

Cotton Domestic Fundamental

Current Market Scenario: Cotton spot market noticed sideways to weak trend in the prices during the month (June'15). Prices of Kapas at Rajkot remained range bound with weak bias, within the range of Rs. 3950-4790 per quintal during June 2015 which was Rs. 4105-4890 per quintal previous month.

Minimum Support Price (MSP) of cotton has been revised upwardly for the year 2015-16 by Cabinet Committee on Economic Affairs (CACP) by Rs 50 for each of Medium and Long staple. The MSP of Medium staple cotton has been revised to Rs 3800 per quintal for 2015-16 which was Rs. 3750 in 2014-15. Similarly, the MSP for Long staple has been revised to Rs. 4100 for the upcoming season 2015-16, which was Rs 4050 in the current season.

Around 34.87 lakh hectares of cotton has been sown so far throughout the country, as on 26 June this year, which is around 19.95% higher when compared to the sowing progress of last season during the corresponding period which was 29.07 lakh hectares, according to Ministry of Agriculture.

According to Investment Information and Credit Rating Agency of India (ICRA), cotton prices in year 2016 is likely to remain range bound despite the expectation of fall in production by 10-15%. ICRA in its report said that in the last four years (CY 2011-12 to 2014-15), the global cotton prices and trade were majorly driven by government policies in various producing and consuming countries, despite the increasing supply and negligible growth in demand.

Central Institute for Cotton Research (CICR) has issued the district specific advisory for sowing cotton across the country, considering the difference in the status of monsoon in different states. CICR has suggested the immediate sowing in Maharashtra in the coming week particularly in Jalgaon, Yavatmal, Nanded, Amravati, Buldana and Aurangabad districts as dry situation is expected in the period of July 03-16.

Cotton Corporation of India (CCI) has sold around 15 lakh bales of cotton so far from the stock of 87 lakh bales which it procured during the current season under the procurement operation, said Indian Cotton Federation (ICF).

Cotton sowing has been started in almost every cotton growing region including Punjab, Haryana, Rajasthan, Gujarat, Maharashtra and Karnataka following the arrival of good rainfall in the states. Cumulative rainfall during 01 June to 22 June in the current monsoon season (starting from 01 June) stood 126.1 mm, around 21% higher than the normal rainfall of 103.8 mm for the same period.

Cotton acreage is expected to fall by around 7% this year, said Cotton association of India (CAI) following the drastic fall in the prices in the current season and expectation of better return from other crops including soybean and Pulses. It should be noted that it is steepest fall in acreage since 2002/03.

Domestic Balance Sheet

All figures in Lakh Bales (of 170 Kgs. Each)			
Item	2013-14	2014-15	2015-16**
Opening stock	52.58	58.9	75.4
Crop size	407.25	384.5	384.5
Imports	11.75	12	11.52*
Availability	471.58	455.4	471.42
Demand			
Mill consumption	266.68	274	274
Small Mill consumption	24	26	26
Non-Mill consumption	10	10	10
Total consumption	300.68	310	329.7*
Export	112	70	64.05*
Total Demand	412.68	380	393.75
Ending Stock	58.9	75.4	77.67

Source: **Agriwatch Estimates, *As Estimated by USDA.

Balance Sheet (2013-14 and 2014-15) as estimated by Cotton Association of India (CAI) April'15 Update

Balance Sheet Highlight (2015-16):

Opening stock during the season 2015-16 is likely to be record high at 75.4 lakh bales due to the weaker export in 2014-15.

Cotton acreage is likely to decline by around 5% to 120.65 lakh hectares due to the dull prices cotton fetched during the season 2014-15.

Despite the expectation of fall in cotton acreage, Cotton production in the country is likely to be same as the previous year due to favorable rainfall and weather condition which is expected to boost the yield. On the higher availability and expectation of weaker export demand, cotton imports are likely to fall slightly in 2015-16.

Cotton consumption is likely to increase this season by around 6% following the higher demand from the spinning mills. Cotton exports for the consecutive second year is likely to fall due to weaker demand from China, the top cotton importer.

