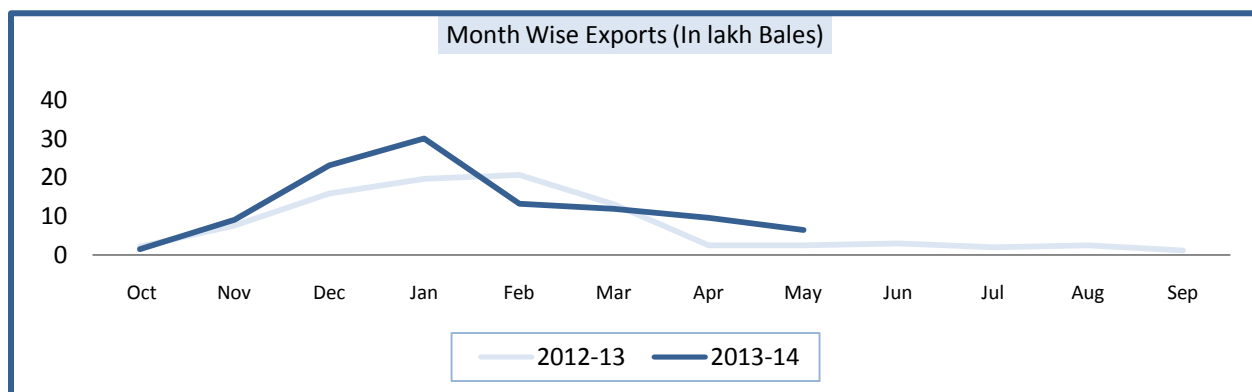
## Cotton Export and Import Scenario

Cotton Exports(In Lakh Bales)		
Month	2012-13	2013-14
Oct	2.29	1.43
Nov	7.68	9.06
Dec	15.83	23.12
Jan	19.71	30
Feb	20.67	13.15
Mar	13.07	11.9
Apr	2.5	9.46
May	2.58	6.37
Jun	3.01	
Jul	2.06	
Aug	2.5	
Sep	1.22	
<b>Total</b>	<b>93.12</b>	<b>104.5</b>

Source: IBIS

Cotton Imports(In Lakh Bales)		
Month	2012-13	2013-14
Oct	3.3	1.16
Nov	1.98	0.24
Dec	0.88	0.133
Jan	0.63	0.41
Feb	0.56	0.46
Mar	0.55	0.488
Apr	0.76	0.68
May	0.8	0.56
Jun	0.05	
Jul	1.1	
Aug	1.01	
Sep	0.99	
<b>Total</b>	<b>12.61</b>	<b>4.13</b>

