

Cotton Domestic Fundamental

Current Market Scenario: Cotton market noticed weak momentum during the month (January'15).

Prices of Kapas at Rajkot remained sideways to weak, with the range of Rs. 3925-4215 per quintal during December 2014 which was Rs. 4095-4360 per quintal previous month.

According to the International Service for the Acquisition of Agri-Biotech Applications (ISAAA),

India in year 2014 ranks fourth in the GM crop acreage in the world with the coverage of 11.6 million hectares, following US (73.1 mh), Brazil (42.2 mh) and Argentina (24.3 mh). The entire area under GM crop in India was Bt cotton as 96 percent of total cotton area is now Bt cotton, the GMO. Total area under GM crop stood 181.5 million hectares in 2014 compared to 175.2 million hectares in 2013.

According to the data released by Maharashtra department of agriculture, around 90 lakh farmers

have been affected severely by the drought this year, which has influenced mainly Marathwada and Vidarbha regions, the major cotton growing areas in the state. According to the officials, cotton output could fall by 1.5 crore quintal this year in the state.

India could now face the hurdle of import duty in cotton yarn export to Pakistan. Pakistan Yarn

Merchants Association (PYMA) demanded government to impose 15 per cent regulatory duty on cotton yarn imports from India as it is hurting the domestic market. According to PYMA cotton yarn imports during July to December 2014 has climbed fourfold of the imports during same period in 2013. All Pakistan Textile Mills Association (APTMA) had also pointed towards the expected threat to domestic textile sector driven by rise in cotton yarn imports from India.

The Cotton Association of India (CAI) has revised the estimate of cotton production at 400.25 lakh

bales for season 2014-15, slightly lower than previous year's production caused by yield loss in the central region of the country. According to CAI, cotton production stood 407.25 lakh bales in 2013-14. For the current season association estimated supply of 472.5 lakh bales, domestic consumption of 306 lakh bales and available surplus of 166.15 lakh bales.

Cotton production is likely to be around 6.641 million tonnes, slightly lower than the production of previous season which was 6.750 million tonnes,

according to United States Department of Agriculture (USDA). In its previous estimate, USDA projected cotton output in India to be around 6.750 million tonnes during the current season, but the same has lowered the output estimate considering the unfavorable weather conditions which could still impact the cotton crop.

According to the final estimates of Gujarat Agriculture Department,

total area for the cotton cultivation in state stood 2519 thousand hectare in season 2013-14. Total production estimated at 10088 thousand bales and average yield (In Lint) was 680 kgs. per hectares.

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 (2014-15):

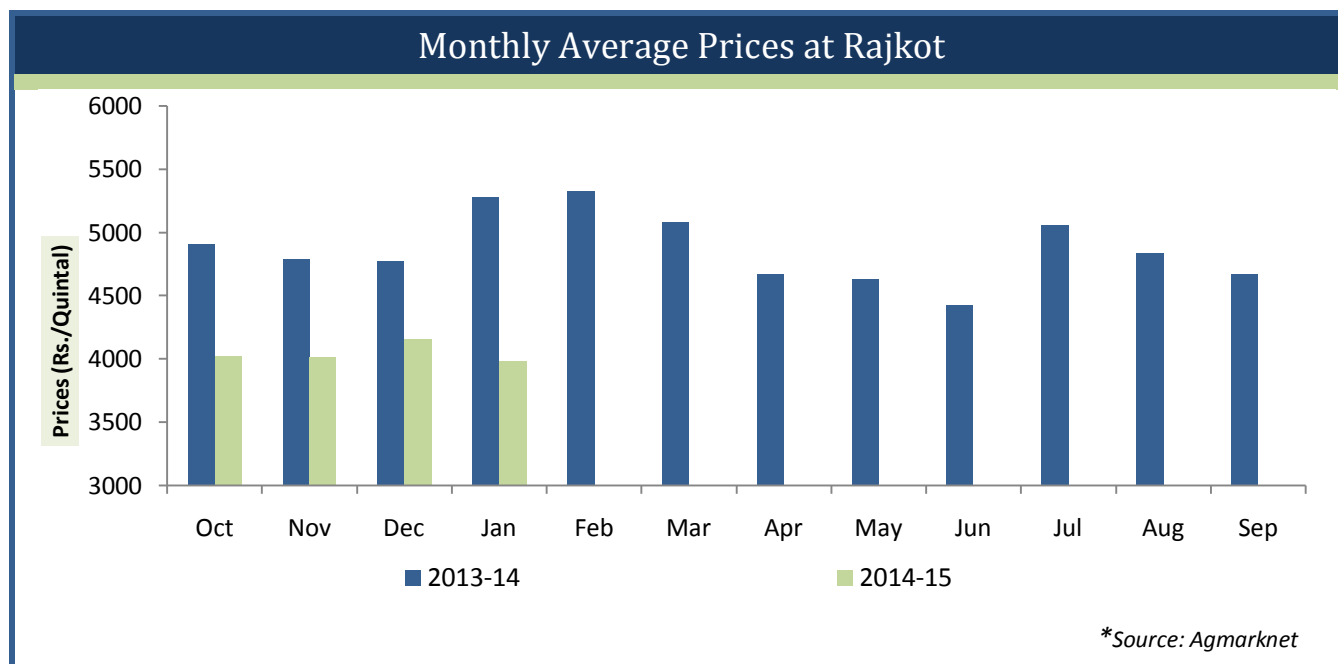
According to CCI, opening stocks stood 20% lower this season (2014-15) compared to the previous. Production would be on higher side slightly in the current season following the higher acreage in the country. As per the estimates released by Ministry of Agriculture (MoA), around 126.55 lakh hectare of area has been sown under cotton this year, around 10.64% higher than the previous year, when it was 114.37 lakh hectares. Imports would remain weak as there is ample supply in domestic market and domestic prices are ruling weak 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.

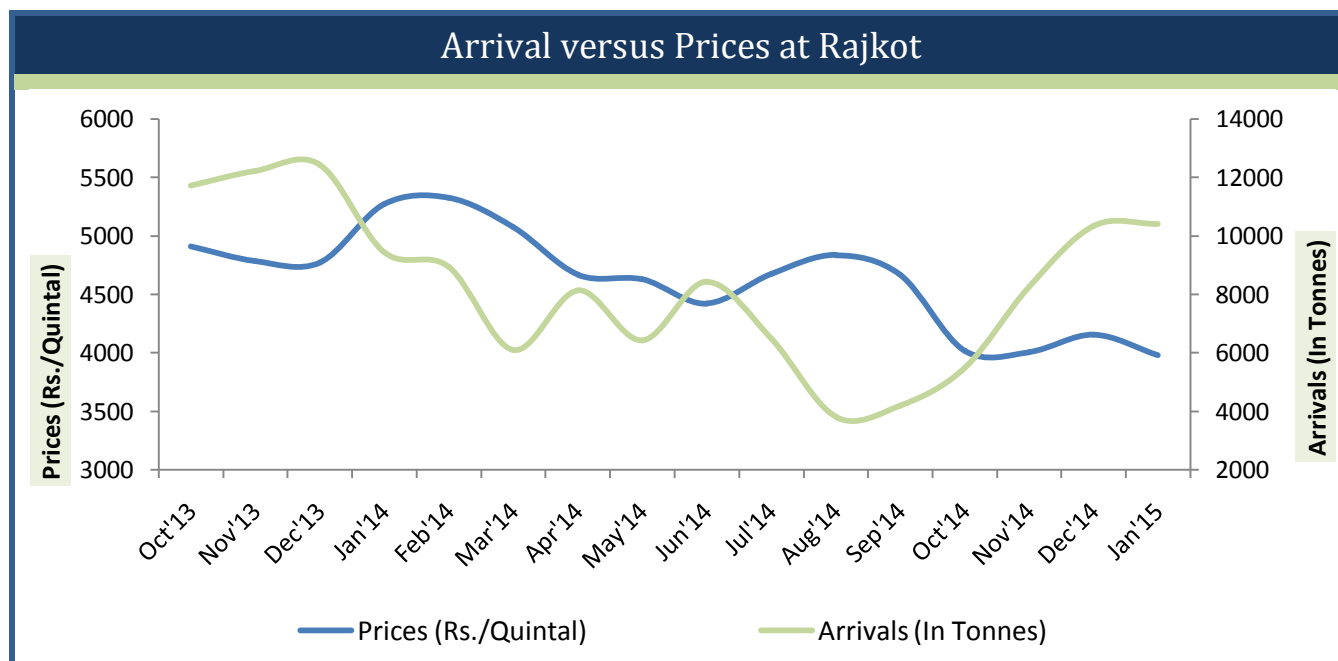
Cotton Crop Prospects for Season 2015-16:

Acreage of cotton in India in the coming season is likely to drop by 5% to 11.6 million hectares due to the drastically falling cotton prices in the country, said ICAC. Cotton price during January at Rajkot remained 24% lower this year when compared to the previous year during the corresponding period. Production of cotton in India, following the lower acreage would be around 6.48 million tonnes in season 2015-16 compared to production of 6.77 million tonnes this season, according to ICAC.