Cotton Production Advance Estimates (Kharif 2015-16)

Agriwatch releases its first cotton production advance estimates for the season 2015-16. Acreage under cotton in season 2015-16 is expected to decline following the severe price crash, caused in 2014-15 due to leading supplies on global and domestic front and the revision in the China's cotton imports policy.

Following the good rainfall so far, cotton yield is expected to get boost as compared to the yield of previous year and normal yield (Five year average yield).

Cotton Production Estimates 2015-16		
Normal Area (Lakh Hectares)	Normal Production (lakh Bales)	Normal Yield (Kgs per hectares)
119.012	369.22	527.2
All India Rainfall Situation as on 24 June 2015		
Normal Rainfall (mm)	Actual Rainfall(mm)	Situation
117.7	145.7	24%
Expected Production under Normal and Actual conditions (In Lakh Bales)		
	Under Normal Rainfall	Under Deficit Rainfall
Expected production under normal area*	379.44	364.04
Expected production under actual area**	384.50	369.05
*Five year average area **Area estimated for the current season.		

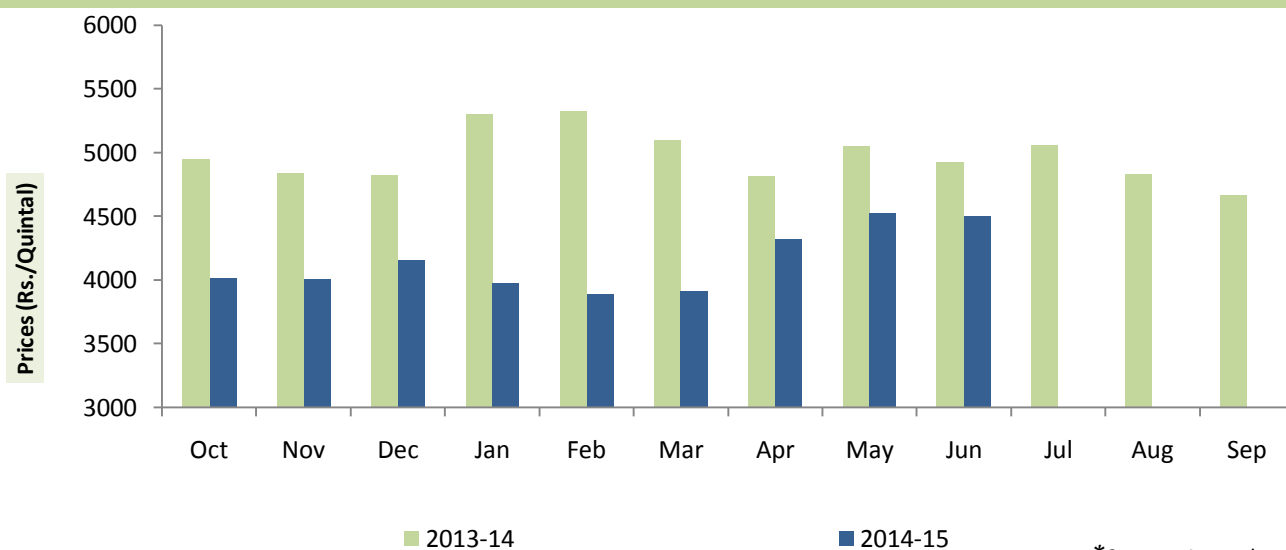
Despite the moderate rise in the MSP of cotton and lower cotton seed prices, cotton acreage is expected to fall by around 5% this season for some obvious reasons. First of all the weak prices, which once touched the five year low level during the season has scared the farmers enough to switch to the other Kharif crops including pulses, rice and soybean.

Secondly although the government of few states are supporting the reduction in cotton seed prices the same will not encourage the farmers to grow or adhere to cotton as the cost of cultivation of cotton too is increasing with the rapid pace which is ultimately nullifying the impacts of reduced cotton seed price and rise in MSP on cotton planting intention.