Source: IBIS



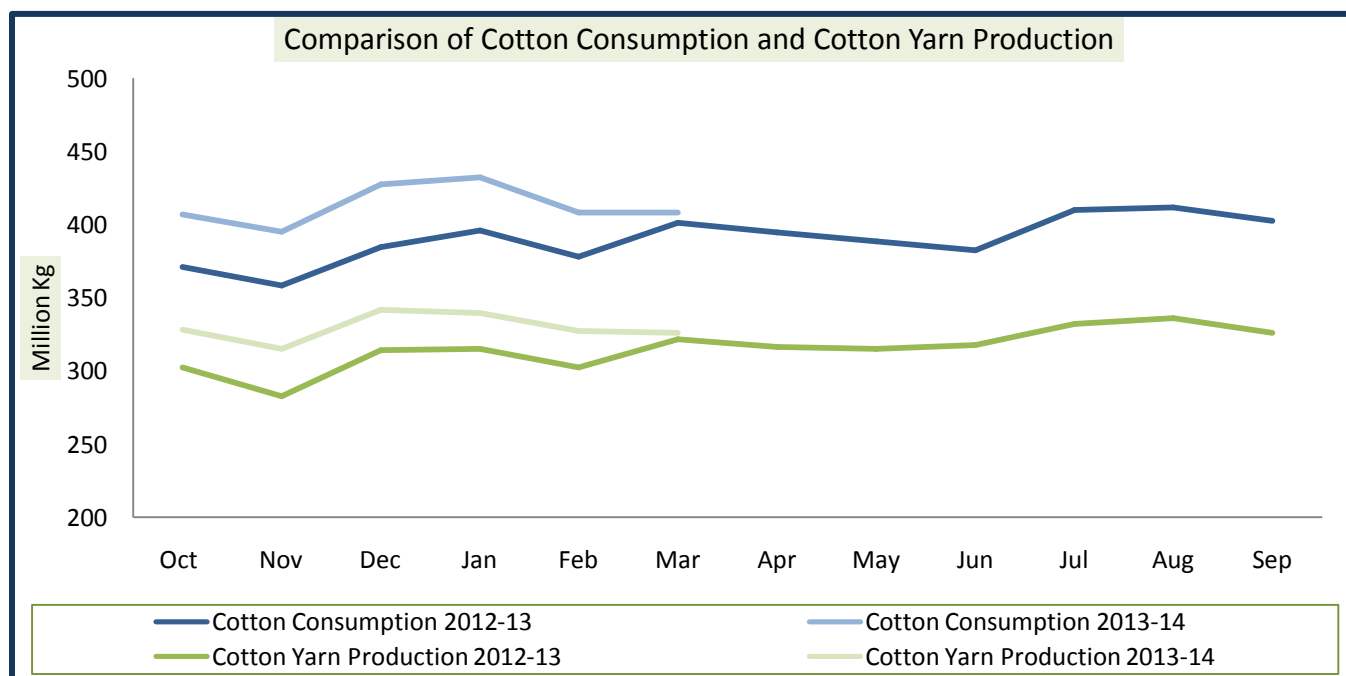
## Cotton Yarn Dynamics

### Cotton Consumption and Cotton Yarn Production:

Cotton consumption on monthly basis is fluctuating, had noticed highest level in January till now whereas on yearly basis it has increased compared to the previous year. Increased cotton consumption has been reflected in cotton yarn production as the same too has increased on yearly basis and showing mixed trend on monthly basis.

Month	Cotton Consumption 2012-13	Cotton Consumption 2013-14	Cotton Yarn Production 2012-13	Cotton Yarn Production 2013-14
Oct	371.35	407.21	302.65	328.33
Nov	358.54	395.28	282.88	315.39
Dec	384.75	427.45	314.21	341.94
Jan	396.02	432.54	315.07	339.48
Feb	378.1	408.27	302.59	327.53
Mar	401.38	408.22	321.57	326.26
Apr	394.75		316.61	
May	388.47		314.97	
Jun	382.64		317.69	
Jul	409.9		332.12	
Aug	411.96		336.3	
Sep	402.88		326.09	

*Figures in Million Kg.*

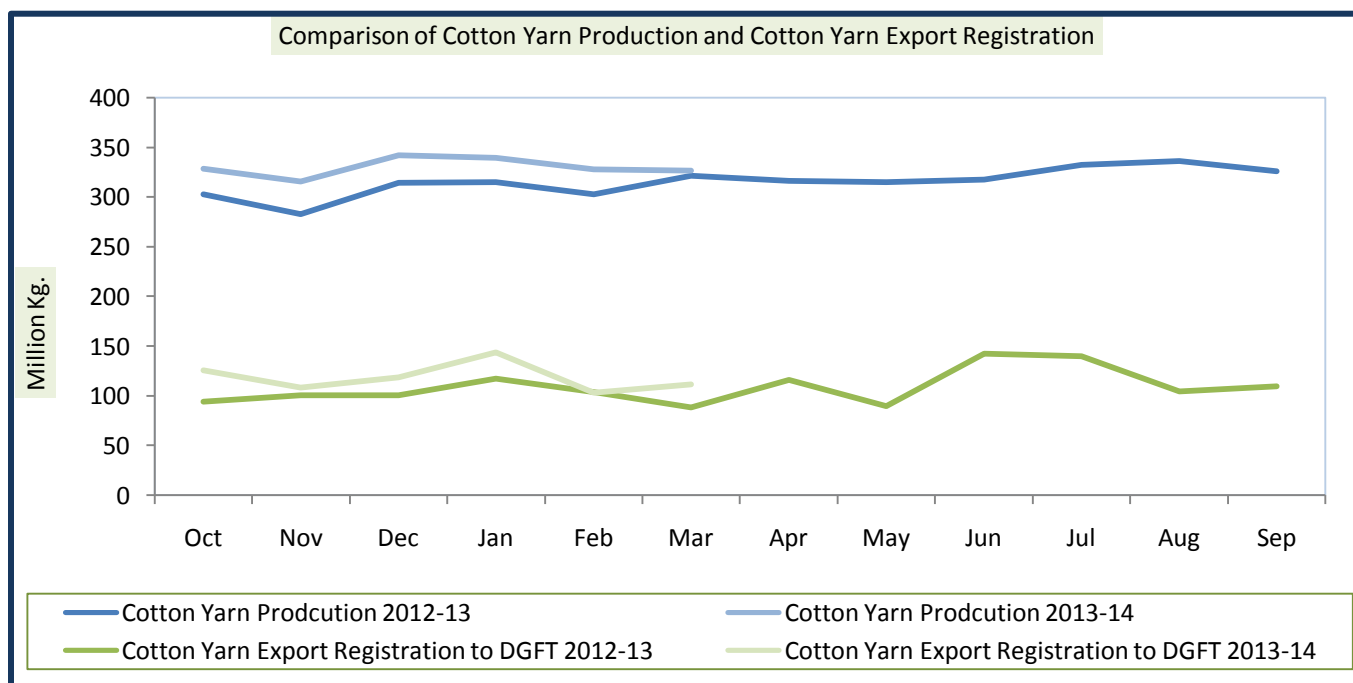


### Cotton Yarn Production and Cotton Yarn Export:

Cotton yarn export remained higher this year compared to the previous year. It should be noted that Indian cotton yarn is fetching good prices overseas due to its fine quality. Also, garments and apparel Industries are likely to boom in India as China, the largest exporter of textile is likely to move away from the industry gradually and the share of China would shift to other Asian nations including India.