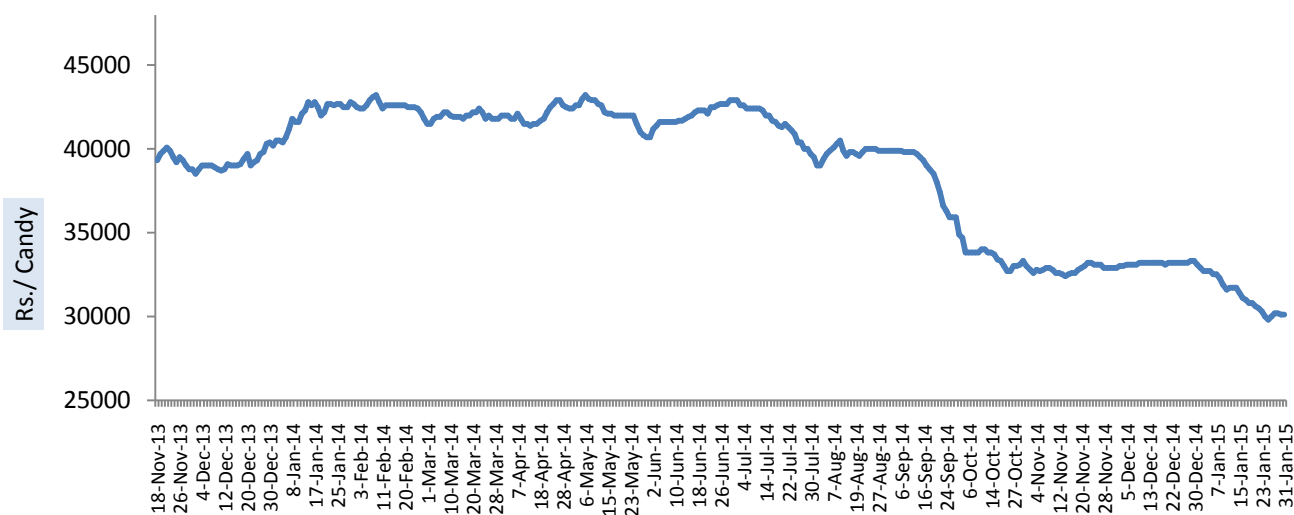
Domestic Prices and Arrival Trend



Amid the situation of leading supply on global and domestic front, cotton prices in India are under the pressure of bears. Monthly average price of Kapas at Rajkot, according to agmarknet, remained Rs. 3978 per quintal during January, around 4.2% lower when compared to the previous month and 24.5% lower when compared to the same month during the previous year.

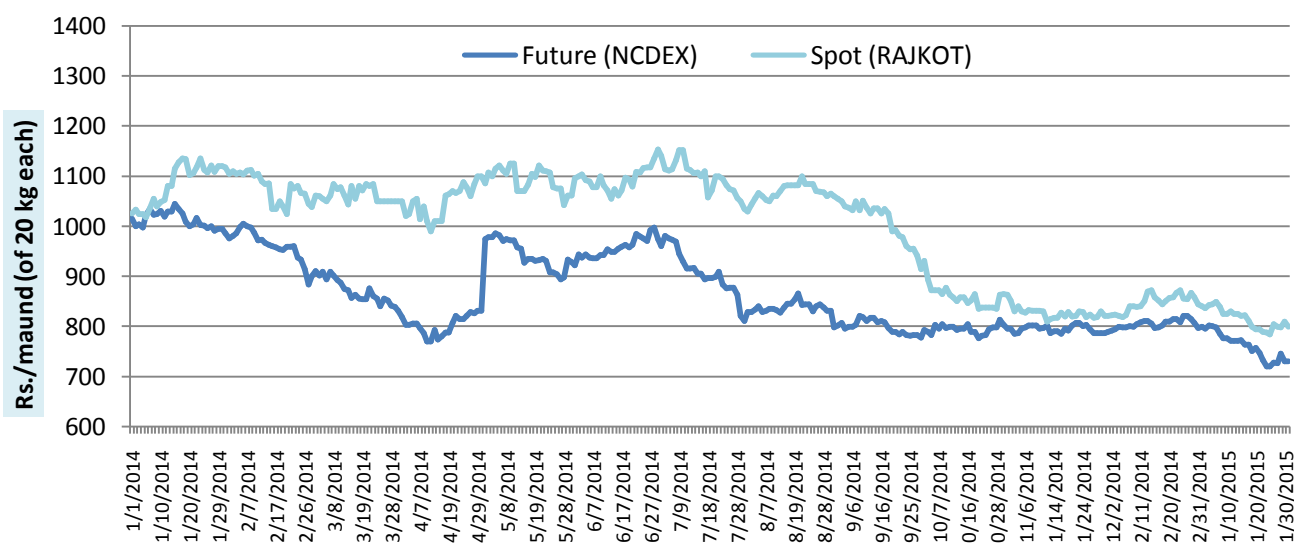


Shankar-6 (CAI Spot Prices)



Prices of lint cotton remained weak during the month of January this year. Average price of Shankar-6 remained Rs.31300 per candy (of 356 kg each) in January, around 5.5% lower when compared to the average prices of previous month and around 25.5% lower when compared to the prices of same month during the previous year.

Spot (Rajkot) versus Future (NCDEX) Price Trend

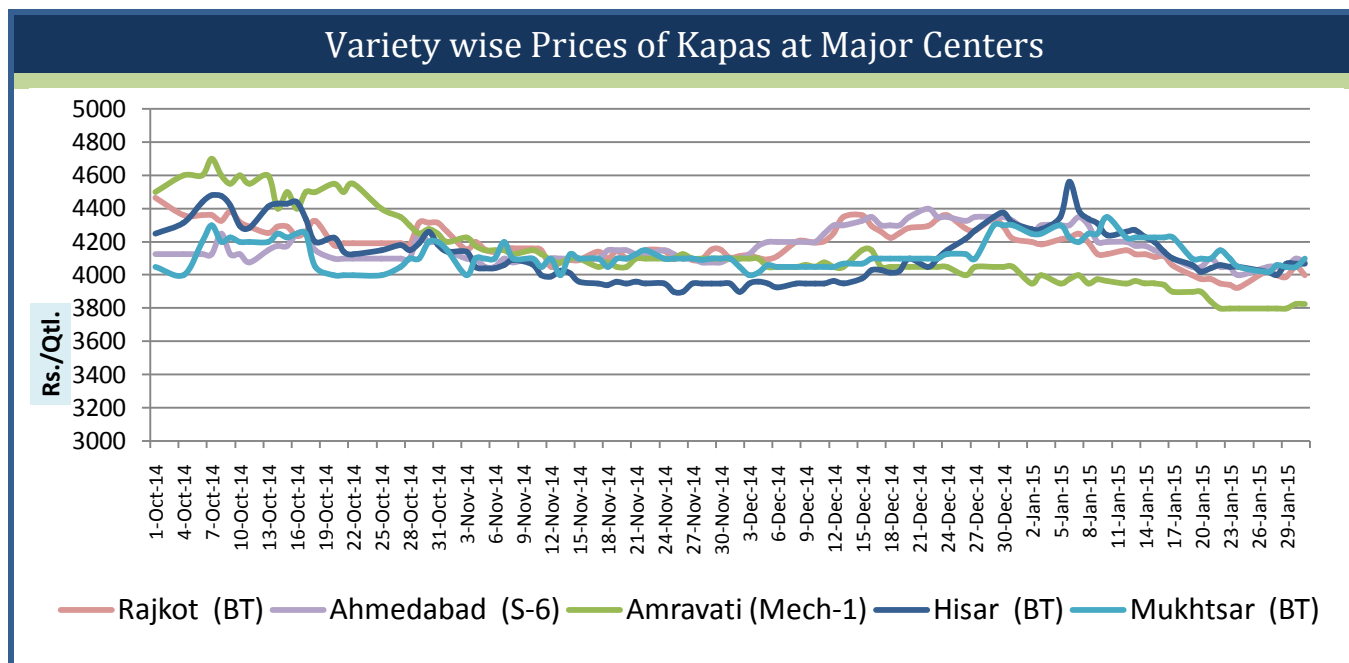


Future price of Kapas at NCDEX closed at Rs. 731 per maund (of 20 kg each) on January 30th 2015, around 9.5% lower when compared to the closing price of previous month and 26.5% lower when compared to the closing price of same month during last year.