Under the reduced acreage and normal rainfall cotton production is likely to be around 384.5 lakh bales, same as the previous year. However deficit rainfall if occurs, during the sowing period could cause drying of seed causing productivity to fall, excess rainfall during the flowering stage could lead to shedding of flowers and rainfall during bolling stage could cause the discoloration and quality degradation.

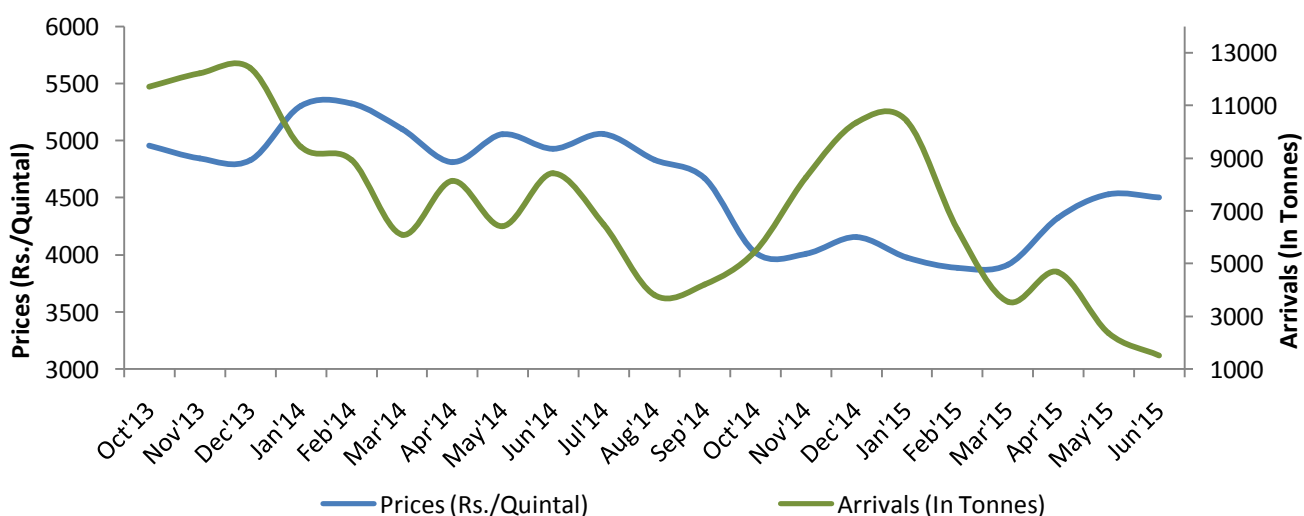
Domestic Prices and Arrival Trend

Monthly Average Prices at Rajkot



As Cotton Corporation of India (CCI) started selling cotton from its stocks to domestic and International buyers, cotton price which was noticing uptrend since March'15, turned dull in June. Besides this cotton exports are expected to be on the lower side in 2015-16 too, by virtue of which cotton supplies are expected to bulge up on domestic and International front, which is ultimately signaling weak market for cotton. Monthly average price at Rajkot in June was recorded Rs. 4501.5 per quintal around 0.6% lower when compared to price of last month and around 8.6% lower when compared to the price of corresponding month during the previous year.