Month	Cotton Yarn Production 2012-13	Cotton Yarn Production 2013-14	Cotton Yarn Export Registration to DGFT 2012-13	Cotton Yarn Export Registration to DGFT 2013-14
Oct	302.65	328.33	94.46	125.88
Nov	282.88	315.39	100.77	108.52
Dec	314.21	341.94	100.77	118.736
Jan	315.07	339.48	117.14	143.813
Feb	302.59	327.53	103.95	103.124
Mar	321.57	326.26	88.68	111.738
Apr	316.61		115.96	
May	314.97		90.15	
Jun	317.69		142.297	
Jul	332.12		139.745	
Aug	336.3		104.913	
Sep	326.09		109.64	

*Figures in Million Kg.*



## Technical Analysis of Cotton Future

<b>Commodity</b>	Kapas
<b>Exchange</b>	NCDEX
<b>Contract Month</b>	April'15



### Weekly Technical Outlook:

- Candlesticks are depicting bearish movement of prices during the month, following a bullish streak.
- RSI is moving in neutral region supporting sluggish tone.
- We expect prices to remain in range with firm biasness.

### Expected Price Range During Coming Month

Expected Trend	Expected Trading Band
Range Bound Momentum	890-1000

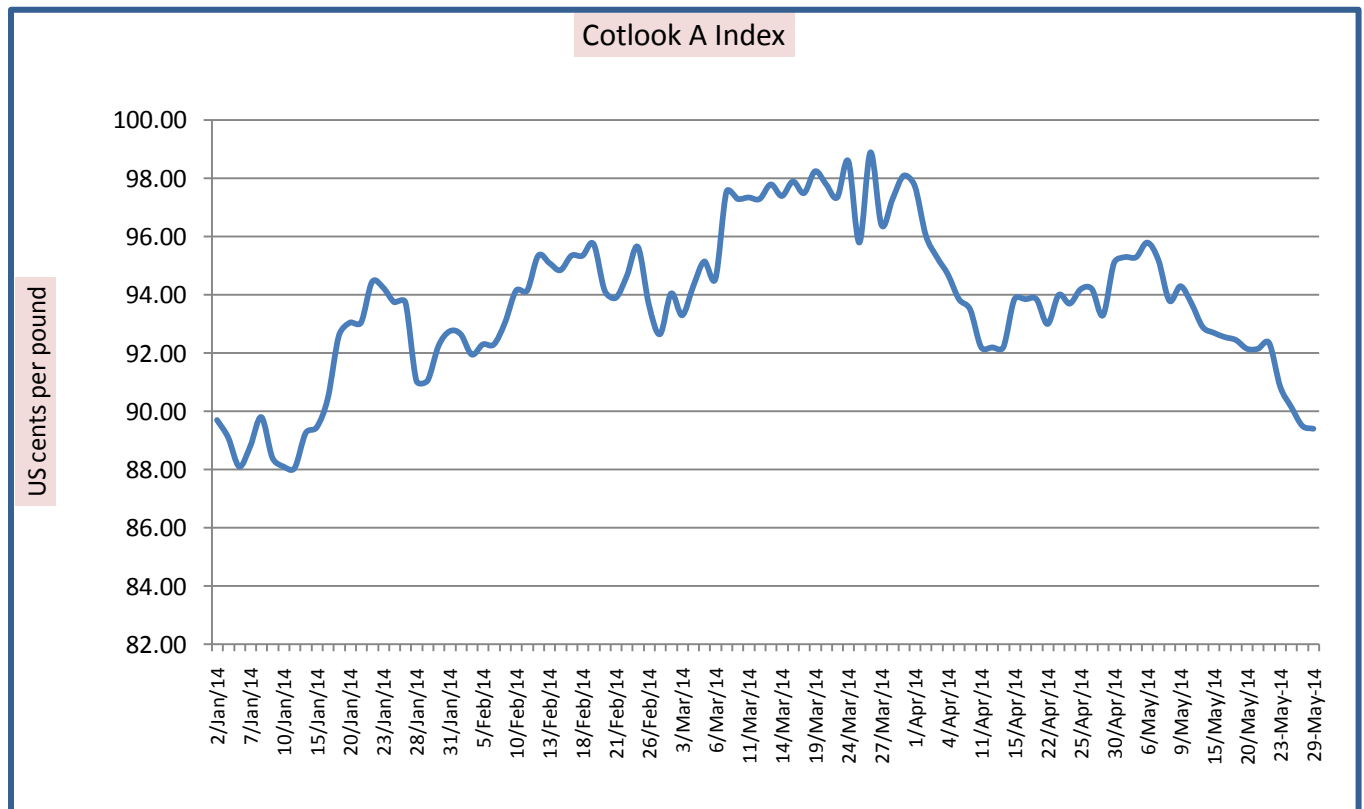
### Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
880	865	1025	1040

## International Market Scenario

**Current Market Scenario:** International market noticed a downtrend during the month (May'14). Large stocks and weaker demand from China has moved the cotton price downward.