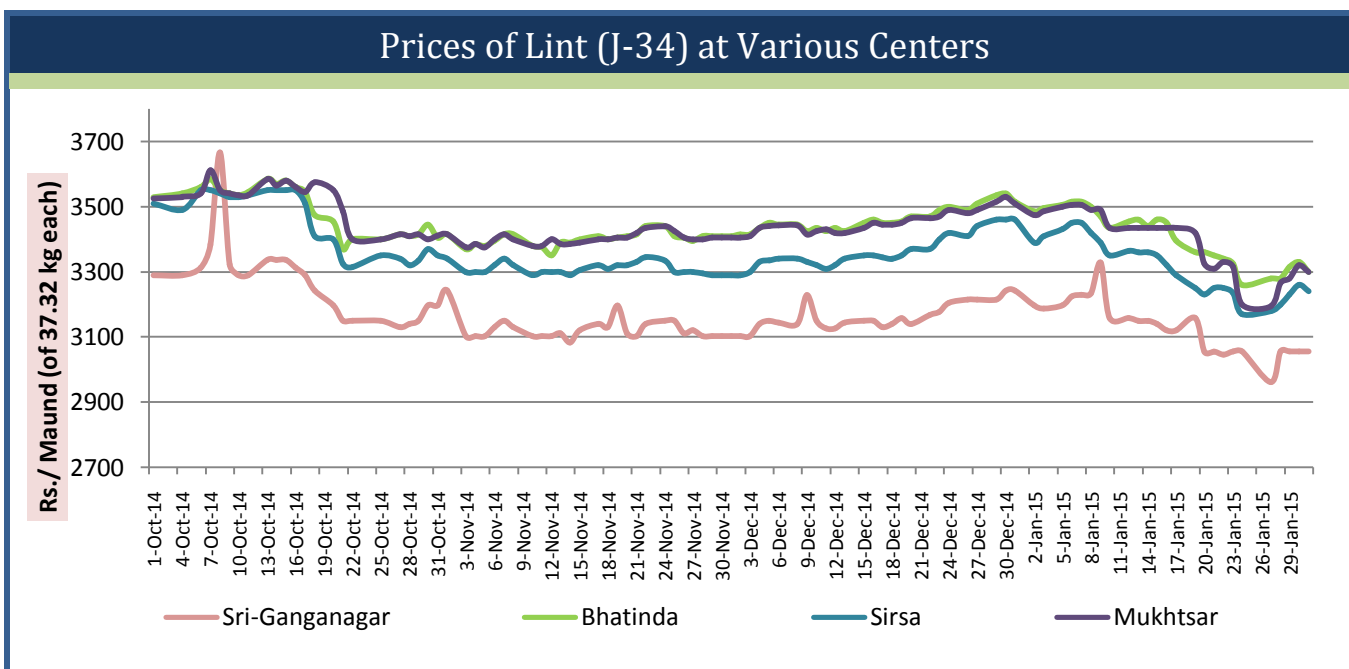
Cotton Prices at Key Spot Market:

Centre	Variety	Monthly Average Prices as on		Change
		Jan'15	Dec'14	
	Kapas	(Rs./Qtl)		
Amravati	Mech-1	3900	4060	-160
Khandwa	Mech-1	4090	4070	20
Khargaon	Mech-1	4090	4070	20
	Kapas	(Rs./Qtl)		
Mahesana(Kadi)	B.T. Cotton	4215	4300	-85
Rajkot	B.T. Cotton	4085	4240	-155
Patan	B.T. Cotton	4155	4225	-70
Deesa	B.T. Cotton	4030	4050	-20
Muktsar	B.T. Cotton	4155	4100	55
Fazilika	B.T. Cotton	4245	4095	150
Bhiwani	B.T. Cotton	4240	4135	105
Adampur	B.T. Cotton	4195	4055	140
Fatehabad	B.T. Cotton	4190	4060	130
Dabwali	B.T. Cotton	4105	4040	65
Jind	B.T. Cotton	4245	4165	80
Uchana (Jind)	B.T. Cotton	4220	4050	170
Rawatsar (Hanumangarh)	B.T. Cotton	4100	3930	170
Hubli	B.T. Cotton	4165	4200	-35
Hathras	B.T. Cotton(US)	3985	3670	315
Hanumangarh	B.T. Cotton	4165	4010	155
	Kapas	(Rs./Qtl)		
Ahmedabad	Shankar-6	4170	4275	-105
Gondal	Shankar-6	4110	4205	-95
	Kapas	(Rs./Qtl)		
Bijapur	Bunny	4140	4220	-80
Hubli	D.C.H.	4865	5075	-210
Raichur	H-44 Cotton	4050	4125	-75
	Lint	(Rs./Maund of 37.32kg each)		
Abohar	J-34	3390	3455	-65
Muktsar	J-34	3370	3450	-80
Fazilika	J-34	3410	4095	-685
Bhatinda	J-34	3405	3460	-55
Mansa	J-34	3380	3445	-65
Sirsa	J-34	3315	3360	-45
Sri-Ganganagar	J-34	3130	3165	-35

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	36644.563		37613.477		38345.057	

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

Cotton Association of India Cotton Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy*	Rs. Per Candy*	Change
				Jan'15	Dec'14	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	30945	32340	-1395
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	31480	32850	-1370
J-34(202)	26mm	3.5 - 4.9	23	31045	31415	-370
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	30780	32615	-1835
Shankar-6(105)	29mm	3.5 - 4.9	28	31300	33150	-1850
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	32920	34210	-1290
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	33970	35150	-1180
DCH-32(107)	34mm	3.0 - 3.8	33	43865	44065	-200

**(of 356 kg each) **Monthly Average Prices*

Cotton Arrivals in Key Centers:

Centre	Variety	Monthly Cumulative Arrivals (In Qtl.)		Change
		Jan'15	Dec'14	
Amravati	Mech-1	286400	90000	196400
Khandwa	Mech-1	6900	19400	-12500
Khargaon	Mech-1	46500	117000	-70500
Mahesana(Kadi)	B.T. Cotton	501000	1045000	-544000
Rajkot	B.T. Cotton	99700	99300	400
Patan	B.T. Cotton	247842	307765	-59923
Deesa	B.T. Cotton	41010	72265	-31255
Fazilika	B.T. Cotton	10850	33950	-23100
Muktsar	B.T. Cotton	NA	13005	-
Bhiwani	B.T. Cotton	36000	84000	-48000
Adampur	B.T. Cotton	11135	72080	-60945
Fatehabad	B.T. Cotton	10940	45450	-34510
Dabwali	B.T. Cotton	17380	47600	-30220
Jind	B.T. Cotton	10702	25595	-14893
Uchana	B.T. Cotton	31915	63117	-31202
Rawatsar	B.T. Cotton	2500	10250	-7750
Hubli	B.T. Cotton	1748	3944	-2196
Hathras	B.T. Cotton	300	4585	-4285
Hanumangarh	B.T. Cotton	39000	70700	-31700
Ahmedabad	Shankar-6	1452650	1727200	-274550
Gondal	Shankar-6	47395	49280	-1885
Bijapur	Bunny	28636	93004	-64368
Hubli	D.C.H.	828	4310	-3482
Raichur	H-44 Cotton	43443	57813	-14370
Abohar	J-34	14535	42670	-28135
Bhatinda	J-34	338810	1267350	-928540
Mansa	J-34	13090	47872	-34782
Sirsa	J-34	24650	70380	-45730
Sri-Ganganagar	J-34	113900	268600	-154700

