

Cotton Domestic Fundamental

Current Market Scenario: Cotton market noticed range bound momentum during the month (November'14). Prices of Kapas at Rajkot remained sideways, with the range of Rs. 4050-4260 per quintal during November 2014 which was 3625-4465 per quintal previous month.

Cotton exports from India are likely to fall by 45% this season from major importers China and Bangladesh. During the current season 2014-15, India is likely to export 6.5 to 7 million bales (of 170 kg. each) of cotton, which was 11.8 million bales last year, said Cotton Advisory Board (CAB).

Output of cotton in India is expected to be around 40.55 million bales in season 2014-15, 14.22% higher than the previous year's production of 35.5 million bales, said cotton association of India (CAI). Not only production, acreage, yield, consumption and export have also noticed a rise in last previous years. Acreage of cotton reported 12.65 million hectares 10.28 % higher when compared to the previous year's area. India has great potential in textile export, which is keeping the market prospects higher for cotton in the country.

Cotton Corporation of India (CCI) has planned to procure sixty lakh bales of cotton this season (Oct'14-Sept'15) at the outlay of 12000 crore. Around 8 lakh bales of cotton have been procured by CCI in Andhra Pradesh and Telangana so far. CCI has tied up with the consortium of 14 banks, led by Bank of Baroda in order to carry out the procurement related transactions.

The share of India is getting wider in apparel export to USA. On the lesser price competitiveness of China and Bangladesh, India has nurtured its market share in apparel exports to USA. India exported 745 million square meters equivalent (msme) to USA, during January to September this year, 7.5% higher when compared to the corresponding period last year.

The revised duty drawback rates, announced by the Union Government have brought delight for textile exporters and stakeholder. Additional product categories have been included and the drawback caps have been increased for textile exports, said Cotton Textile Export Promotion. Separate rate have been fixed for cotton yarn above 50s count. The upward revision in the rates will boost the exports and promote the value addition.

The Textile Minister, Shri Santosh Kumar Gangwar instructed Cotton Corporation of India (CCI) in a meeting to closely supervise and control the cotton prices. He told CCI to set up additional procurement centers wherever required and to ensure the hassle free, direct payment to farmers' bank account as foreseen in Pradhan Mantri Jan Dhan Yojana. He also expressed the need of escalation in exports of cotton and exploration of new export destinations.

Cotton consumption of India in marketing year (Oct 2013-sept 14) is estimated 6% higher at 291.28 lakh bales, which was 275.34 lakh bales last year, as revealed by data released by Ministry of Textile. The consumption has noticed a rise of 35% in year 2013-14 when compared to the year 2006-07, when the figure was 216.18 lakh bales. Cotton consumption in India is likely to rise to 305 lakh bales this year following the amplified demand from textile mills.

Domestic Balance Sheet

All figures in Lakh Bales (of 170 Kgs. Each)			
Item	2013-14*	2014-15*	% Change
Supply			
Opening stock	40	32	-20
Crop size	398	400	0.5
Imports	10.8	7	-35.2
Availability	448.8	439	-2.2
Demand			
Mill consumption	266	275	3.4
Small Mill consumption	24.88	26	4.5
Non-Mill consumption	8	10	25.0
Total consumption	298.88	311	4.1
Export	117.92	90	-23.7
Total Demand	416.8	401	-3.8
Ending Stock	32	38	18.8

*Source: CCI (Cotton Corporation of India)

Balance Sheet Highlights:

Opening stock would remain lower this season (Oct'14-Sept'15) compared to the previous one. According to CCI, opening stocks would stand 20% lower this season. Production would be on higher side in the current season following the higher acreage in the country.

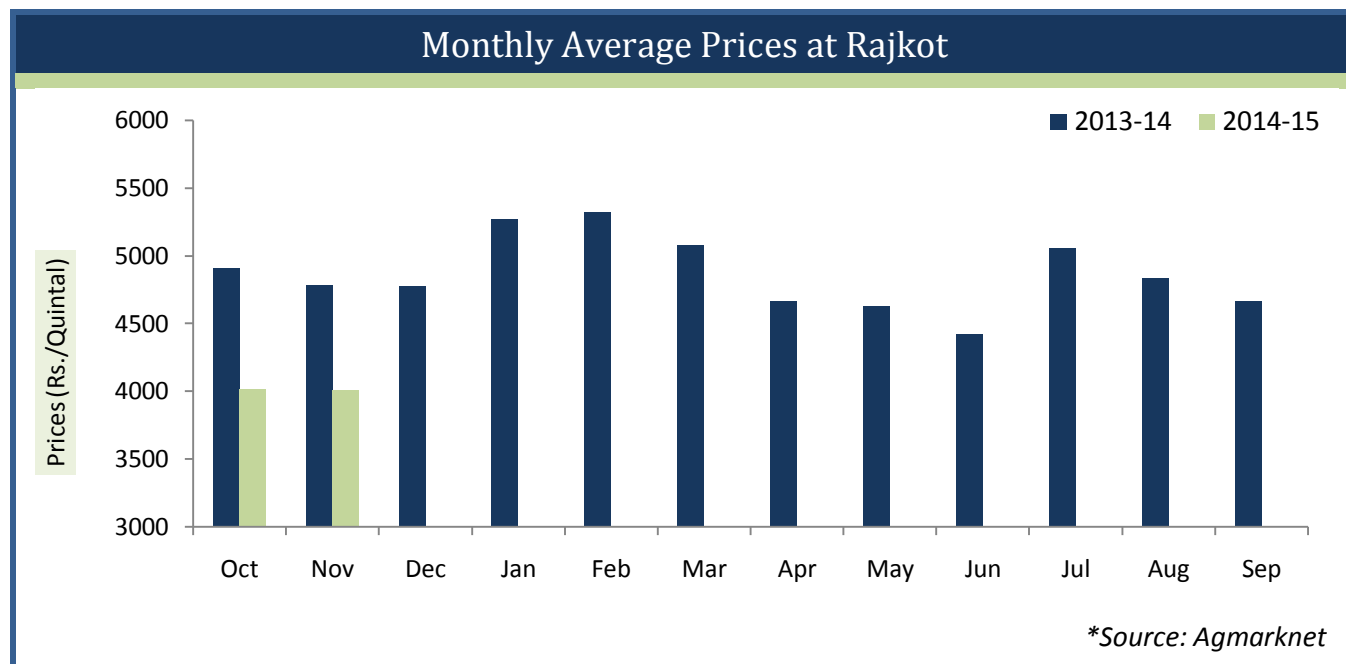
As per the latest estimates released by Ministry of Agriculture (MoA), around 126.55 lakh hectare of area has been sown under cotton this year, around 10.64% higher than the previous year, when it was 114.37 lakh hectares.

Imports are expected to fall as there would be ample supply in the country and domestic prices are likely to remain weaker which would diminish the cotton imports. Lower opening stocks and lesser imports will hence make the total supply lower compare to the previous season.

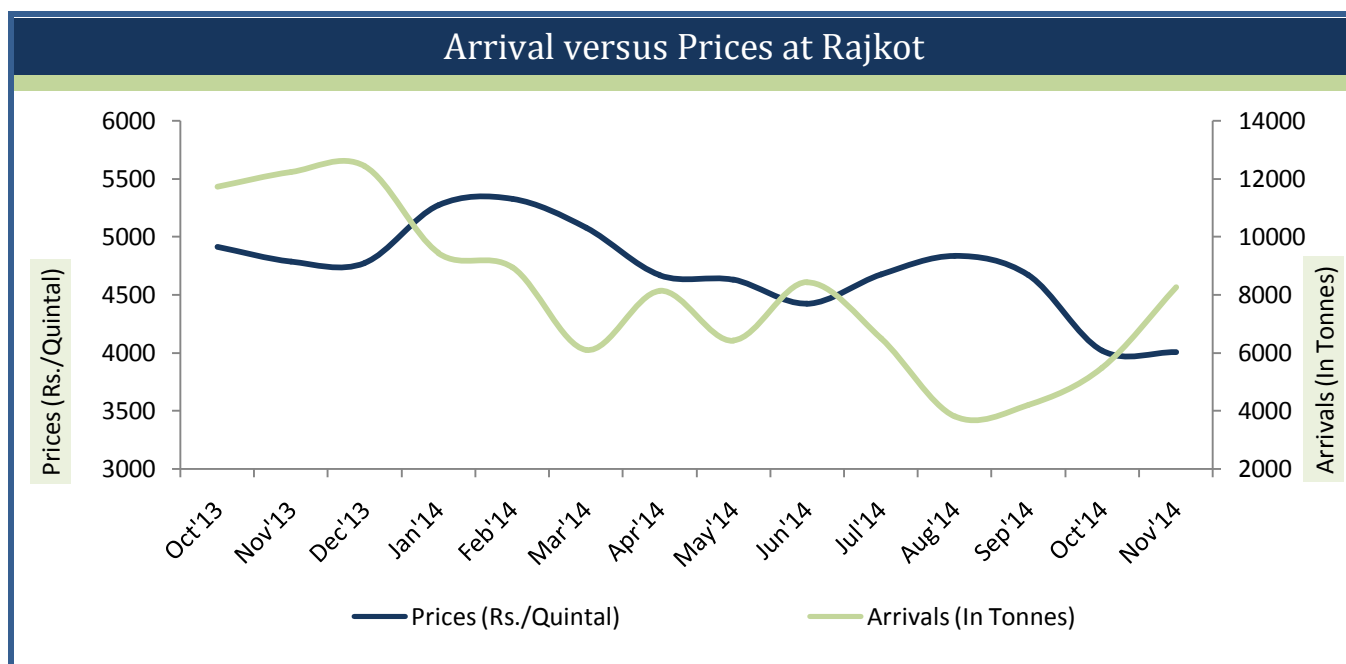
Consumption of cotton in country is likely to increase on amplified demand from textile and garments industry, but it would not cause any supply deficit because of enough availability in the country.