Arrival versus Prices at Rajkot

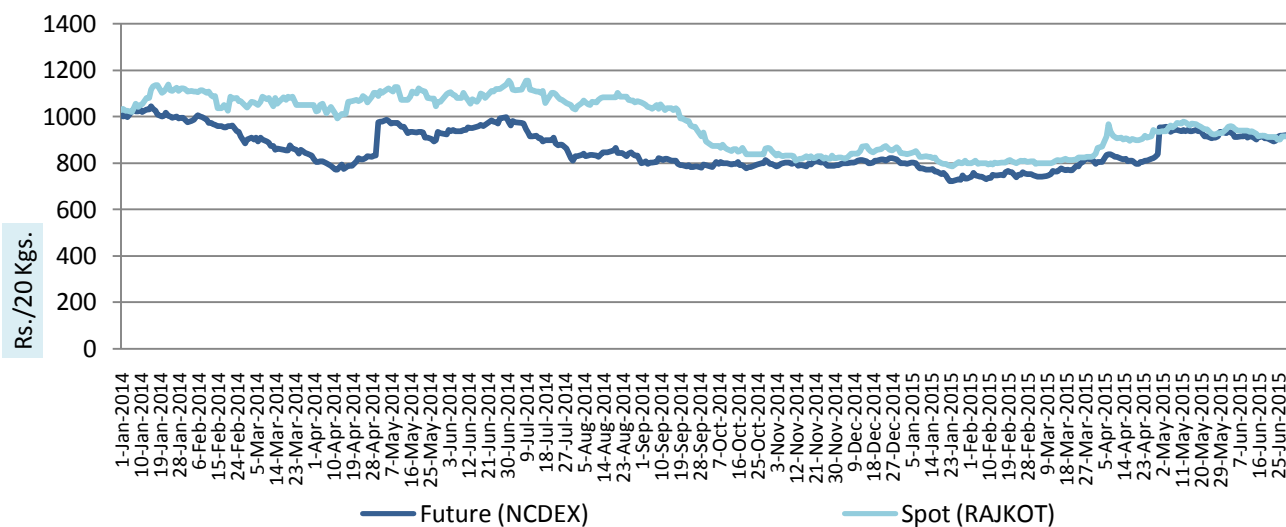


Shankar-6 (CAI Spot Prices)



Lint prices remained overall downtrend during the month, following the weak prices of raw cotton. Monthly average price of Shankar-6 (29 mm) during the June month remained Rs 34250 per candy (of 356 kg each) around 1.72% lower when compared to the average price of previous month and around 18.54% lower when compared to the prices during the same period last year.

Spot (Rajkot) versus Future (NCDEX) Price Trend



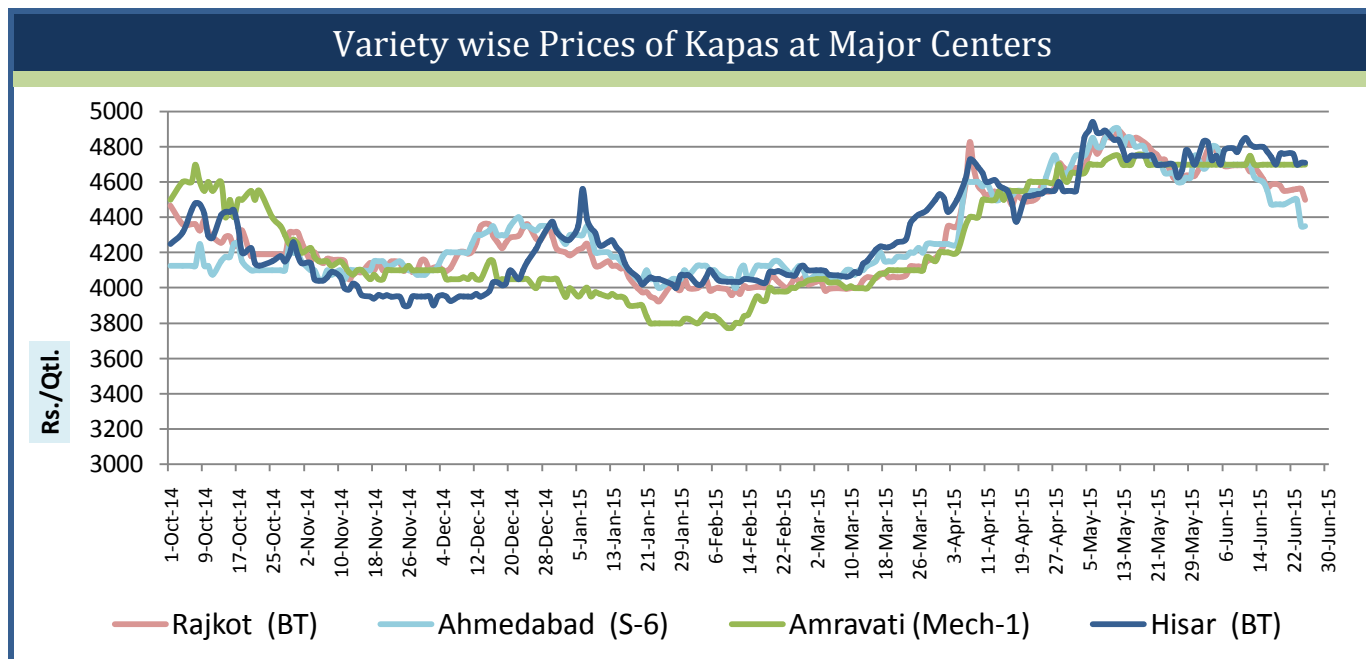
Future price of Kapas at NCDEX closed at Rs. 913.5 per maund (of 20 kg each) on June 30, 2015, around 2.09% lower when compared to the closing price of previous month and 8.4% lower when compared to the closing price of same date during last year