State wise Scenario

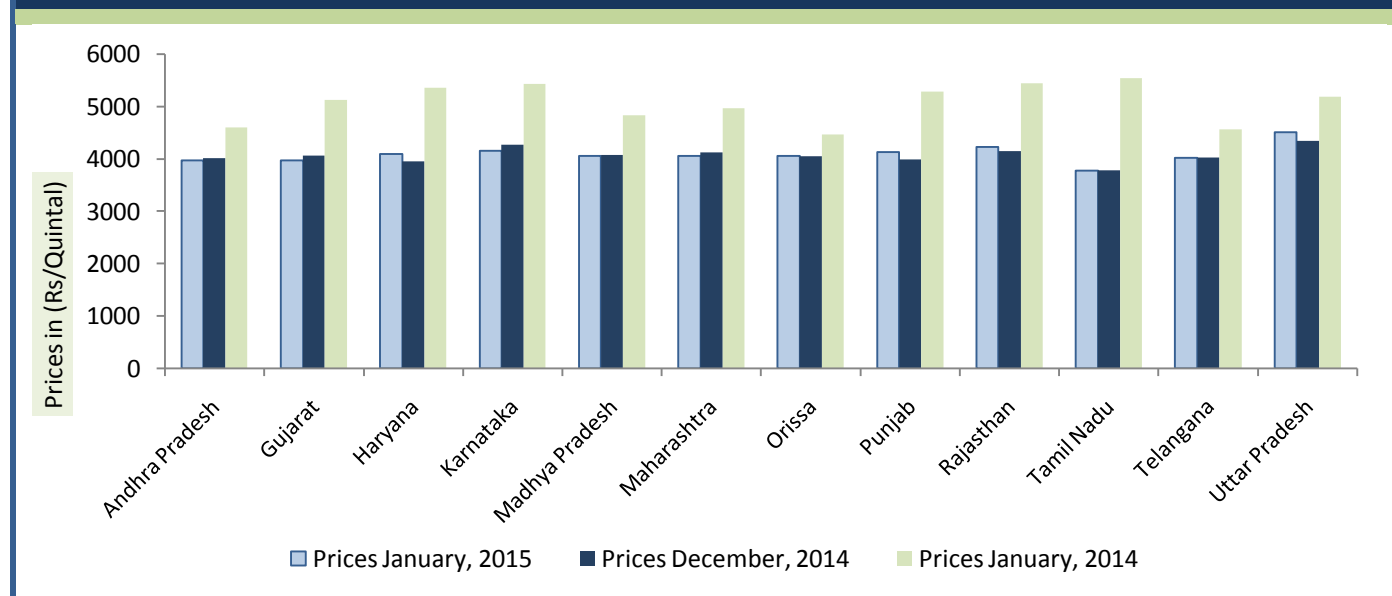
State wise Prices (Rs./Qtl.):

State	Prices January, 2015	Prices December, 2014	Prices January, 2014	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	3972.9	4011.39	4594.92	-0.96	-13.54
Gujarat	3972.76	4062.63	5126.73	-2.21	-22.51
Haryana	4090.19	3954.09	5353.58	3.44	-23.6
Karnataka	4160.74	4272.46	5427.11	-2.61	-23.33
Madhya Pradesh	4053.63	4068.88	4824.32	-0.37	-15.98
Maharashtra	4060.71	4127.01	4959.12	-1.61	-18.12
Orissa	4058.77	4043.28	4459.98	0.38	-9
Punjab	4127.57	3983.13	5280.93	3.63	-21.84
Rajasthan	4228.01	4150.34	5438.98	1.87	-22.26
Tamil Nadu	3780.24	3775.13	5541.3	0.14	-31.78
Telangana	4016.32	4022.25	4560.14	-0.15	-11.93
Uttar Pradesh	4508.43	4346.13	5187.8	3.73	-13.1
Average	4085.86	4024.36	5128.21		

*Source: Agmarknet

Following the leading supplies in domestic and international market, cotton prices are ruling lower when examined year on year basis. Expectation of lower demand by China has also forced the prices to move downwards. Whereas following the improved export demand this month, prices have recovered slightly this month particularly at the major trading states including Gujarat, Maharashtra, Andhra Pradesh etc. A few states which have noticed downtrend on month on basis also are the Haryana, Punjab, Rajasthan and Tamil Nadu.

State wise Cotton Prices

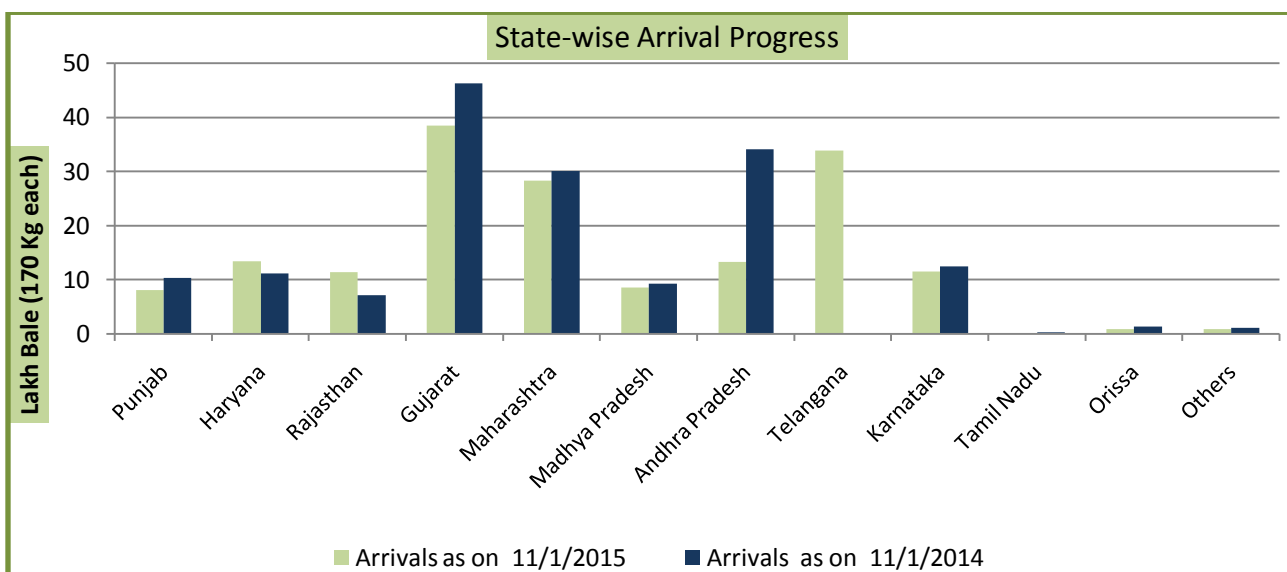


State wise Arrivals (in lakh bales of 170 kgs each):

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	11-01-2015	02-07-2014	11-01-2014
1. Punjab	14	8.02	21	10.27
2. Haryana	25	13.41	23	11.06
3. Rajasthan	17	11.38	14	7.09
North Total	56	32.81	58	28.42
4. Gujarat	125	38.46	120	46.19
5. Maharashtra	85	28.29	84	30.06
6. Madhya Pradesh	18	8.55	19	9.2
Central Total	228	75.3	223	85.45
7. Andhra Pradesh	50	13.24	76	34.02
8. Telangana	27	33.79	--	--
9. Karnataka	28	11.43	22	12.45
10. Tamil Nadu	5	0	5	0.24
South Total	110	58.46	103	46.71
11. Orissa	4	0.86	4	1.33
12. Others	2	0.88	2	1.05
Total	6	1.74	6	2.38
Grand Total	400	168.31	390	162.96

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



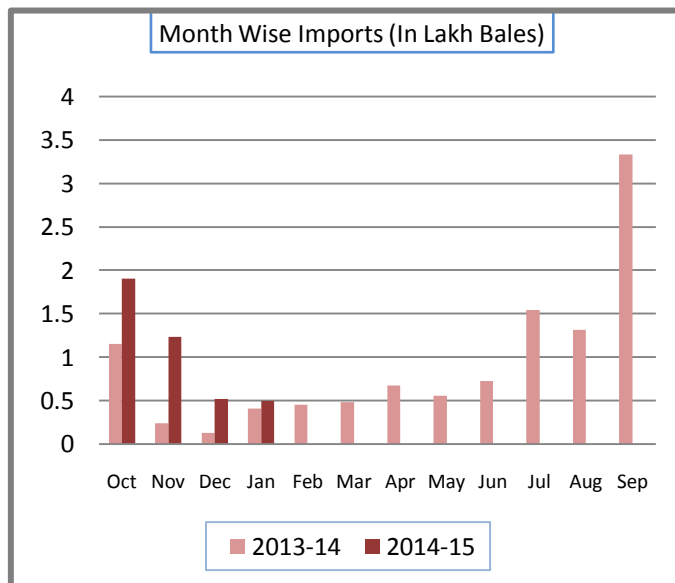
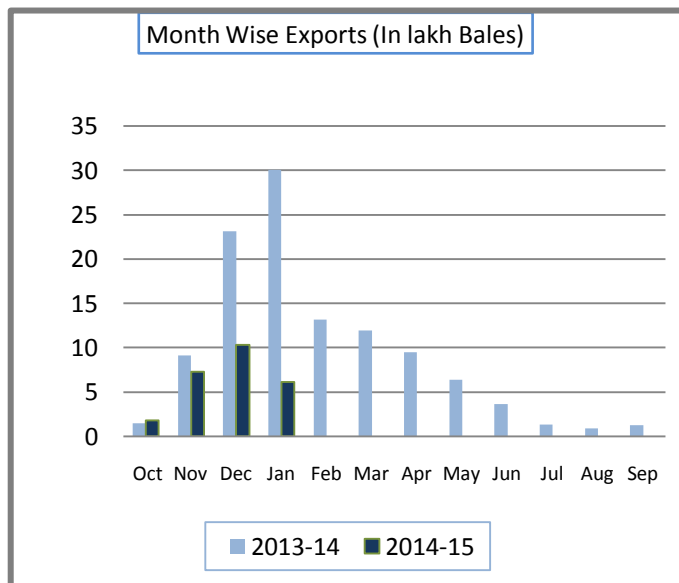
Cotton Export and Import Scenario