Exports are expected to see a remarkable fall because China will import lesser due to restrictive import policy, which is announced to terminate the cotton stockpiling program.

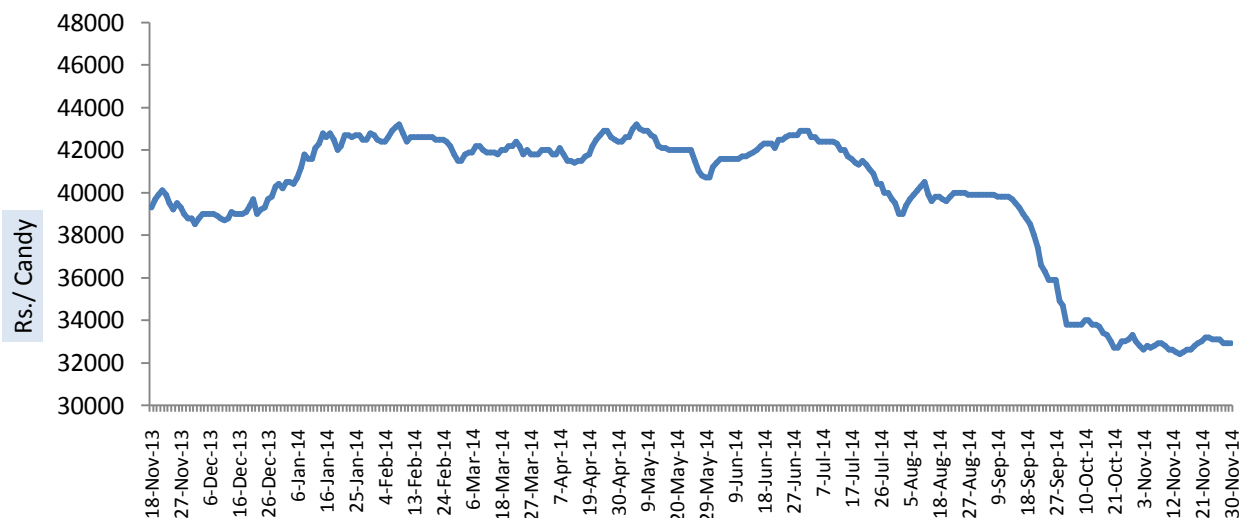
Domestic Prices and Arrival Trend



On the expectation of higher production and remarkable fall in the exports, prices of cotton in domestic market are falling severely. Average monthly price of cotton at benchmark market Rajkot stood Rs. 4006.88 per quintal during November, around 16.2% lower when compared to same month last year and 0.35% lower on month on month basis. Prices during specifically in the month of November remain range bound and significantly lower compared to the prices in previous month.



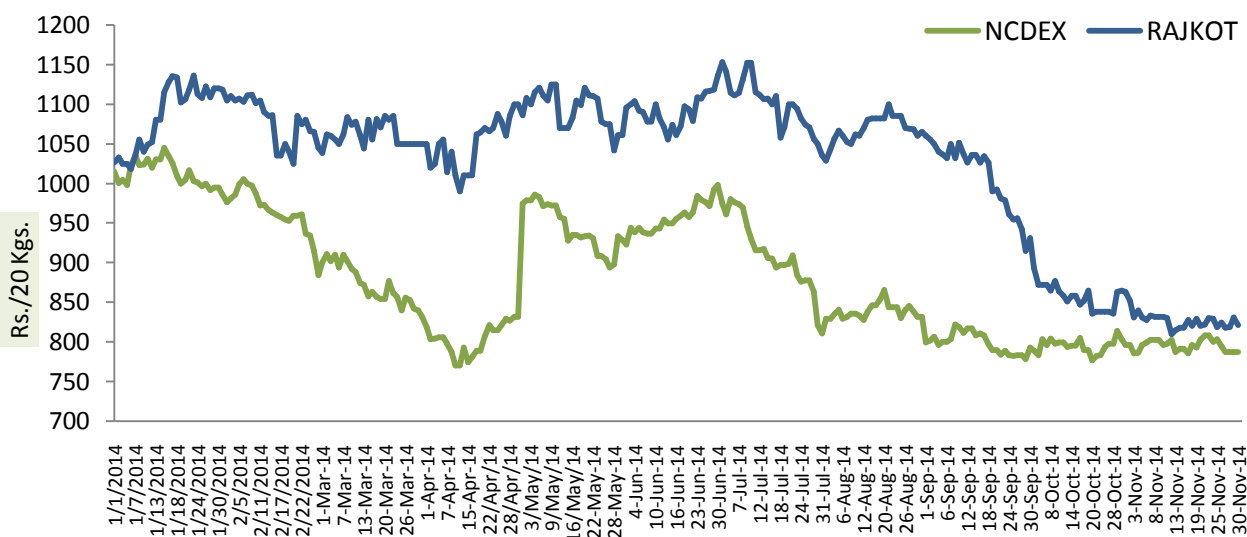
Shankar-6 (CAI Spot Prices)



Prices of cotton remained sideways as bears are dominating the domestic and International market. Monthly average price of Shankar-6 stood Rs 32815 per candy during November, which was Rs. 33440 per candy in October.

Prices at spot market too remained range bound with weak biasness, future prices of Kapas at NCDEX also followed the same trend. In the month of November, Kapas at NCDEX remained in the range of Rs. 783-812 per maund (of 20 kgs. each).

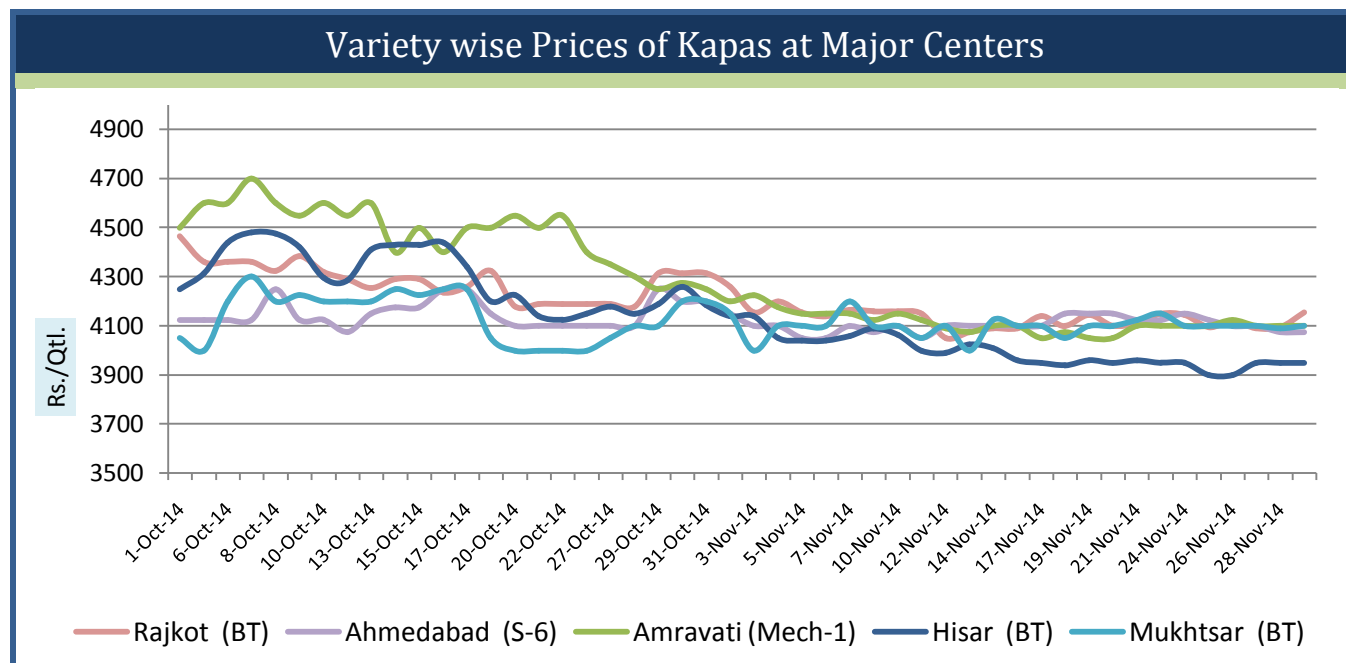
Spot (Rajkot) versus Future (NCDEX) Price Trend