Revised cotton policy of China, to limit stockpiling of cotton reserve stocks would restrict the imports in the country and thus hitting the world cotton trade. As per the USDA report, around 10% of global trade is likely to decline.



### News Highlights:

**World cotton trade is expected to notice timid sentiments in coming season.** The volume of cotton traded worldwide is expected to decline to 8.1 million tons, noticing a fall of 8%, said International cotton advisory committee (ICAC). Reason for the same is fall in shipment to China which was 5.3 million tons in 2011/12 and expected 2.1 million tons in 2014/15. World consumption on other hand is projected to increase by 3% to 24.2 million tons in 2014/15. As far as India is concerned, the consumption in country increased to 4.8 million tons in 2012/13, witnessing a growth of 12% due to revision of Chinese cotton policy and it's expected to grow by 7% to 5.4 million tons in 2014/15. In the coming season exports from Greece and CFA zone will notice growth of 6% and 3% respectively but at the same time exports from the major producers and exporters would decrease. USA cotton export is expected to decrease by 1% to 2.6 million tons, Australia export is likely to fall by 23% to 8 lakh tons and India cotton export is forecasted to fall to level of 1.1 million tons, noticing a decline of 21%.

**As per the weekly crop data released by USDA on June 01, 2014**, 74% of the cotton planting has been completed in USA (15 Major states), a week earlier it was 62%. The planting this year is little lower than the previous year during the corresponding period, which stood 79%. The five year average is 81%, which is far higher than the current planting pace in USA.

**Global cotton inventory is expected to surge to the level of 21 million tones** by the end of crop season 2014-15, said International cotton advisory committee (ICAC). According to the committee global trade is likely to decline sharply on lower demand from China.

**Sowing of cotton in Uzbekistan has been completed**, despite the late start due to favorable weather conditions. Germination has been reported in many areas, whereas few areas require replanting.

**Production of cotton in China is likely to be around 6.44 million tons**, 23000 tons higher, which was projected earlier, as reported by Beijing Cotton Outlook (BCO) in its latest release. China cotton ending stock in 2014-15 is expected to be around 13.42 million tons compared to 13.13 million tons estimated earlier. According to BCO, cotton import and consumption in China during 2014-15 would be around 2.20 million tons and 7.70 million tons respectively.

### **World Cotton Balance Sheet:**

Particulars	2013-14	2014-15*
<b>SUPPLY</b>		
Opening stock	19.602	21.317
Production	25.502	25.138
Imports	8.785	7.901
Availability	53.889	54.356
<b>DEMAND</b>		
Consumption	23.814	24.349
Exports	8.784	7.9
Total Disappearance	32.598	32.249
Ending Stock	21.317	22.134
Source: USDA (*May Advance Estimates by USDA), Figures in Million Metric Tonnes		

### **Balance Sheet Highlights:**

Opening stock is higher this year compared to the previous year, which is adding weight to the total availability. Production is on weaker side primarily because of lower production in China and USA. Imports are showing fall this year compared to previous as China would demand less on its stock releasing policy.