Cotton Exports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.43	1.81
Nov	9.06	7.3
Dec	23.12	10.34
Jan	30	6.11
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	25.6

Source: IBIS

Cotton Imports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.16	1.91
Nov	0.24	1.24
Dec	0.133	0.52
Jan	0.41	0.5
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	4.17

Source: IBIS



According to the IBIS data, cumulative exports this season during the period of Oct'14-Jan'15 stood 25.6 lakh bales, around 23.8% lower when compared to the export during the same period last season, which was 33.61 lakh bales. Imports on the other hand recorded on the higher side during the initial months of the seasons. Cumulative Import for the period of Oct'14-Jan'15 remained 4.17 lakh bales which was 1.94 lakh bales in the previous season during the same period.

Cotton Yarn Dynamics

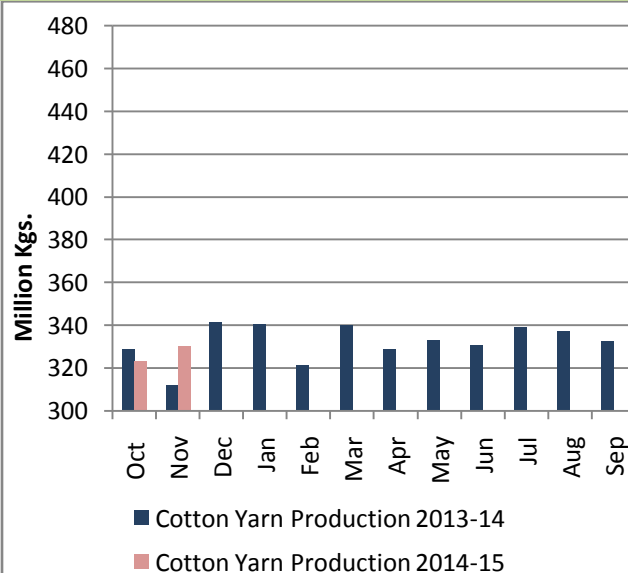
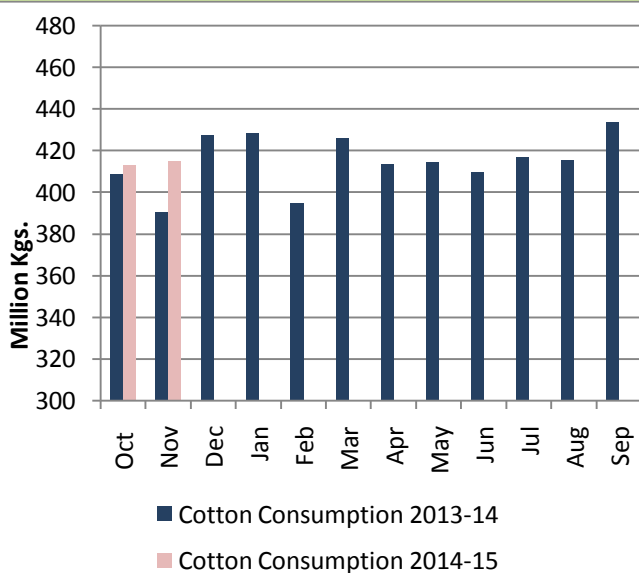
Cotton Consumption and Cotton Yarn Production:

As estimated by CCI, cotton consumption this season would remain higher by around 4%. Following the projections, cumulative cotton consumption in the Initial two month of season remained 3.64% higher at 827.82 million kgs which was 798.74 million kgs in the previous month during the same period. Cotton yarn production too remained higher this season by around 1.93%. Cotton yarn production in Oct-Nov'14 remained 653.5 million kgs which was 640.92 million kgs previous season.

Month	Cotton Consumption 2013-14	Cotton Consumption 2014-15	Cotton Yarn Production 2013-14	Cotton Yarn Production 2014-15
Oct	408.49	412.97	328.79	323.3
Nov	390.25	414.85	312.13	330.2
Dec	427.72		341.67	
Jan	428.16		340.38	
Feb	394.8		321.31	
Mar	426.15		340.2	
Apr	413.36		328.68	
May	414.51		332.92	
Jun	409.82		330.69	
Jul	416.96		338.9	
Aug	415.18		337.51	
Sep	433.32		332.78	

Figures in Million Kg.

Cotton Consumption versus Cotton Yarn Production

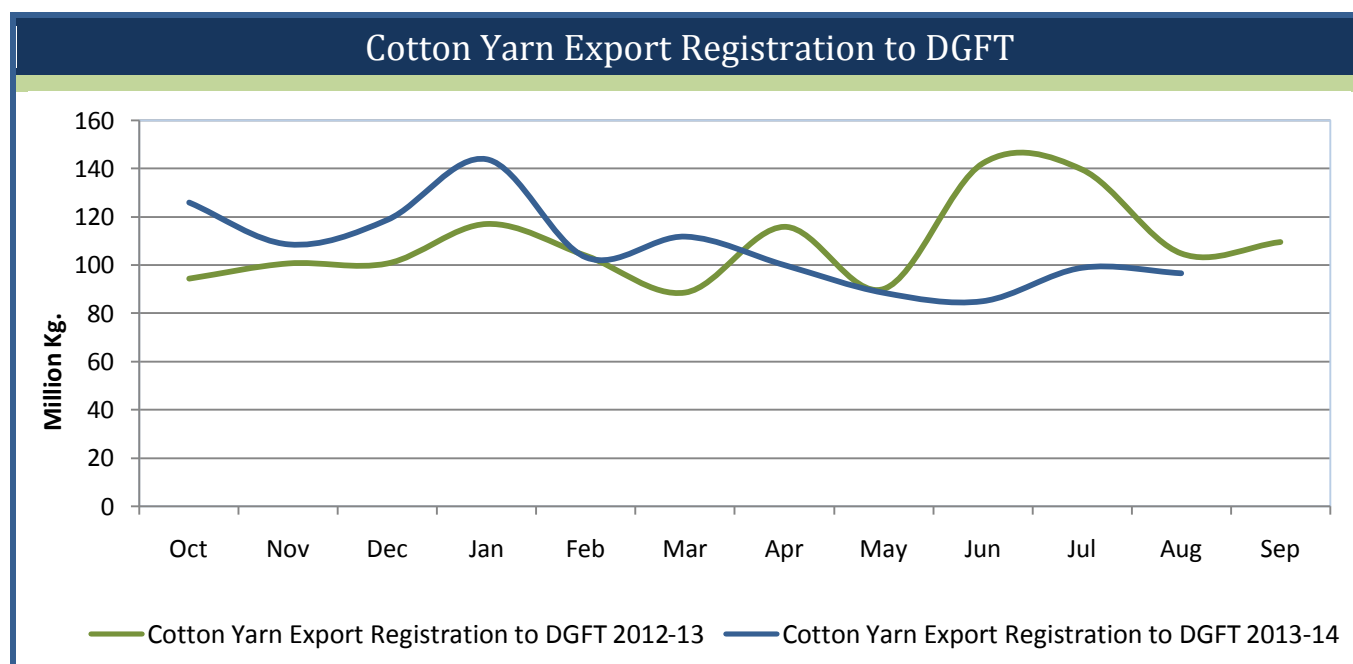


Cotton Yarn Export Registration:

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 2013-14	Cotton Yarn Production 2014-15	Cotton Yarn Export Registration to DGFT 2012-13	Cotton Yarn Export Registration to DGFT 2013-14
Oct	328.79	323.3	94.46	125.88
Nov	312.13	330.2	100.77	108.52
Dec	341.67		100.77	118.736
Jan	340.38		117.14	143.813
Feb	321.31		103.95	103.124
Mar	340.2		88.68	111.738
Apr	328.68		115.96	99.926
May	332.92		90.15	88.442
Jun	330.69		142.297	84.949
Jul	338.9		139.745	98.808
Aug	337.51		104.913	96.535
Sep	332.78		109.64	

Figures in Million Kg.