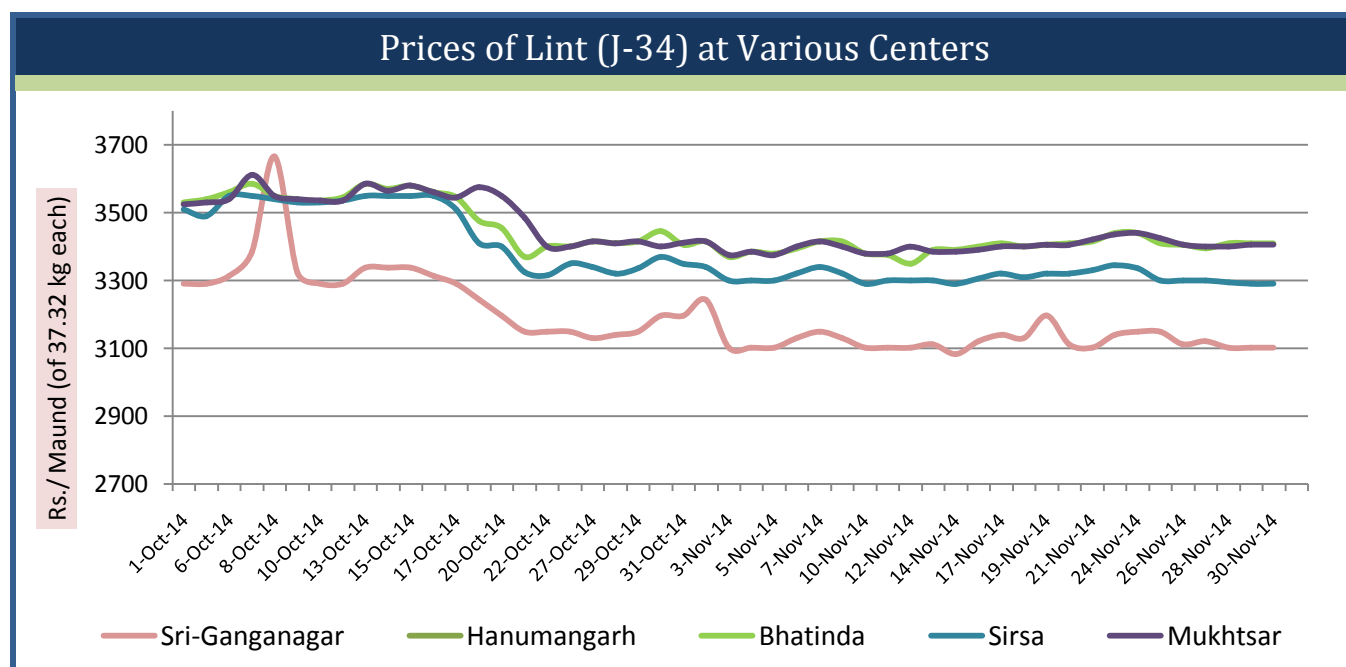
Cotton Prices at Key Spot Market:

Centre	Variety	Monthly Average Prices		Change
		November'14	October'14	
	Kapas	(Rs./Qtl)		
Amravati	Mech-1	4120	4510	-390
Khandwa	Mech-1	4080	4200	-120
Khargaon	Mech-1	4080	4200	-120
	Kapas	(Rs./Qtl)		
Mahesana(Kadi)	B.T. Cotton	4200	4260	-60
Rajkot	B.T. Cotton	4135	4295	-160
Patan	B.T. Cotton	4155	4235	-80
Deesa	B.T. Cotton	3955	NA	--
Muktsar	B.T. Cotton	4100	4150	-50
Fazilika	B.T. Cotton	4025	4120	-95
Bhiwani	B.T. Cotton	4015	4350	-335
Adampur	B.T. Cotton	3990	4290	-300
Fatehabad	B.T. Cotton	4015	4275	-260
Dabwali	B.T. Cotton	3975	4180	-205
Jind	B.T. Cotton	4065	4420	-355
Uchana (Jind)	B.T. Cotton	3980	4265	-285
Rawatsar (Hanumangarh)	B.T. Cotton	3965	4150	-185
Hubli	B.T. Cotton	4170	4145	25
Hathras	B.T. Cotton	3655	NA	--
Hanumangarh	B.T. Cotton	3985	4165	-180
	Kapas	(Rs./Qtl)		
Ahmedabad	Shankar-6	4105	4170	-65
Gondal	Shankar-6	4132	4305	-173
	Kapas	(Rs./Qtl)		
Bijapur	Bunny	4255	4075	180
Hubli	D.C.H.	4805	NA	--
Raichur	H-44 Cotton	4105	4305	-200
	Lint	(Rs./Maund of 37.32kg each)		
Abohar	J-34	3400	3495	-95
Muktsar	J-34	3405	3515	-110
Fazilika	J-34	3395	3470	-75
Bhatinda	J-34	3400	3500	-100
Mansa	J-34	3400	3490	-90
Sirsa	J-34	3310	3450	-140
Sri-Ganganagar	J-34	3125	3285	-160

Variety wise Prices of Kapas (Seed Cotton):



Prices of Lint at various centers:



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	29661.92	42979.88	32794.72	43923.28	33517.4	44969.92
November	31580.76		32844.56	40715.72	33592.16	40000.16
December	32452.96	38156.08	33043.92	39704.68	33798.64	39270.36
January	32837.44	41563	33008.32	43047.52	33805.76	42047.16
February	35165.68	42527.76	34332.64	43727.48	35051.76	42616.76
March	37949.6	42100.56	37664.8	43211.28	38319.84	42004.44
April	36963.48	42506.4	37565.12	44051.44	38205.92	42079.2
May	36507.8	45945.36	37490.36	42388.92	37764.48	43884.12
June	38871.64	43307.4	39825.72	44827.52	39868.44	42089.88
July	41278.2		42278.56		42417.4	
August	43321.64		45621.4		45959.6	
September	43143.64		44891.6		47839.28	
Average of the season	36644.56		37613.48		38345.06	

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
				28-Nov-14	30-Oct-14	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	34640	37070	-2430
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	35190	37660	-2470
J-34(202)	26mm	3.5 - 4.9	23	31005	32120	-1115
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	32005	32390	-385
Shankar-6(105)	29mm	3.5 - 4.9	28	32765	33440	-675
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	33840	35305	-1465
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	34625	36515	-1890
DCH-32(107)	34mm	3.0 - 3.8	33	43320	44480	-1160

Cotton Arrivals in Key Centers:

Centre	Variety	Total Monthly Arrivals (In Qtl)		Change
		November'14	October'14	
Amravati	Mech-1	10665	1680	8985
Khandwa	Mech-1	10400	2000	8400
Khargaon	Mech-1	99000	30000	69000
Mahesana(Kadi)	B.T. Cotton	710000	131400	578600
Rajkot	B.T. Cotton	91801	49570	42231
Patan	B.T. Cotton	524847	149421	375426
Deesa	B.T. Cotton	35985	NA	-
Fazilika	B.T. Cotton	44200	NA	-
Muktsar	B.T. Cotton	11645	NA	-
Bhiwani	B.T. Cotton	93000	98500	-5500
Adampur	B.T. Cotton	30005	13090	16915
Fatehabad	B.T. Cotton	40400	25100	15300
Dabwali	B.T. Cotton	35900	15015	20885
Jind	B.T. Cotton	19482	7118	12364
Uchana (Jind)	B.T. Cotton	48920	21329	27591
Rawatsar (Hanumangarh)	B.T. Cotton	23750	6320	17430
Hubli	B.T. Cotton	3138	172	2966
Hathras	B.T. Cotton	1167	NA	-
Hanumangarh	B.T. Cotton	136850	28100	108750
Ahmedabad	Shankar-6	906100	206550	699550
Gondal	Shankar-6	55273	23292	31981
Bijapur	Bunny	34889	1280	33609
Hubli	D.C.H.	1358	NA	-
Raichur	H-44 Cotton	57602	20305	37297
Abohar	J-34	38930	23180	15750
Bhatinda	J-34	947750	453900	493850
Mansa	J-34	34638	22933	11705
Sirsa	J-34	58905	36040	22865
Sri-Ganganagar	J-34	136850	21369	115481

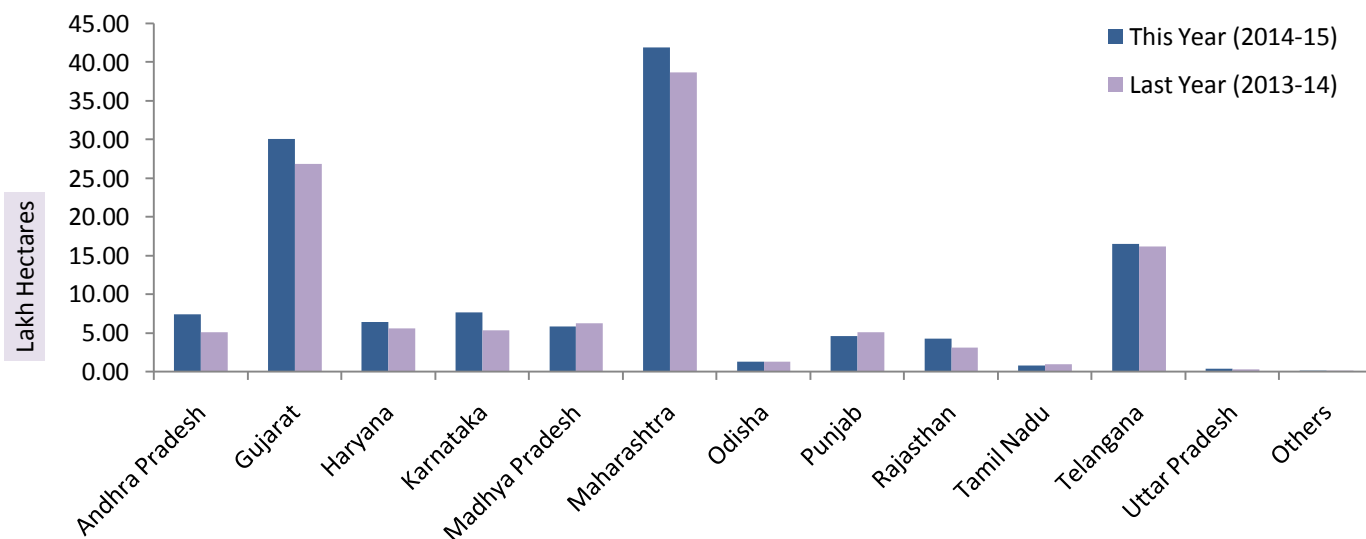
State wise Scenario

State wise Cotton Sowing Progress (As on 26-09-2014):