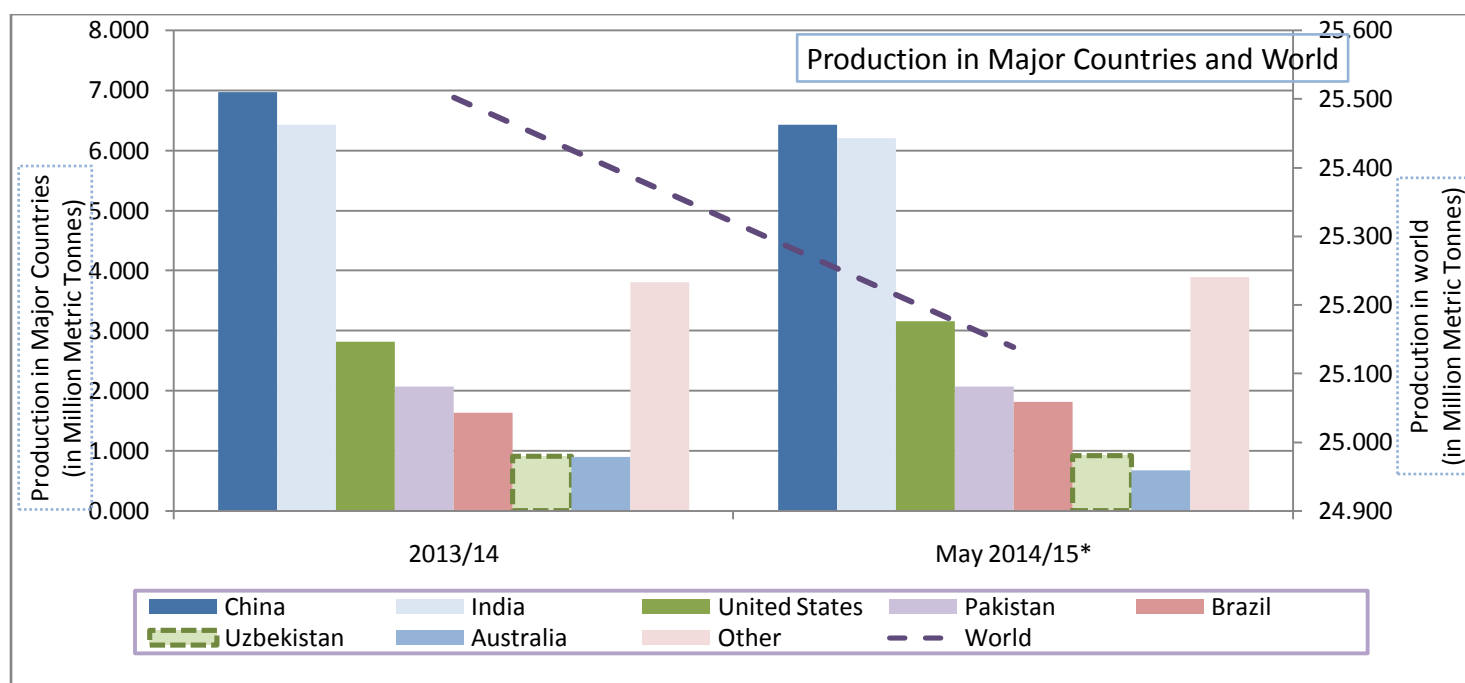
Adding all the factors mentioned above, global cotton availability is higher compared to the previous year. Consumption has been increased this year mostly because of the boosted demands from Asian nations, though exports are being declined.

There is a demand gap as we have leading supply and there is ample supply to fulfill the demand currently world stock is on higher side for the fifth consecutive year. China holds the largest share in world stock.

### Global Cotton Production Dynamics

World production would be on weaker side amid lower production in China, India and Australia. India is expected to see lower production in 2014-15

United States, Pakistan, Brazil and Uzbekistan are showing higher production prospects this year, compared to previous.



Global production is declining on global front but total availability would be higher as opening stocks are large enough to add weight to the supply. Consumption on global scale would increase in 2014/15 following good demand from Asian regions including India.

### Global Export and Import Scenario

World export is declining which is clearly depicted by the fall in the individual exports by countries; reason for the same is the stock inventories available for the consumption.

United States, India and Australia followed by Uzbekistan, Brazil, Greece and Burkina would be the major exporter this year.

China, the world largest importer of cotton is expected to show sharp decline in the imports, due to its restrictive import policy and surplus of stock available.

Scenario of other major importing nations are different that of China. They all are showing rise in imports due to their increased consumption.

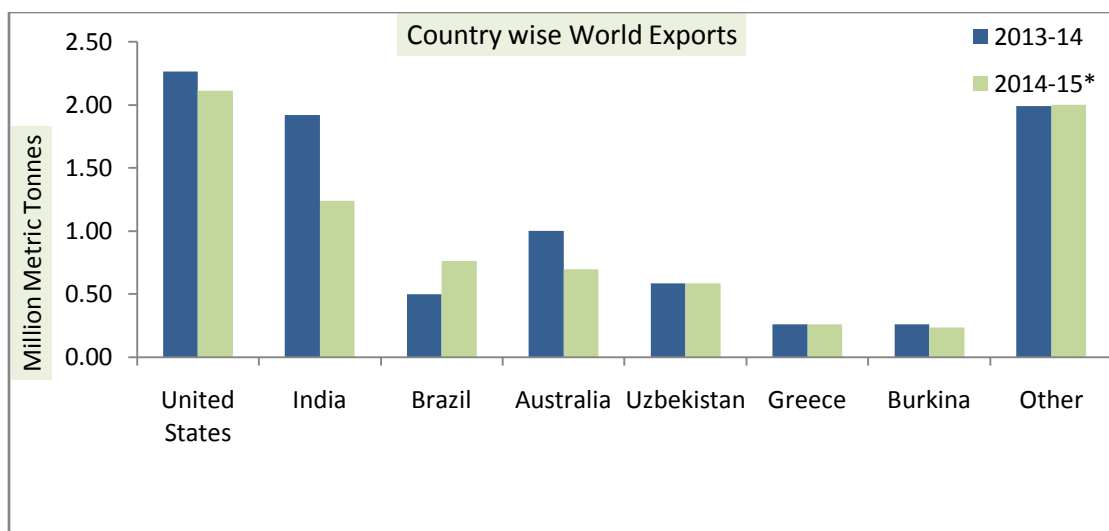


Export	2013-14	2014-15*
United States	2.26	2.11
India	1.92	1.24
Brazil	0.50	0.76
Australia	1.00	0.70
Uzbekistan	0.59	0.59
Greece	0.26	0.26
Burkina	0.26	0.24
Other	1.99	2.00
<b>Total</b>	<b>8.78</b>	<b>7.90</b>