Technical Analysis of Cotton Future

Commodity	Kapas
Exchange	NCDEX
Contract Month	April'15



Monthly Technical Outlook:

- Candlesticks denote downtrend in the market.
- RSI is moving high in neutral region supporting recovery in near term.
- MACD is expecting bullish cross over in near term.
- We expect prices to remain steady to firm in coming days.

Expected price range during coming month:

Expected Trend	Expected Trading Band
Range Bound to Bullish	710-800

Expected Support and Resistance:

Support 1	Support 2	Resistance 1	Resistance 2
700	685	825	850

International Market Scenario

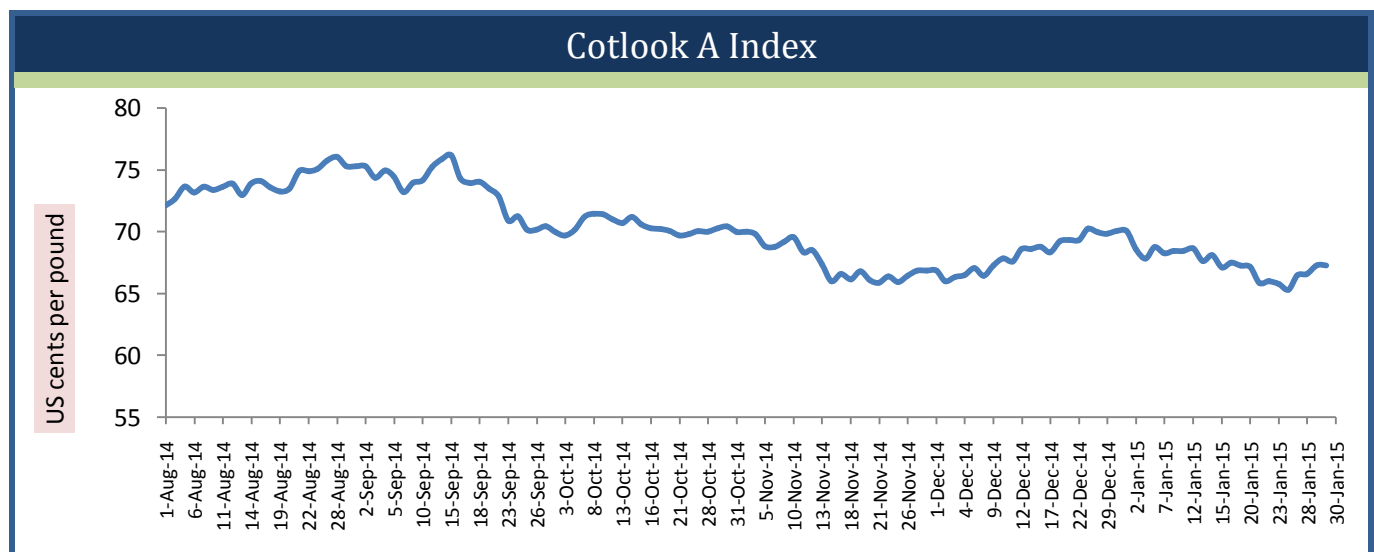
Current Market Scenario: International market noticed sideways movement in prices with firm biasness during December. Cotlook A Index remained in the range of 65.3-68.75 cents during the month. As monthly average, it stood 67.29 cents, 0.09% lower when compared to previous month and around 26.02% lower when compared to previous year during the corresponding month.

World cotton consumption is likely to surpass cotton production for the first time in last five seasons due to expected fall in cotton acreage, said International cotton Advisory Committee (ICAC). World cotton production is expected to fall by 6% to 24.6 million tons in 2015-16, whereas consumption during the same season is likely to increase by 2% to 24.7 million tons.

World cotton acreage is expected to fall in the season 2015-16 due to the weak cotton prices ruling in all the major cotton growing regions, including India. Cotton acreage is likely to fall by 6% to 31.6 million tons in 2015-16 on the global front. Acreage in India is expected to drop by 5% to 11.6 million hectares whereas China cotton area could shrink to 3.8 million hectares, 10% down when compared to the current season. USA too is expected to notice a decrease of 10% to 3.6 million hectares. Following the situation, the global production of cotton is forecasted to decline by 6% to 24.6 million tons in 2015-16.

China recorded 7.4% growth in the economy, the slowest growth rate in nearly a quarter of a century, according to National Bureau of Statistics. Also International Monetary Fund (IMF) lowered its global growth forecast for 2015 to 3.5% which was estimated 3.8% earlier. Following the wave, World Bank also reduced its forecast for global economic expansion to 3%, around 0.4% lower than the previous estimate. March contract, most active contract on ICE, settled at 57.79 cents a pound on January 20 this year, the lowest price recorded since August 27, 2009.

Pakistan Yarn Merchants Association (PYMA) demanded government to impose 15 per cent regulatory duty on cotton yarn imports from India as it is hurting the domestic market. According to PYMA cotton yarn imports during July to December 2014 has climbed fourfold of the imports during same period in 2013. All Pakistan Textile Mills Association (APTMA) had also pointed towards the expected threat to domestic textile sector driven by rise in cotton yarn imports from India.



World Cotton Scenario:

World cotton output is estimated to be around 25.946 million tonnes by USDA for the season 2014-15, slightly higher than the projections of previous month which was 25.905 million tonnes and marginally lower than the production of previous year which was 26.223 million tonnes.

World Cotton Balance Sheet

Particulars	2013-14	2014-15*	% Change
SUPPLY			
Opening stock	19.59	22.135	12.99
Production	26.22	25.95	-1.06
Imports	8.84	7.40	-16.24
Availability	54.649	55.482	1.52
DEMAND			
Consumption	23.754	24.437	2.88
Exports	8.868	7.401	-16.54
Total Disappearance	32.622	31.838	-2.40
Ending Stock	22.135	23.653	6.86
Source: USDA (*January Advance Estimates by USDA), Figures in Million Metric Tonnes			

Balance Sheet Highlights:

Due to higher opening stocks, total availability would stand higher this season despite the fall in production and Imports. Consumption would be on higher side but total demand would be weaker owing to lesser exports. On higher supply and lagging demand, ending stock would be on higher side.

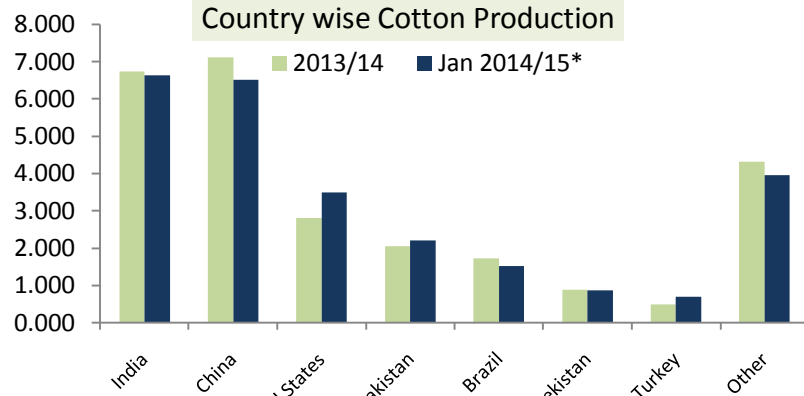
World Cotton Prospects for Season 2015-16:

World cotton acreage is likely to fall by 6% to 31.6 million tons in 2015-16 on the global front, due to the weak prices of cotton ruling in all the major cotton market across the world, which is the result leading supply. March contract, most active contract on ICE, settled at 57.79 cents a pound on January 20 this year, the lowest price recorded since August 27, 2009.