State	Normal Area	Normal Area as on date	Area sown reported		% Change (Y-o-Y)
			This Year	Last Year	
Andhra Pradesh	18.05	4.38	7.36	5.08	44.97
Gujarat	25.82	26.57	30.06	26.88	11.83
Haryana	5.42	5.46	6.39	5.57	14.72
Karnataka	4.90	4.21	7.60	5.29	43.67
Madhya Pradesh	6.40	6.44	5.79	6.21	-6.80
Maharashtra	37.71	39.21	41.92	38.68	8.37
Odisha	0.81	0.95	1.25	1.24	0.81
Punjab	5.22	5.29	4.50	5.05	-10.89
Rajasthan	4.00	3.91	4.16	3.03	37.36
Tamil Nadu	1.20	0.42	0.70	0.89	-21.35
Telangana	--	13.89	16.51	16.12	2.38
Uttar Pradesh	0.00	0.26	0.26	0.23	13.04
Others	0.07	0.05	0.05	0.10	-50.00
All-India	109.60	111.04	126.55	114.37	10.65

*Figures in Lakh Hectares **Source: Department of Agriculture and Co-operation (DAC)

State wise Cotton Sowing Progress

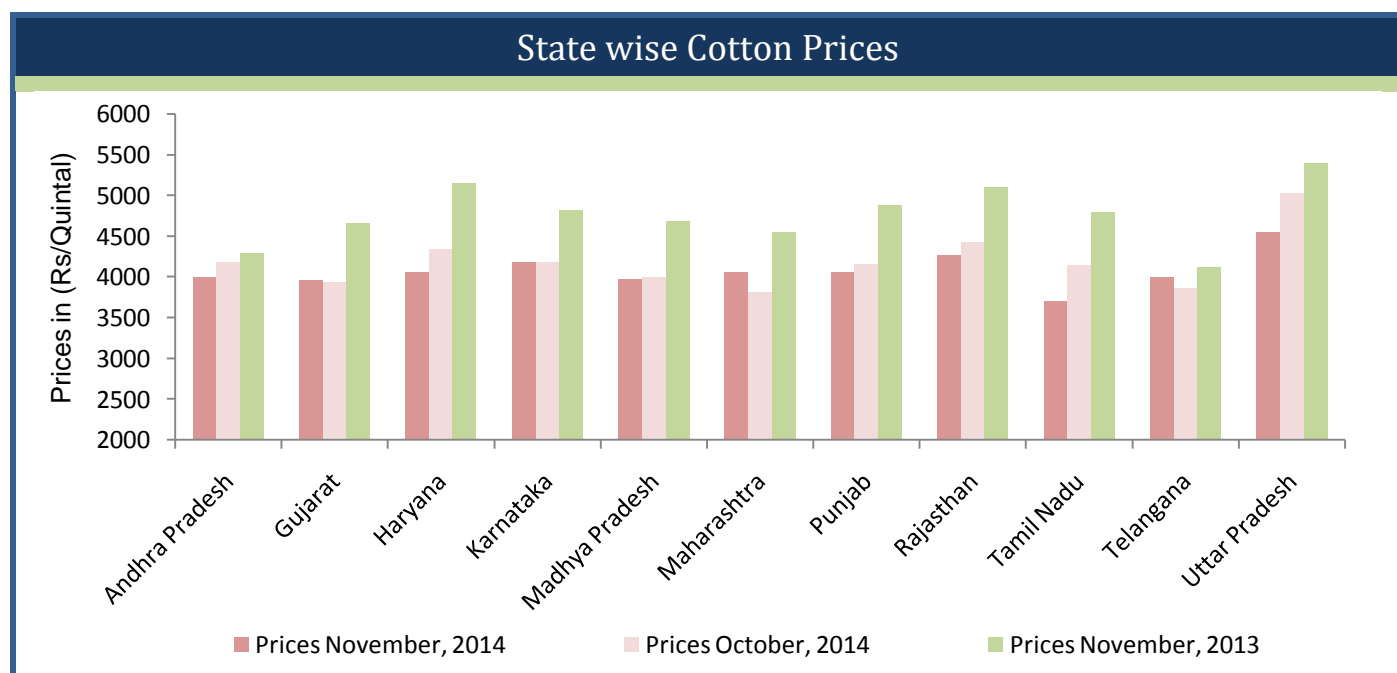


State wise Prices (Rs./Qtl.):

State	Prices November, 2014	Prices October, 2014	Prices November, 2013	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3993.13	4172.03	4281.29	-4.29	-6.73
Gujarat	3965.04	3933.93	4654.95	0.79	-14.82
Haryana	4054.26	4338.31	5144.33	-6.55	-21.19
Karnataka	4171.18	4177.88	4815.38	-0.16	-13.38
Madhya Pradesh	3968.51	3996.78	4673.34	-0.71	-15.08
Maharashtra	4051.92	3809.69	4541.23	6.36	-10.77
Punjab	4056.03	4151.44	4877.22	-2.3	-16.84
Rajasthan	4258.28	4413.84	5098.95	-3.52	-16.49
Tamil Nadu	3703.58	4131.93	4796.42	-10.37	-22.78
Telangana	3991.51	3863.15	4115.08	3.32	-3
Uttar Pradesh	4539.23	5023.33	5392.86	-9.64	-15.83
Average	4068.42	5490.52	4710.5		

**Source: Agmarknet*

Monthly average prices of cotton have declined and showing downtrend on year on year basis in the major cotton marketing states. For the long term basis, weak sentiments are prevailing on expectation of higher output and lower exports from the country, particularly to China. Although on month on month basis, few states have noticed recovery in the prices following the demands from millers and exporters. Exports of cotton is picking pace which has improved the prices slightly.

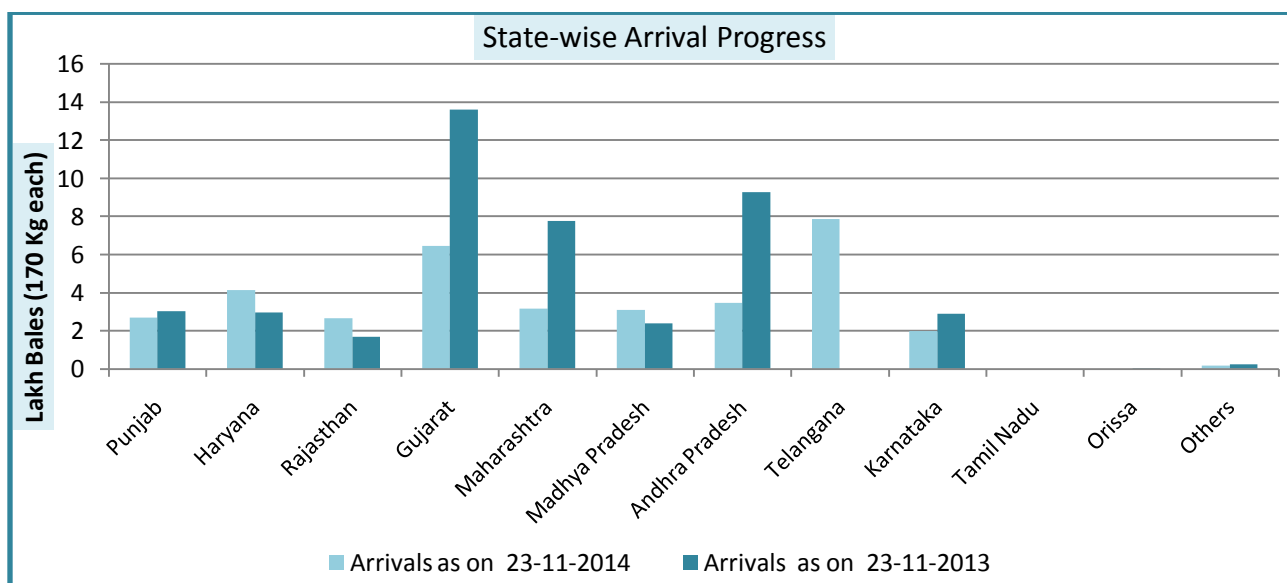


State wise Arrivals (in lakh bales of 170 kgs each):

Table given below showing cotton production and estimated arrivals during 2014-15 season vis-a-vis cotton season 2013-14:

States	2014-15*		2013-14	
	Production as per CAB	Arrivals As on	Production as per CAB	Arrivals As on
	13-10-2014	23-11-2014	02-07-2014	23-11-2013
1. Punjab	14	2.69	21	3.03
2. Haryana	25	4.12	23	2.94
3. Rajasthan	17	2.67	14	1.67
North Total	56	9.48	58	7.64
4. Gujarat	125	6.44	120	13.61
5. Maharashtra	85	3.16	84	7.77
6. Madhya Pradesh	18	3.08	19	2.4
Central Total	228	12.68	223	23.78
7. Andhra Pradesh	50	3.46	76	9.27
8. Telangana	27	7.87	--	--
9. Karnataka	28	1.98	22	2.9
10. Tamil Nadu	5	0	5	0
South Total	110	13.31	103	12.17
11. Orissa	4	0	4	0.03
12. Others	2	0.18	2	0.23
Total	6	0.18	6	0.26
Grand Total	400	35.65	390	43.85

* Inclusive of new crop arrivals in September 2014
 ** Quantity in lakh bales (of 170 kgs. each)



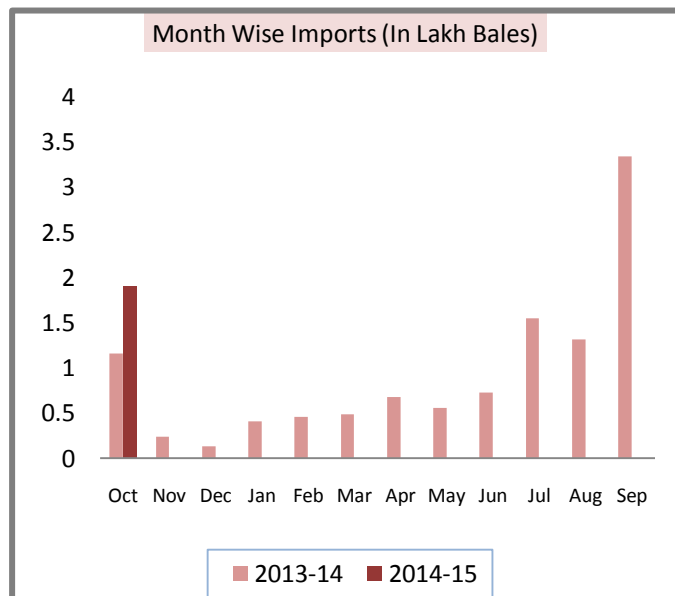
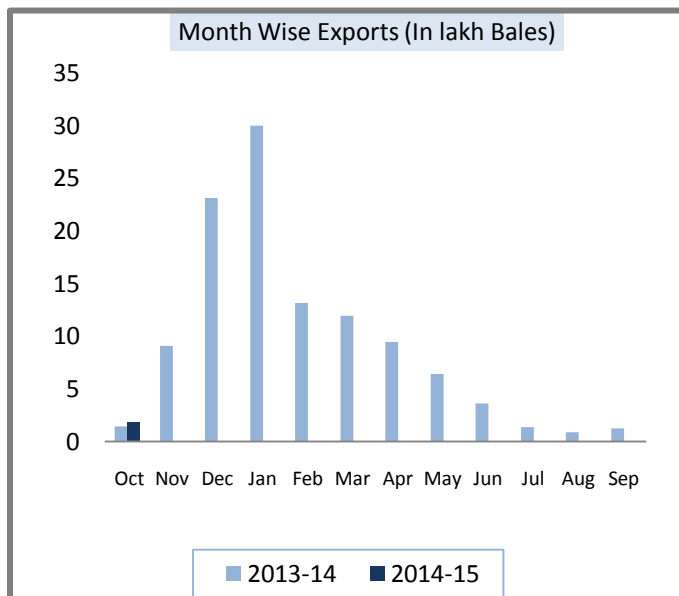
Cotton Export and Import Scenario

Cotton Exports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.43	1.81
Nov	9.06	
Dec	23.12	
Jan	30	
Feb	13.15	
Mar	11.9	
Apr	9.46	
May	6.37	
Jun	3.62	
Jul	1.32	
Aug	0.87	
Sep	1.24	
Total	111.5	1.8

Source: IBIS

Cotton Imports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.16	1.91
Nov	0.24	
Dec	0.133	
Jan	0.41	
Feb	0.46	
Mar	0.488	
Apr	0.68	
May	0.56	
Jun	0.73	
Jul	1.55	
Aug	1.32	
Sep	3.34	
Total	11.07	1.91

Source: IBIS



Cotton Yarn Dynamics

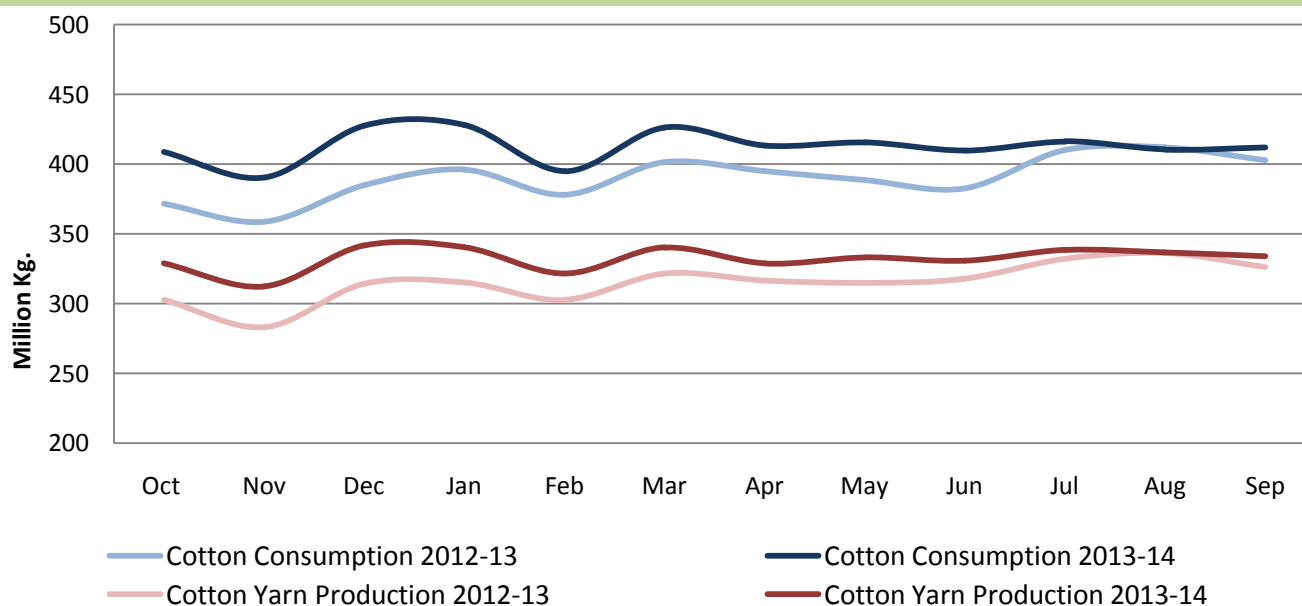
Cotton Consumption and Cotton Yarn Production:

Consumption of cotton (mill and Small mill consumption) remained higher during the season 2013-14 compared to previous season. In 2013-14, country recorded the consumption of around 4953 million kgs of cotton (approximately 292 lakh bales) around 6% higher when compared to consumption of previous season, which was 4681 million kgs. (approximately 275 lakh bales). According to Cotton Corporation of India (CCI), consumption of cotton by mills would stand around 301 lakh bales this season (2014-15), around 3% higher when compared to previous season.

Month	Cotton Consumption 2012-13	Cotton Consumption 2013-14	Cotton Yarn Production 2012-13	Cotton Yarn Production 2013-14
Oct	371.35	408.49	302.65	328.79
Nov	358.54	390.25	282.88	312.13
Dec	384.75	427.72	314.21	341.67
Jan	396.02	428.16	315.07	340.38
Feb	378.1	394.8	302.59	321.31
Mar	401.38	426.15	321.57	340.2
Apr	394.75	413.36	316.61	328.68
May	388.47	415.51	314.97	332.92
Jun	382.64	409.71	317.69	330.65
Jul	409.9	416.16	332.12	338.41
Aug	411.96	410.41	336.3	336.69
Sep	402.88	412.06	326.09	333.7

Figures in Million Kg.

Cotton Consumption versus Cotton Yarn Production



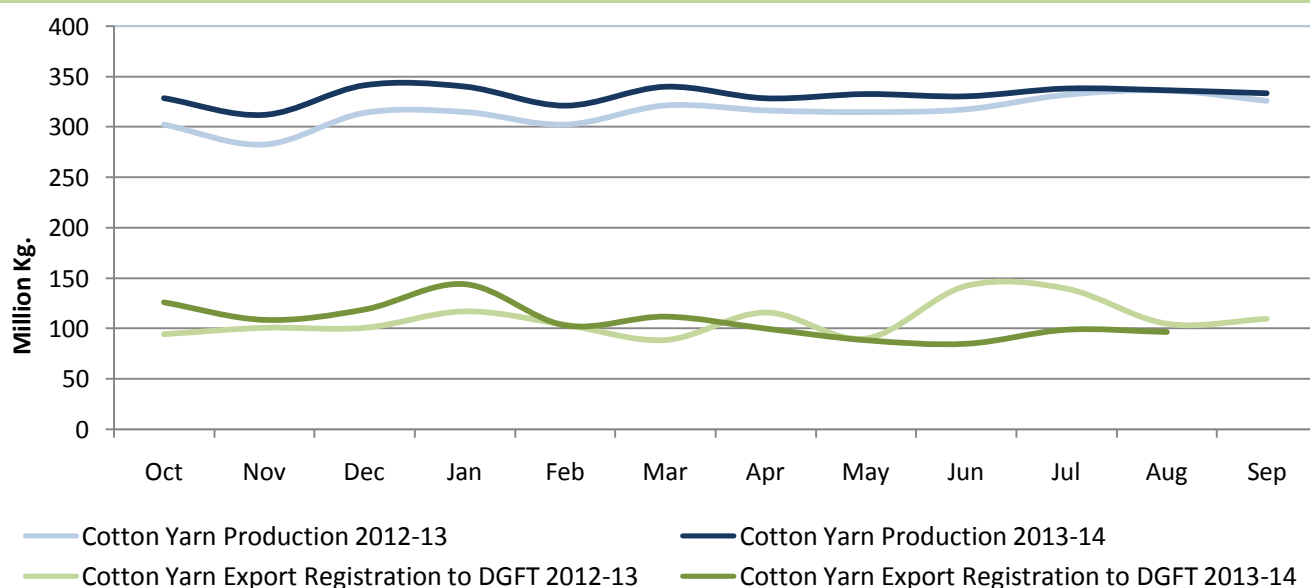
Cotton Yarn Production and Cotton Yarn Export:

Cotton yarn production has increased in the country following the higher cotton consumption. India produced 3985.5 million kgs. of cotton yarn by the end of season 2013-14, around 5.3% higher when compared to the cotton yarn production in 2012-13, when it was 3782.75 million kgs. Cotton yarn export registration on other hand is showing the fluctuating trend during 2013-14 and it is ruling lower on month on month basis since April'14.

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	328.79	94.46	125.88
Nov	282.88	312.13	100.77	108.52
Dec	314.21	341.67	100.77	118.736
Jan	315.07	340.38	117.14	143.813
Feb	302.59	321.31	103.95	103.124
Mar	321.57	340.2	88.68	111.738
Apr	316.61	328.68	115.96	99.926
May	314.97	332.92	90.15	88.442
Jun	317.69	330.65	142.297	84.949
Jul	332.12	338.41	139.745	98.808
Aug	336.3	336.69	104.913	96.535
Sep	326.09	333.7	109.64	

Figures in Million Kg.

Cotton Yarn Production versus Cotton Yarn Export Registration



Technical Analysis of Cotton Future

Commodity	Kapas
Exchange	NCDEX
Contract Month	April'15



Monthly Technical Outlook:

- Candlesticks denote range bound in the market.
- RSI is moving steady in neutral region supporting weakness.
- MACD depicts timid center line and signal line movement.
- We expect prices to remain range.

Expected price range during coming month:

Expected Trend	Expected Trading Band
Range Bound	775-820

Expected Support and Resistance:

Support 1	Support 2	Resistance 1	Resistance 2
770	755	835	850

International Market Scenario

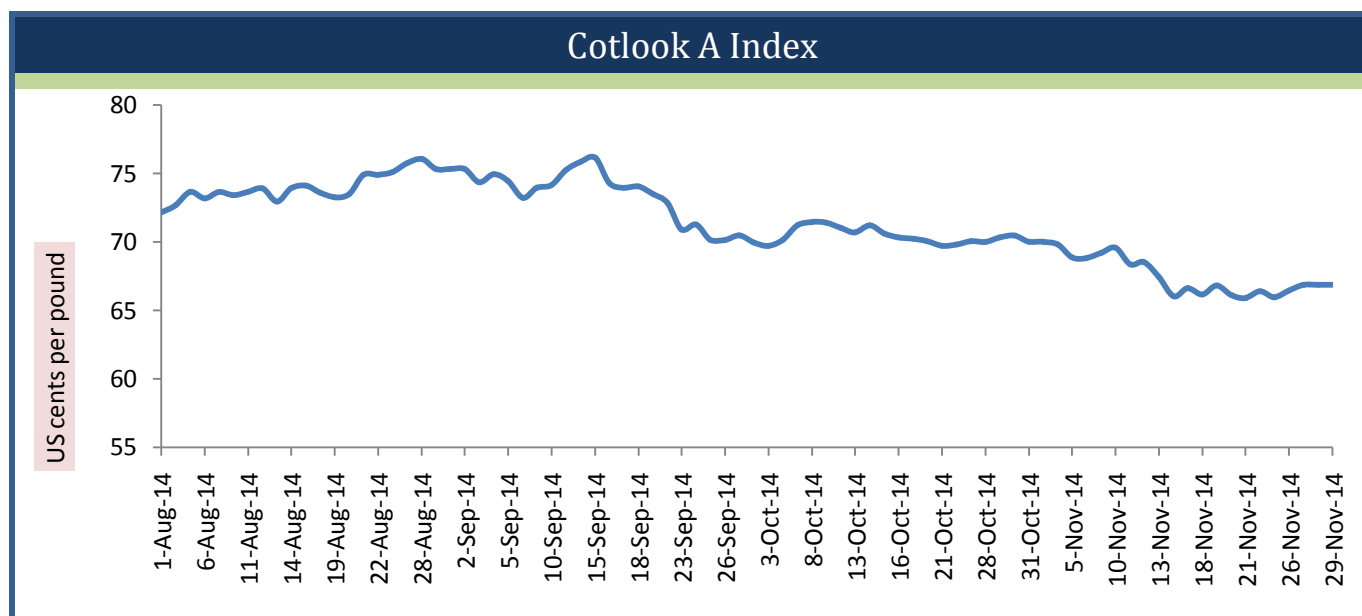
Current Market Scenario: International market remained range bound with weak biasness during the month. Cotlook A Index touched the level of 65.9 cents per pound on the lower side in the later days of month, whereas on upper side it remained at 70 cents per pound. On average basis, it stood 67.49 cents, 4.04% lower when compared to previous month and around 24.50% lower when compared to previous year during the corresponding month.

The drastic fall in cotton prices to a five year low could force the farmers worldwide to switch for the other crops, according to International Cotton Advisory Committee (ICAC). Cotton at ICE for March 2015 delivery has touched the level of 58.53 cents per pound in late November, which is lowest since September 2009.

The International Cotton Advisory Committee (ICAC) launched World Cotton Calendar, which contained the huge database maintained by ICAC. The World Cotton Calendar is the source of data related to cotton production field operation, including the crop cycle; varieties planted in particular region, insect and pest vulnerability, weed invasion, type and quantity of fertilizer applied and disease from around 37 countries.

The major cotton producing nations including India, China and Pakistan are worried about the crashing of cotton prices. Prices of cotton in these countries have fallen by around 25-30%. As the situation is hurting cotton growers, these countries have started taking steps to rescue the falling prices either by market intervention or by presenting subsidies to the farmers.

Cotton Future for March delivery on Intercontinental Exchange (ICE) dropped 2.6% and settled at 58.75 US cents a pound in late November, the lowest since September 2009. The increasing world cotton inventory is the major factor of this drastic price fall. According to USDA cotton ending stock would stand around 23.375 million tonnes this season which was 22.094 million tonnes in 2013-14 and 11.019 million tonnes in 2010-11.



World Cotton Production

Cotton production on the global front is estimated slightly higher this month compared to the estimates of previous month. According to the estimates by USDA, world cotton production would be around 26.04 million tonnes this month which was earlier estimated to be around 25.99 million tonnes in October. The global cotton output was 26.19 million tonnes previous season.

World Cotton Balance Sheet:

Particulars	2013-14	2014-15*
SUPPLY		
Opening stock	19.598	22.094
Production	26.19	26.04
Imports	8.86	7.48
Availability	54.647	55.614
DEMAND		
Consumption	23.747	24.789
Exports	8.914	7.478
Total Disappearance	32.661	32.267
Ending Stock	22.094	23.375
Source: USDA (*November Advance Estimates by USDA), Figures in Million Metric Tonnes		

Balance Sheet Highlights:

Despite the fall in production and lesser imports, total availability is likely to be higher this season (2014-15) due to higher opening stocks.

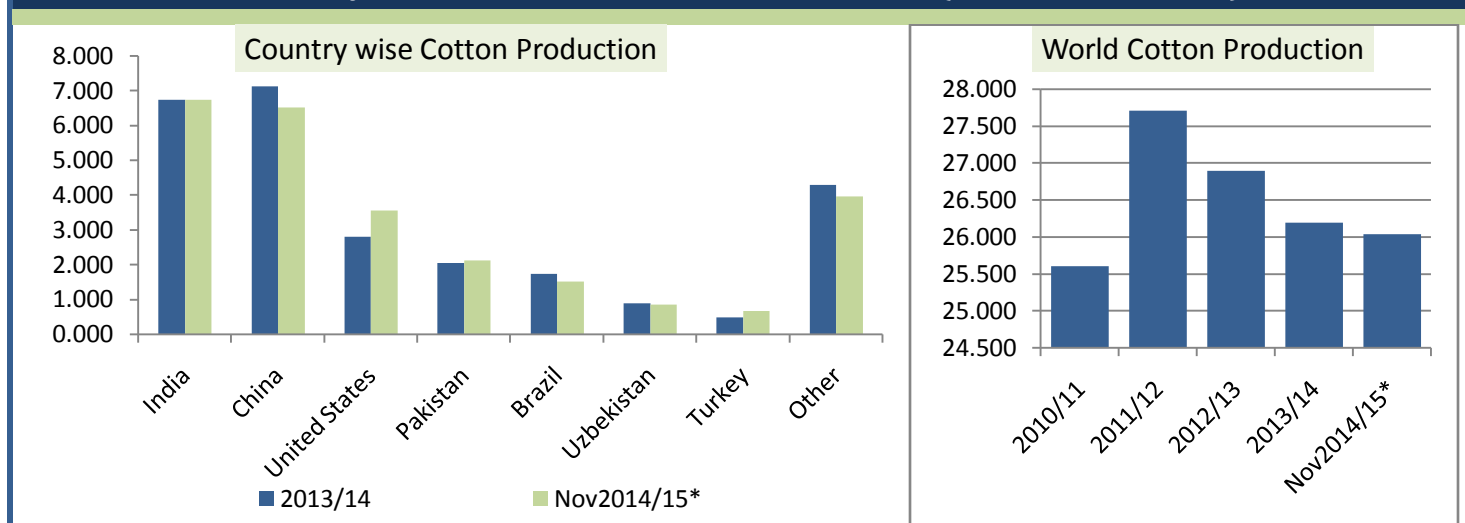
Consumption is likely to increase slightly this season due to amplified demand of cotton from south East Asian region, but it would not impact the total demand as exports are declining substantially. On higher availability and weaker total demand, ending stocks this season would be higher.