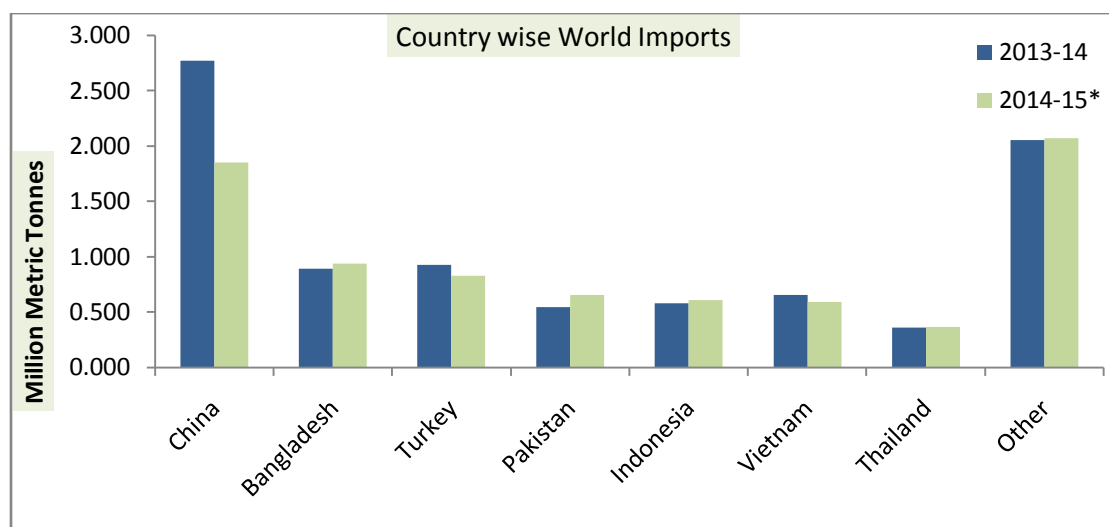
\*USDA advance estimate, All figures in Million Metric Tonnes

Import	2013-14	2014-15*
China	2.776	1.851
Turkey	0.893	0.936
Bangladesh	0.925	0.827
Vietnam	0.544	0.653
Indonesia	0.577	0.610
Pakistan	0.653	0.588
Thailand	0.359	0.365
Other	2.058	2.071
<b>Total</b>	<b>8.785</b>	<b>7.901</b>

\*USDA advance estimate, All figures in Million Metric Tonnes



As per USDA, United States, India, Australia and Burkina would export less in 2014/15 compared to the current year, whereas Uzbekistan and Greece cotton export would remain steady and Brazil is likely to export more.



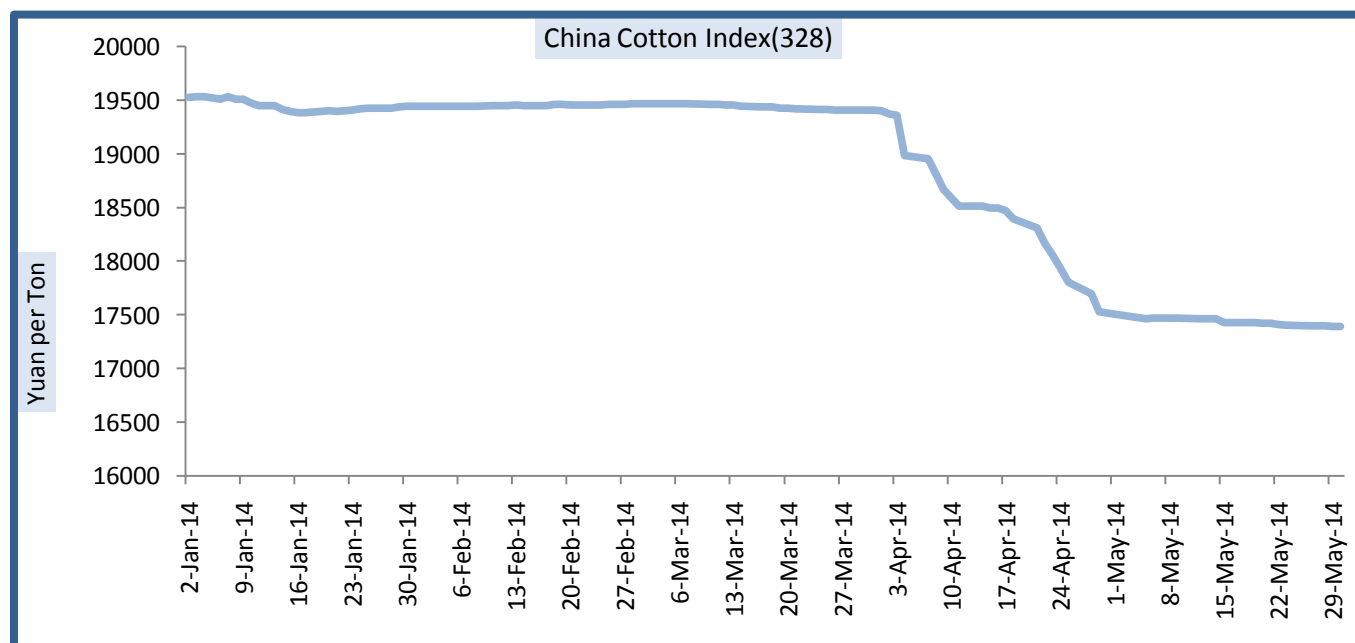
As far as Imports are concerned China is expecting a remarkable fall in imports, Turkey and Vietnam too are showing declining trends in imports. Bangladesh, Pakistan, Indonesia and Thailand are projected to notice uptrend in imports.