Cotton Prices at Key Spot Market:

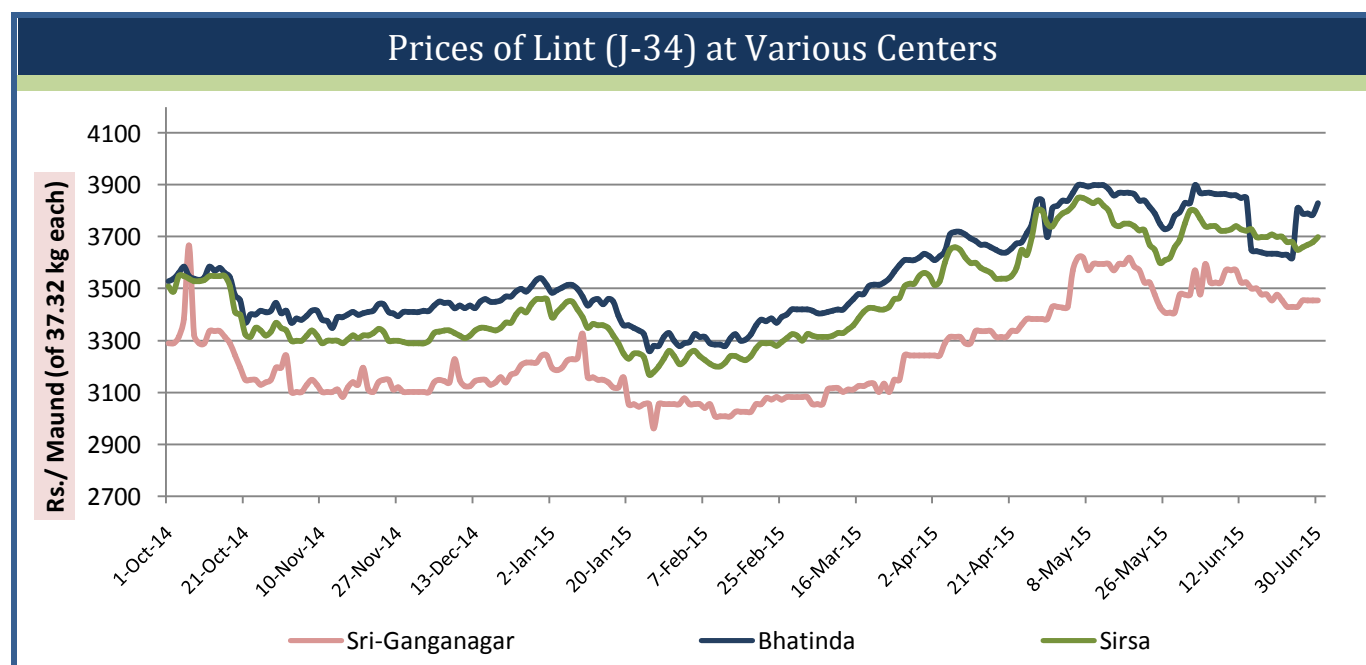
Centre	Variety	Montly Prices Average		Change
		June'15	May'15	
	Kapas	(Rs./Qtl)		
Amravati	Mech-1	4705	4700	5
Khandwa	Mech-1	NA	NA	-
Khargaon	Mech-1	NA	NA	-
	Kapas	(Rs./Qtl)		
Mahesana(Kadi)	B.T. Cotton	NA	NA	-
Rajkot	B.T. Cotton	4640	4775	-135
Patan	B.T. Cotton	NA	4830	-
Deesa	B.T. Cotton	NA	NA	-
Dhrol	B.T. Cotton	4570	4740	-170
Muktsar	B.T. Cotton	NA	NA	-
Fazilika	B.T. Cotton	NA	NA	-
Bhiwani	B.T. Cotton	4715	4760	-45
Adampur	B.T. Cotton	4755	4770	-15
Fatehabad	B.T. Cotton	4800	4750	50
Dabwali	B.T. Cotton	NA	NA	-
Jind	B.T. Cotton	NA	NA	-
Uchana (Jind)	B.T. Cotton	NA	NA	-
Rawatsar (Hanumangarh)	B.T. Cotton	4815	4735	80
Hubli	B.T. Cotton	NA	4570	-
Hathras	B.T. Cotton(US)	NA	NA	-
Hanumangarh	B.T. Cotton	NA	NA	-
	Kapas	(Rs./Qtl)		
Ahmedabad	Shankar-6	4615	4750	-135
Gondal	Shankar-6	4655	4745	-90
	Kapas	(Rs./Qtl)		
Jamner (Jalgaon)	Medium Staple	NA	NA	-
Hathras	Desi	NA	NA	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	4650	4710	-60
Guntur	Un-Ginned	4055	4050	5
Kurnool	Un-Ginned	4060	4055	5
Krishna	Un-Ginned	4075	4050	25
East Godavari	Un-Ginned	4050	4050	Unch
	Lint	(Rs./Maund of 37.32kg each)		
Abohar	J-34	3840	3835	5