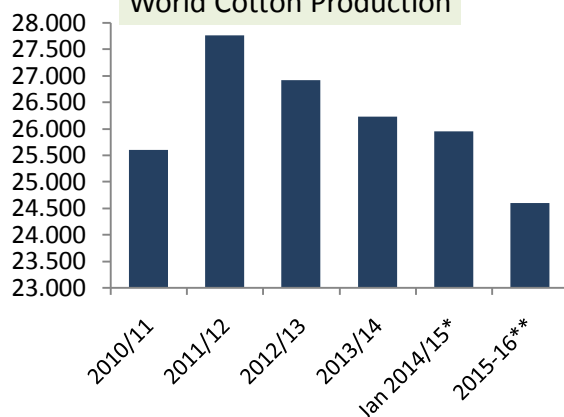
Following the lower acreage cotton production would tumble down in 2015-16. The global production of cotton is forecasted to decline by 6% to 24.6 million tons in 2015-16.

On lower production, availability would shrink and hence consumption would lead the production. Also consumption during the same season is likely to increase by 2% to 24.7 million tons, which would further widen the gap of consumption and production.

Country wise and Global Cotton Production (In Million Tonnes)

Country wise Cotton Production


*USDA Advance Estimates

World Cotton Production


**ICAC Advance Estimates

Global Export and Import Scenario:

World Exports:

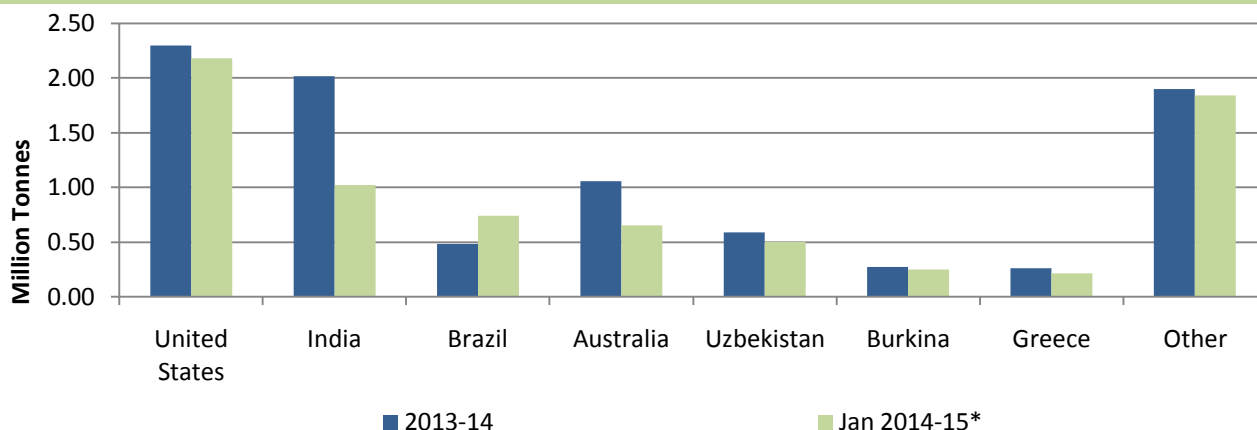
On higher world ending stocks and expectation of weak demand from China is likely to impact world cotton imports significantly. Cotton exports are likely to fall by 16.54% this season, said USDA.

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 1.02 million tonnes (around 60 lakh bales; each bale of 170 kg.) around 49.23% lower when compared to exports of previous season which was 2.02 million tonnes (around 118.8 lakh bales; each bale of 170 kg.), as estimated by USDA.

Export	2013-14	2014-15*
United States	2.29	2.18
India	2.02	1.02
Brazil	0.49	0.74
Australia	1.06	0.65
Uzbekistan	0.59	0.50
Burkina	0.27	0.25
Greece	0.26	0.22
Other	1.90	1.84
Total	8.87	7.40
*USDA Jan advance estimate, All figures in Million Metric Tonnes		

Country wise World Export



World Imports:

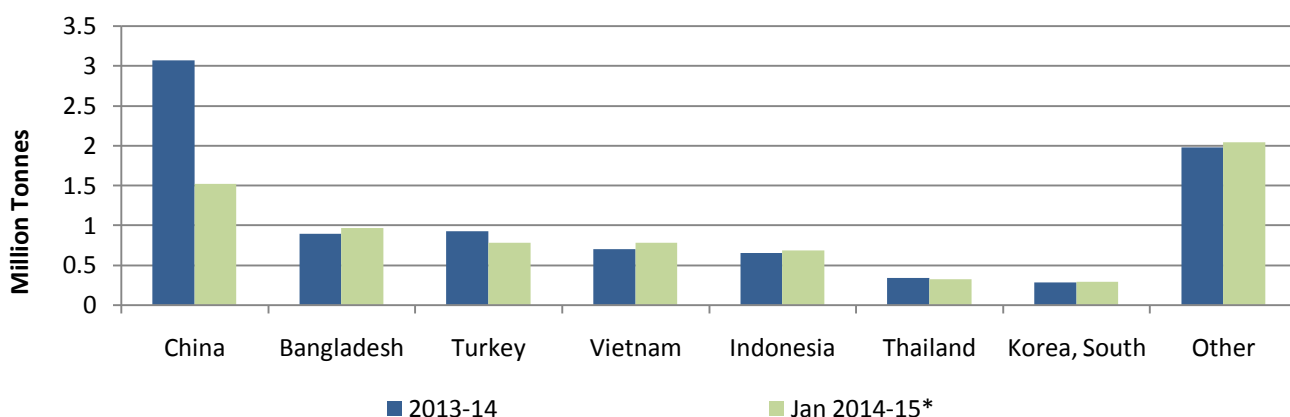
World cotton imports are expected to notice a fall of 16.24% as China, the major consumer, will import lesser this season. China is likely to cut its imports drastically this season due to its increasing cotton stockpiles. Share of China in World ending stocks recorded 62% by the end of previous season.

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

Import	2013-14	2014-15*
China	3.075	1.524
Bangladesh	0.893	0.969
Turkey	0.924	0.784
Vietnam	0.697	0.784
Indonesia	0.651	0.686
Thailand	0.337	0.321
Korea, South	0.28	0.288
Other	1.98	2.045
Total	8.836	7.401

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

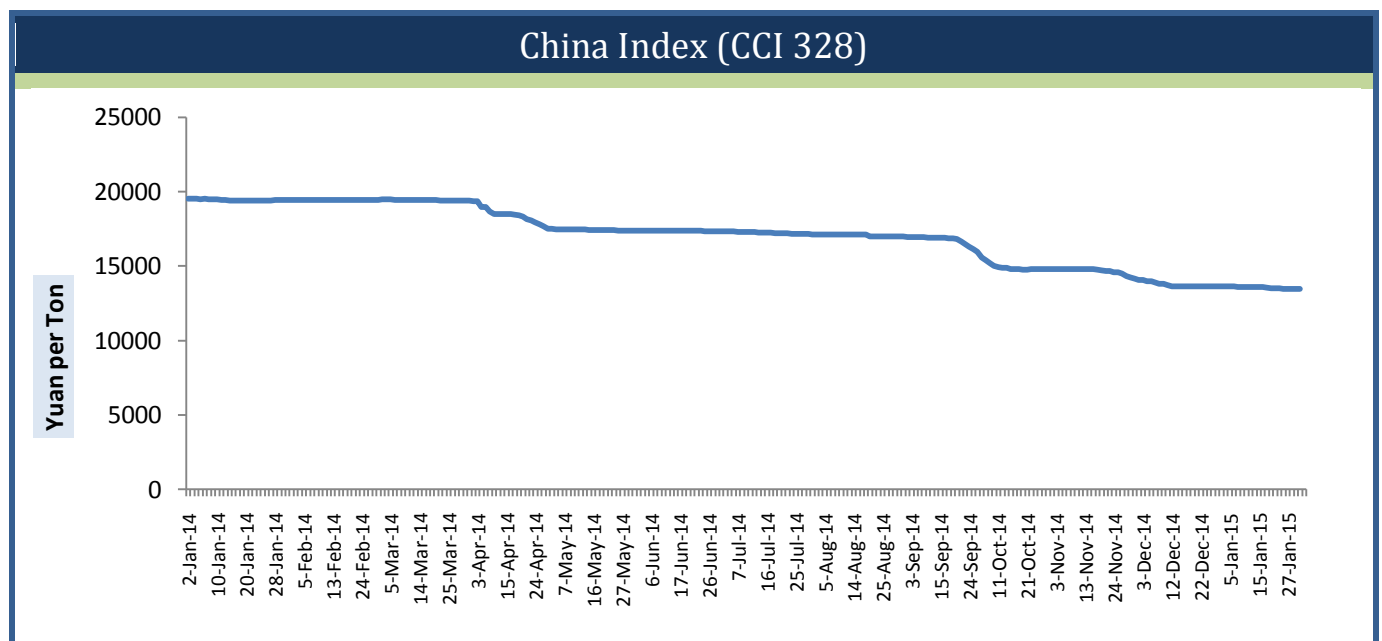
Country wise World Import



International Prices and Indices

China Cotton Index

CC Indices	Prices as on		% Change
	January'15	December'14	
CC Index(229)	14252	14389	-0.95
CC Index(328)	13537	13743	-1.50
CC Index(527)	12573	12809	-1.84
Figures in Yuan per Ton			