## International Prices and Indices

### China Cotton Index

China index is showing downwards movement from the last month on sluggish demand. The sentiments of lesser shipment to China in coming season too, have shifted the prices to negative tracks. Also revised China cotton policy had already made a bearish environment.

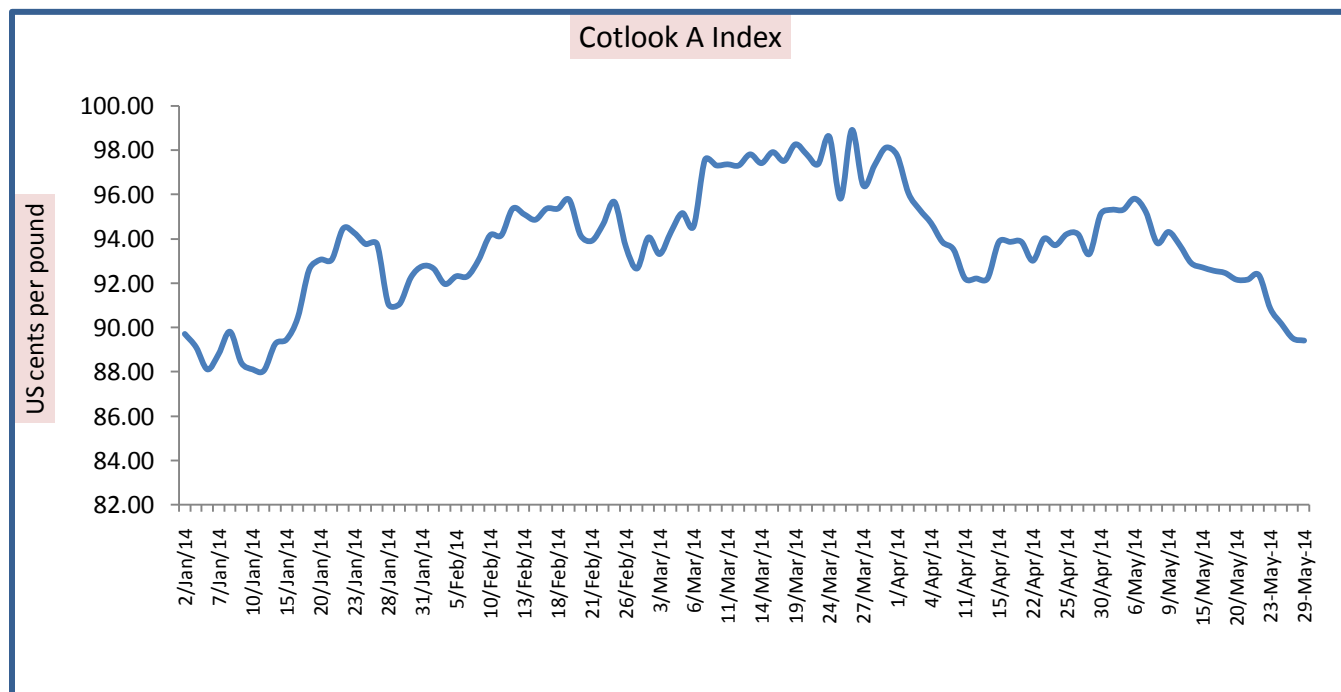
CC Indices	30/May/14	30/Apr/14	Change
CC Index(229)	18201	18399	-1.08
CC Index(328)	17392	17518	-0.72
CC Index(527)	16289	16353	-0.39
Figures in Yuan per Ton			



### Cotlook A Index

Cotlook A index is moving low from the previous months. As prices in Far East are moving high compared to the previous year. There is good demand from Bangladesh for cotton on boost in garments export from the country. In India also price remained high this year on Y-o-Y basis. We expect prices to remain weak.