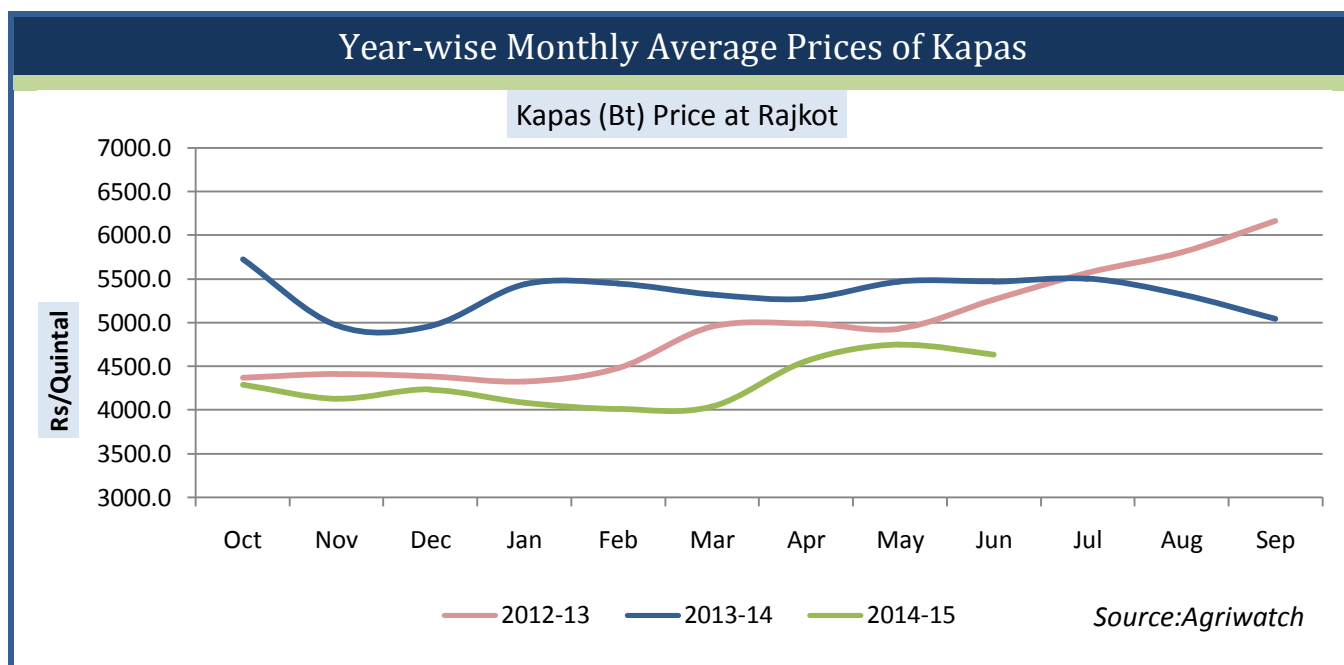
Muktsar	J-34	3800	3830	-30
Fazilika	J-34	NA	4715	-
Bhatinda	J-34	3840	3840	Unch
Sirsa	J-34	3715	3750	-35
Sri-Ganganagar	J-34	3500	3535	-35