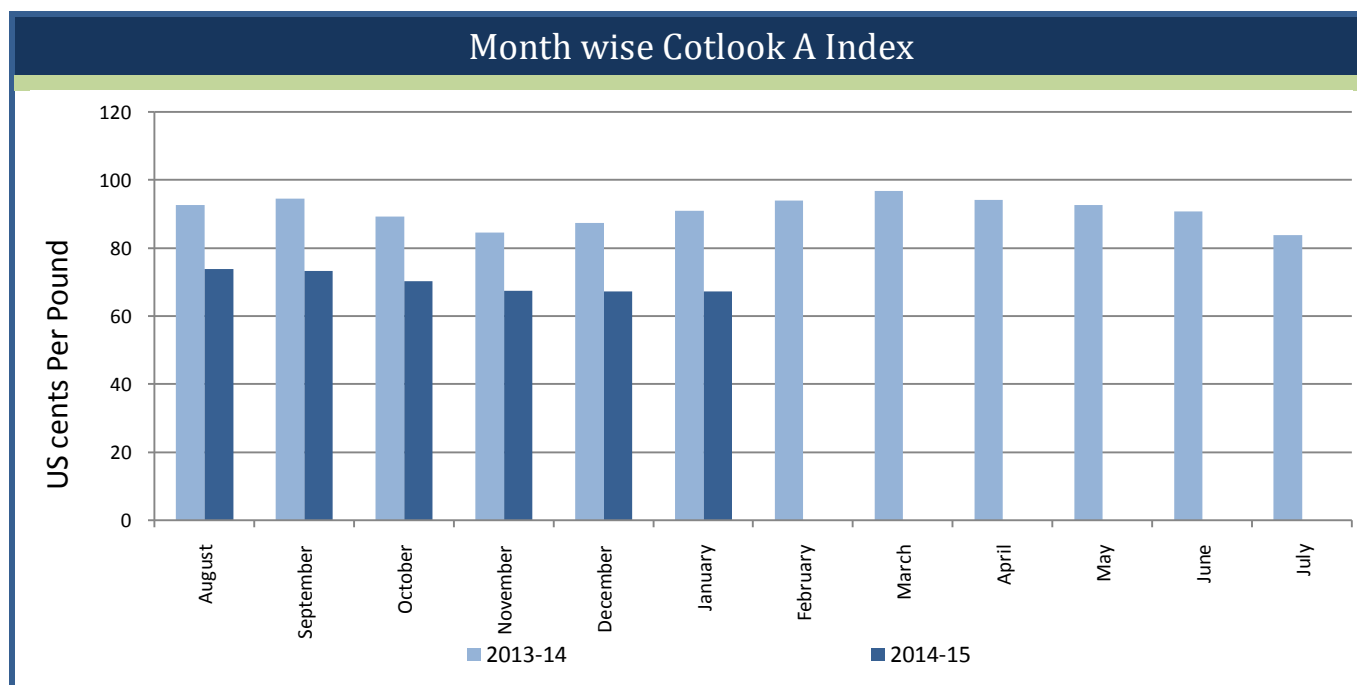
Cotlook A Index

Cotlook A Index	Monthly Average Price		% Change
	January'15	December'14	
Price	67.29	67.35	-0.09
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	68.3	-21.93
January	90.96	67.29	-26.02
February	94.05		
March	96.94		
April	94.2		
May	92.7		
June	90.89		
July	83.83		

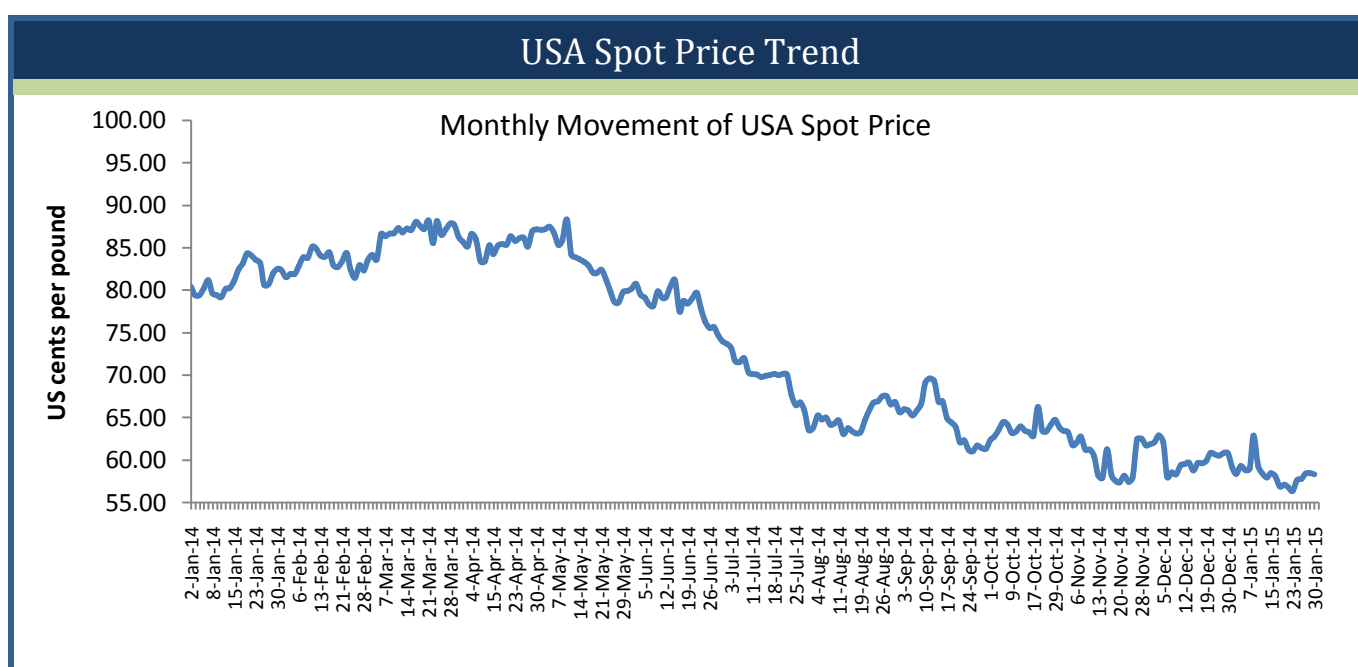
Figures in US cents per pound



USA Spot Prices

Cotton spot prices in USA have improved slightly on the expectation of crop loss in the region. In December estimates, USDA guessed 3.46 million tonnes of cotton output in the current season which was earlier estimated to around 3.57 million tonnes in November. Also the overseas demand, particularly from China has improved the demand situation and hence the prices.

Monthly Average USA Spot Prices			
Date	January'15	December'14	% Change
Prices	58.35	60.23	-3.12
Figures in US Cents per Pound			



ICE Cotton Future:

Contracts	30-Jan-15	Month Ago	Year Ago	% Month Change	% Y-o-Y Change
Oct-14	59.36	61.98	77.1	-4.23	-23.01
Dec-14	60.02	62.59		-4.11	--
Mar-14	60.85	63.49		-4.16	--
May-14	61.80	64.75		-4.56	--
Jul-14	62.79	65.94		-4.78	--
Oct-14	63.29	66.97		-5.49	--
Source: MRCI, Figures in US Cents Per Pound					

Technical Analysis of Cotton Future

Commodity	Cotton
Exchange	ICE
Contract Month	Mar'15



Monthly Technical Outlook:

- Candlesticks are showing downtrend in the prices in January month.
- Overall parallel movement of Prices, Volume and Open Interest depicts firmness.
- We expect prices to remain range bound with firm biasness.

Expected Price Range During Coming Month

Expected Trend	Expected Trading Band
Range bound with Firm Biasness	56.80-62.40

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
56.80	56.00	63.40	64.00

Source : MRCI

All figures in US cents per pound

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