Global Cotton Production Dynamics:

World production would be on weaker side primarily due to lower production in China, Brazil and Uzbekistan in the coming season (2014/15). The cotton production this season is only slightly lower when compared to previous season. According to International Cotton Advisory Committee (ICAC), around 26.13 million tonnes of cotton is likely be produced by the world, approximately 0.42% lower when compared to production of previous season which was 26.24 million tonnes, whereas USDA expects the same to be around 26.04 million tonnes this season.

India is expected to produce the same volume as previous season but likely to become the largest producer, surpassing China. United States, Pakistan and Turkey are expected to notice uptrend in production in coming season whereas output of cotton in India is expected to remain steady.

Country wise and Global Cotton Production (In Million Tonnes)



Global Export and Import Scenario:

World Exports:

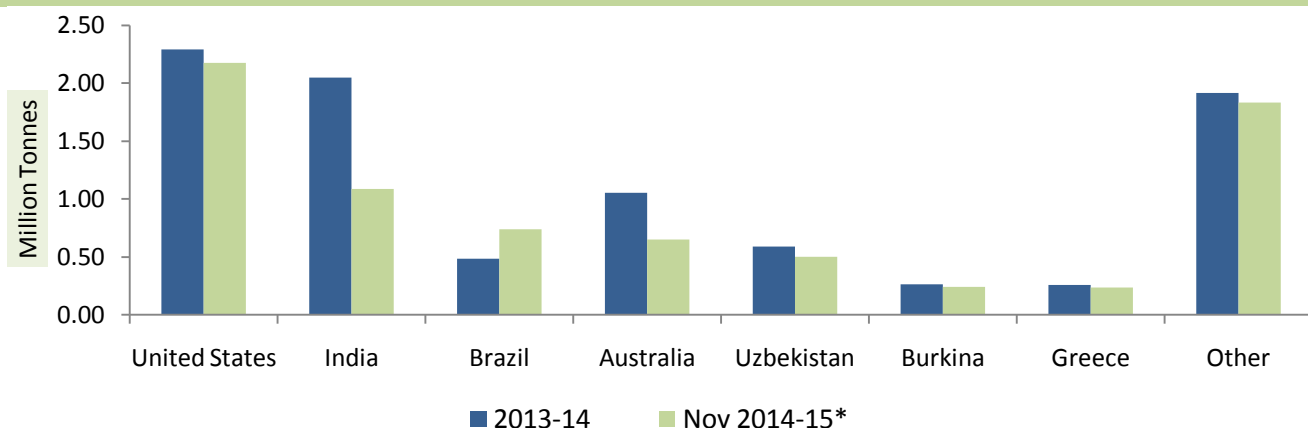
On higher world ending stocks and expectation of weak demand from China is likely to impact world cotton imports significantly. Cotton exports are likely to fall by 16.05% this season.

United States, India and Brazil followed by Australia, Uzbekistan, Burkina and Greece would be the major exporter this year. Except Brazil, the major cotton exporting nations are expected to see fall in the exports.

As far as India is concerned, exports from the country is projected to be around 1.09 million tonnes (around 64 lakh bales; each bale of 170 kg.) around 47% lower when compared to exports of previous season which was 2.05 million tonnes (around 12.05 lakh bales; each bale of 170 kg.), as estimated by USDA.

Export	2013-14	2014-15*
United States	2.29	2.18
India	2.05	1.09
Brazil	0.49	0.74
Australia	1.06	0.65
Uzbekistan	0.59	0.50
Burkina	0.27	0.25
Greece	0.26	0.24
Other	1.92	1.83
Total	8.91	7.48
*USDA Nov advance estimate, All figures in Million Metric Tonnes		

Country wise World Export



World Imports:

World cotton imports are expected to notice a fall of 15.5% as China, the major consumer, will import lesser this season. China is likely to cut its imports drastically this season due to its increasing cotton stockpiles. Share of China in World ending stocks recorded 62% by the end of previous season.

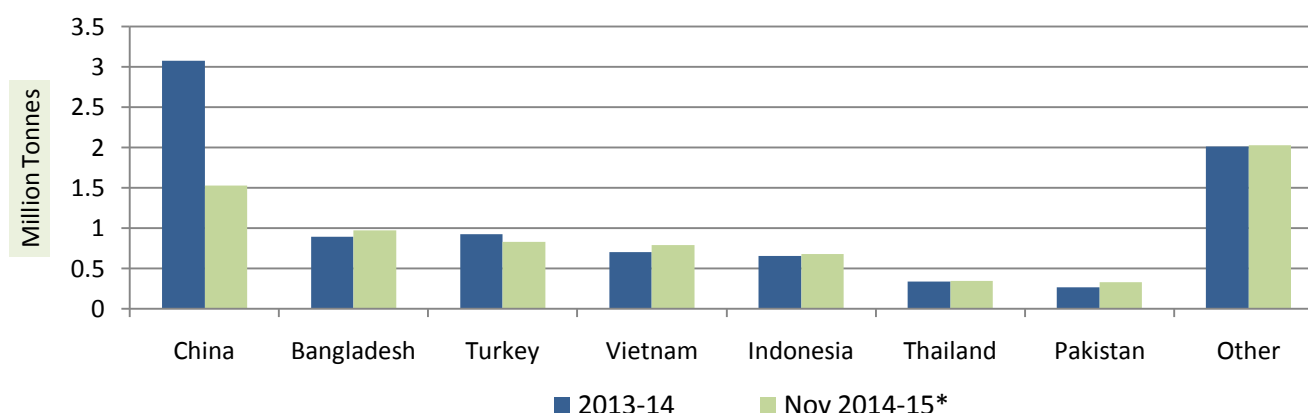
Turkey will also diminish its imports on higher production this season. Turkey is expected to produce 686 thousand tonnes this season compared to 501 thousand tonnes a year ago.

Import	2013-14	2014-15*
China	3.075	1.524
Bangladesh	0.893	0.969
Turkey	0.924	0.827
Vietnam	0.697	0.784
Indonesia	0.653	0.675
Thailand	0.337	0.343
Pakistan	0.261	0.327
Other	2.015	2.03
Total	8.855	7.478

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

Other than China and Turkey, major importer of cotton including Bangladesh, Vietnam, Indonesia, Thailand and Pakistan are expected to see rise in the imports, due to increased demands by their textile industries.

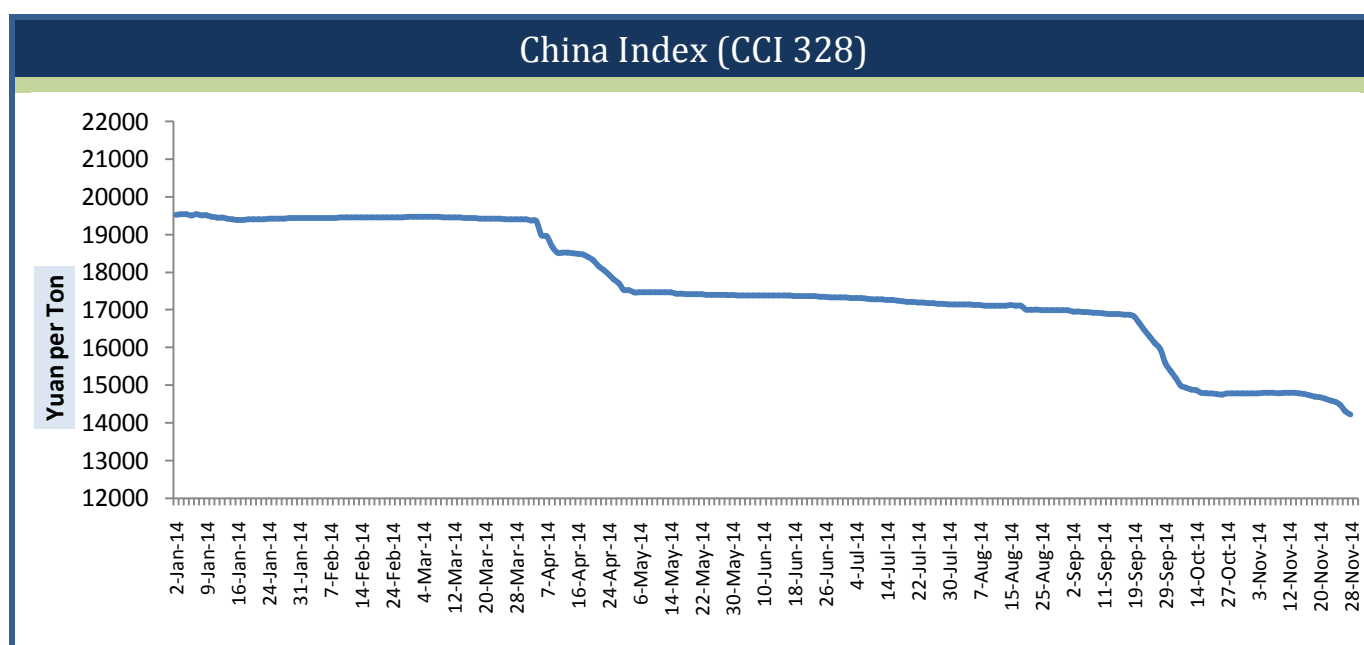
Country wise World Import



International Prices and Indices

China Cotton Index

CC Indices	Prices as on		% Change
	28-Nov-14	28-Oct-14	
CC Index(229)	14787	15269	-3.16
CC Index(328)	14225	14777	-3.74
CC Index(527)	13212	13676	-3.39
Figures in Yuan per Ton			