Variety wise Prices of Kapas (Seed Cotton):



Prices of Lint at various centers:



Month-wise Average Prices of Kapas(Seed Cotton):

Cotton Association of India Cotton Spot Rates:

Trade Name	Staple	Micronaire	Strength / GPT	Monthly Average Price*		Change
				June'15	May'15	
Bengal Deshi (RG)/Assam Comilla (101)	< 22mm	5.0 - 7.0	15	35010	34815	195
Bengal Deshi (SG)(201)	< 22mm	5.0 - 7.0	15	35510	35315	195
J-34(202)	26mm	3.5 - 4.9	23	35380	35180	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	33480	34130	-650
Shankar-6(105)	29mm	3.5 - 4.9	28	34250	34850	-600
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	35635	36605	-970
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	36560	37375	-815
DCH-32(107)	34mm	3.0 - 3.8	33	44485	45740	-1255

*Rs/candy(of 356 kg each)

Cotton Arrivals in Key Centers:

Centre	Variety	Montly Arrivals Sum (Qtl)		Change
		June'15	May'15	
Amravati	Mech-1	NA	6040	-
Khandwa	Mech-1	NA	NA	-
Khargaon	Mech-1	NA	NA	-
Mahesana(Kadi)	B.T. Cotton	NA	NA	-
Rajkot	B.T. Cotton	13609	25860	-12251
Patan	B.T. Cotton	NA	17274	-
Deesa	B.T. Cotton	NA	NA	-
Dhrol	B.T. Cotton	212	989	-777
Fazilika	B.T. Cotton	NA	NA	-
Muktsar	B.T. Cotton	NA	NA	-
Bhiwani	B.T. Cotton	NA	NA	-
Adampur	B.T. Cotton	NA	510	-
Fatehabad	B.T. Cotton	NA	NA	-
Dabwali	B.T. Cotton	NA	NA	-
Jind	B.T. Cotton	NA	NA	-
Uchana (Jind)	B.T. Cotton	NA	NA	-
Rawatsar (Hanumangarh)	B.T. Cotton	NA	NA	-
Hubli	B.T. Cotton	NA	579	-
Hathras	B.T. Cotton	NA	NA	-
Hanumangarh	B.T. Cotton	NA	NA	-
Ahmedabad	Shankar-6	107610	406300	-298690
Gondal	Shankar-6	5723	9026	-3303
Jamner (Jalgaon)	Medium Staple	NA	NA	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	6122	13653	-7531
Guntur	Un-Ginned	15	10	5
Kurnool	Un-Ginned	11	14	-3
Krishna	Un-Ginned	9	2	7
East Godavari	Un-Ginned	NA	NA	-
Abohar	J-34	NA	561	-
Bhatinda	J-34	NA	NA	-
Sirsa	J-34	901	1920	-1019
Sri-Ganganagar	J-34	NA	NA	-