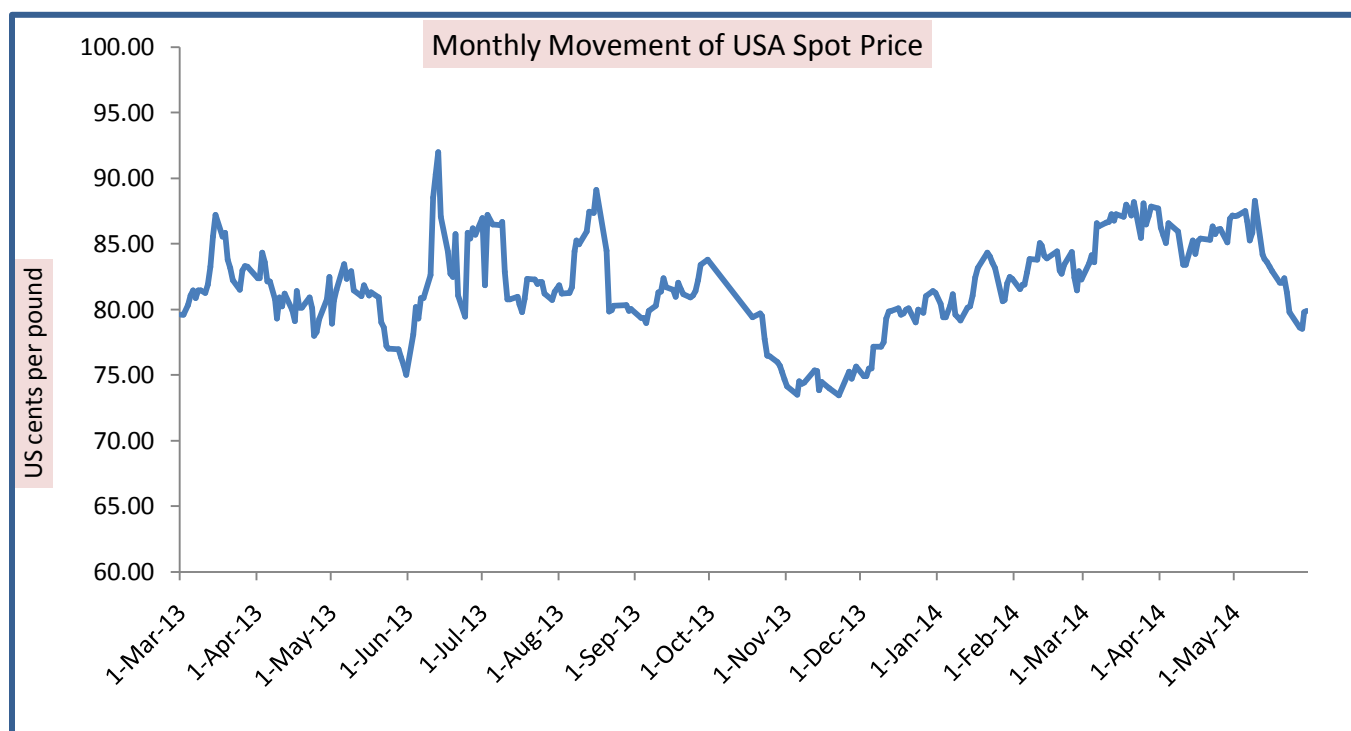
Cotlook A Index		
30/May/14	30/Apr/14	Change
90.7	95.1	-4.63
Figures in US Cents per Pound		



### USA Spot Prices

Spot prices in USA have been affected by the bear factors prevailing in the world market. These factors includes lower world cotton trade anticipated for the coming season, larger global inventories and lesser exports expected to China.

USA Spot Prices			
Date	30/May/14	30/Apr/14	% Change
Prices	79.8	81.3	-1.83
Figures in US Cents per Pound			



### ICE Cotton Future:

Contracts	30/05/2014	31/04/2014	30/05/2013	% Month Change	% Y-o-Y Change
<b>Jul-14</b>	86.27	94.29	84.53	-8.51	2.06
<b>Oct-14</b>	77.13	83.83	--	-7.99	--
<b>Dec-14</b>	77.47	83.40	--	-7.11	--
<b>Mar-15</b>	77.77	82.69	--	-5.95	--
<b>May-15</b>	78.89	82.67	--	-4.57	--
<b>Jul-15</b>	79.85		--	--	--

Source: MRCI, Figures in US Cents Per Pound

Future price of cotton at ICE are showing downtrend on M-o-M basis and uptrend on Y-o-Y basis. Reason for the same is the annual consumption on global front is likely to improve whereas the short term decline is due to revision of the Chinese cotton policy which came into being in April and slide the cotton price downwards.

## Technical Analysis of Cotton Future

Commodity	Cotton
Exchange	ICE
Contract Month	July'14



### Weekly Technical Outlook:

Candlesticks are depicting weak movement in prices during the month.  
Steady Volume and Open interest beckons consolidation in near term.  
We expected prices to remain in range.

### Expected Price Range During Coming Month

Expected Trend	Expected Trading Band
Range-Bound Momentum	82.20-95.20

### Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
81	80.20	96	98

Source : MRCI

All figures in US cents per pound

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