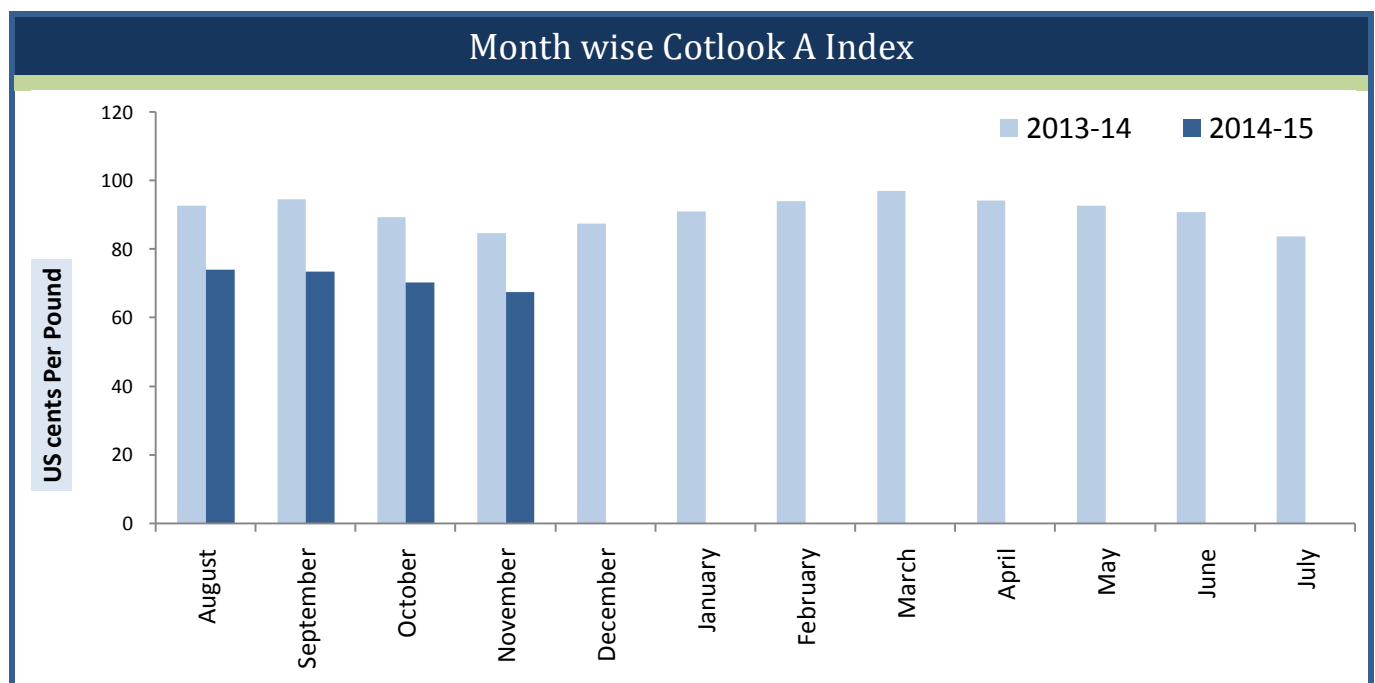
Cotlook A Index

Cotlook A Index	Monthly Average Price		% Change
	November'14	October'14	
Price	67.49	70.34	-4.05
Figures in US Cents per Pound			

Month wise Cotlook A Index:

Month	2013-14	2014-15	Y-o-Y Change %age
August	92.71	73.99	-20.19
September	94.6	73.38	-22.43
October	89.35	70.34	-21.28
November	84.65	67.49	-20.27
December	87.49		
January	90.96		
February	94.05		
March	96.94		
April	94.2		
May	92.7		
June	90.89		
July	83.83		

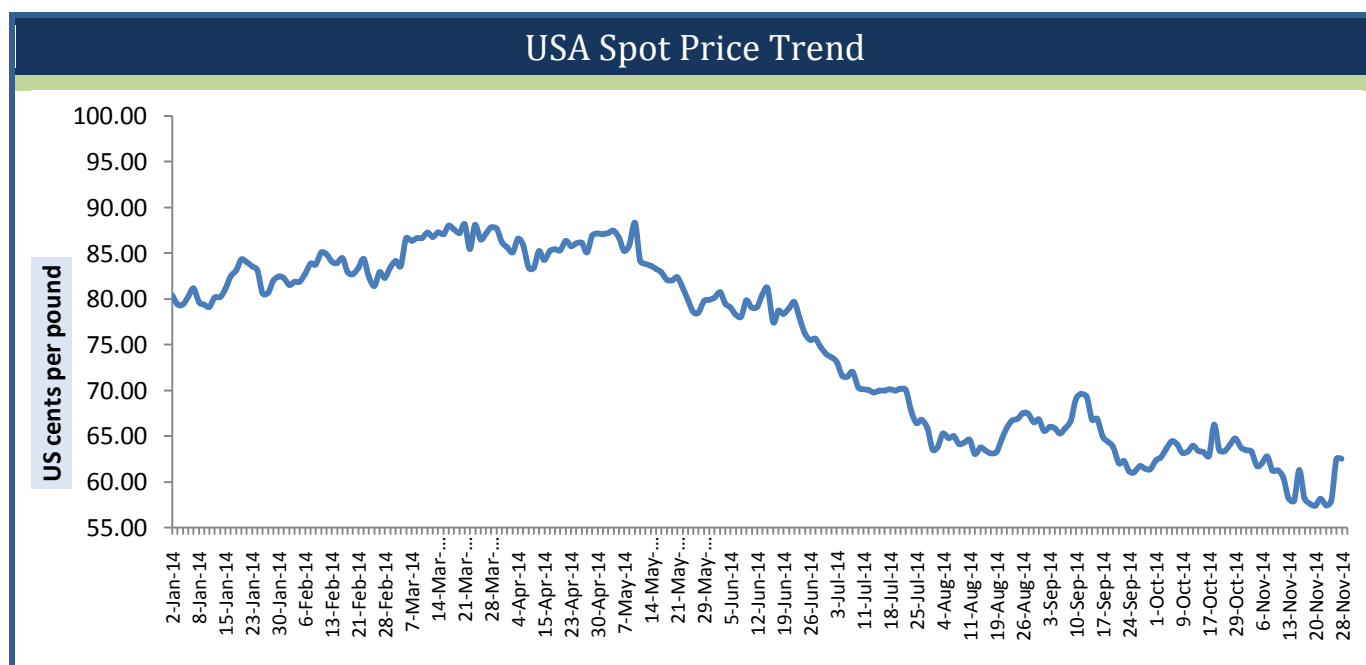
Figures in US cents per pound



USA Spot Prices

Spot prices of cotton in USA has been affected significantly on higher production prospects in the country, weaker import demand from China and higher ending stocks expected by the end of current season (2014/15). According to international Cotton Advisory Committee (ICAC), USA is likely to produce 3.57 million tonnes of cotton this season, around 27% higher when compared to previous season when the production in the country was 2.811 million tonnes.

Monthly Average USA Spot Prices			
Date	Oct-14	Oct-14	% Change
Prices	60.11	63.51	-5.35
Figures in US Cents per Pound			



ICE Cotton Future:

Contracts	28-Nov-2014	28-Oct-2014	28-Nov-2013	% Month Change	% Y-o-Y Change
Oct-14	60.96	64.47	76.14	-5.44	-19.94
Dec-14	60.08	62.84		-4.39	
Mar-14	60.95	63.70		-4.32	
May-14	61.84	64.47		-4.08	
Jul-14	63.36	65.64		-3.47	
Oct-14	64.36	66.18		-2.75	
Source: MRCL, Figures in US Cents Per Pound					

Technical Analysis of Cotton Future

Commodity	Cotton
Exchange	ICE
Contract Month	Mar'15



Monthly Technical Outlook:

- Candlesticks depict weak to range bound movement in the market.
- Weak prices and declining volume and OI denote timid weakness in the market.
- We expect prices to remain range bound.

Expected Price Range During Coming Month

Expected Trend	Expected Trading Band
Range Bound	57.60-63.40

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
57.00	56.40	64.60	65.00

Source : MRCI

All figures in US cents per pound

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