State wise Scenario

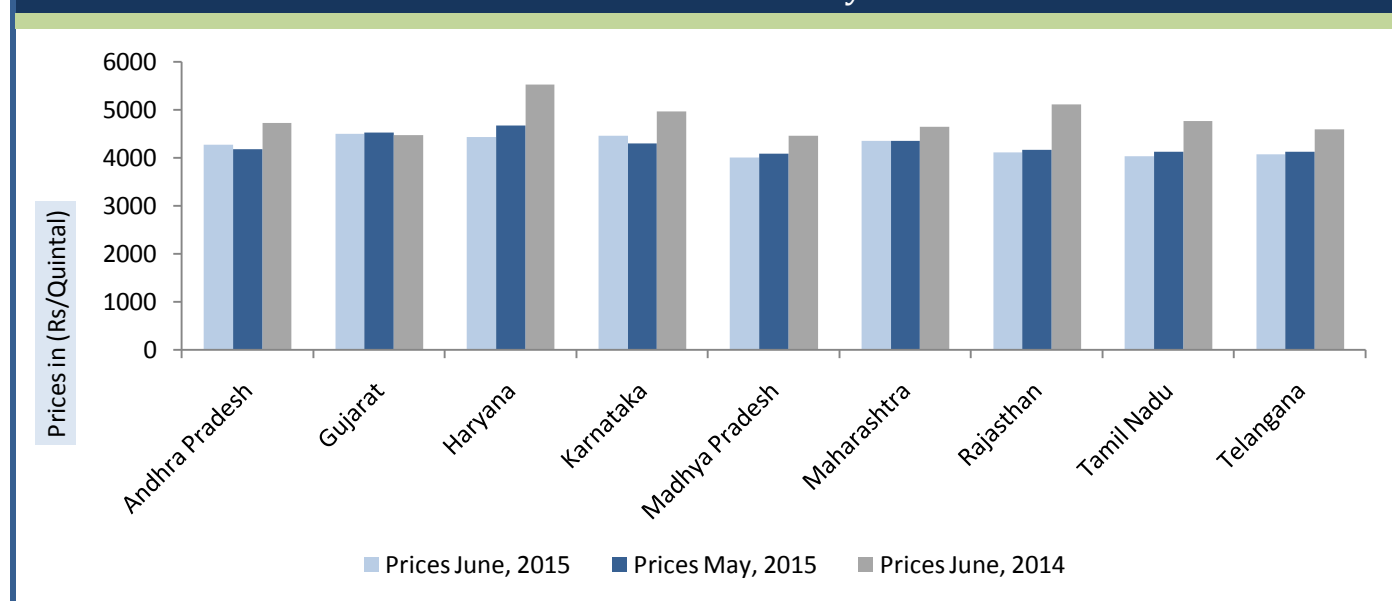
State wise Prices (Rs./Qtl.):

State	Prices June, 2015	Prices May, 2015	Prices June, 2014	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	4260.88	4178.07	4715.11	1.98	-9.63
Gujarat	4493.36	4520.66	4473.22	-0.6	0.45
Haryana	4428.42	4666.24	5514.61	-5.1	-19.7
Karnataka	4447.34	4297.28	4955.4	3.49	-10.25
Madhya Pradesh	3998.57	4078.81	4459.89	-1.97	-10.34
Maharashtra	4350	4346.01	4634.37	0.09	-6.14
Rajasthan	4104.66	4161.52	5101.4	-1.37	-19.54
Tamil Nadu	4020.87	4123.33	4761.44	-2.48	-15.55
Telangana	4069.87	4116.02	4586.36	-1.12	-11.26
Average	3978.3	4100.02	4714.56		

**Source: Agmarknet*

All India monthly average prices has seen an overall decline in June. Except a few, most of the states are showing downtrend in the prices. Prices remained lower in Gujarat, Haryana, Madhya Pradesh, Rajasthan, Tamil Nadu and Telangana. However in Andhra Pradesh, Karnataka and Maharashtra prices remained slightly higher as compared to previous month.

State wise Cotton Monthly Prices

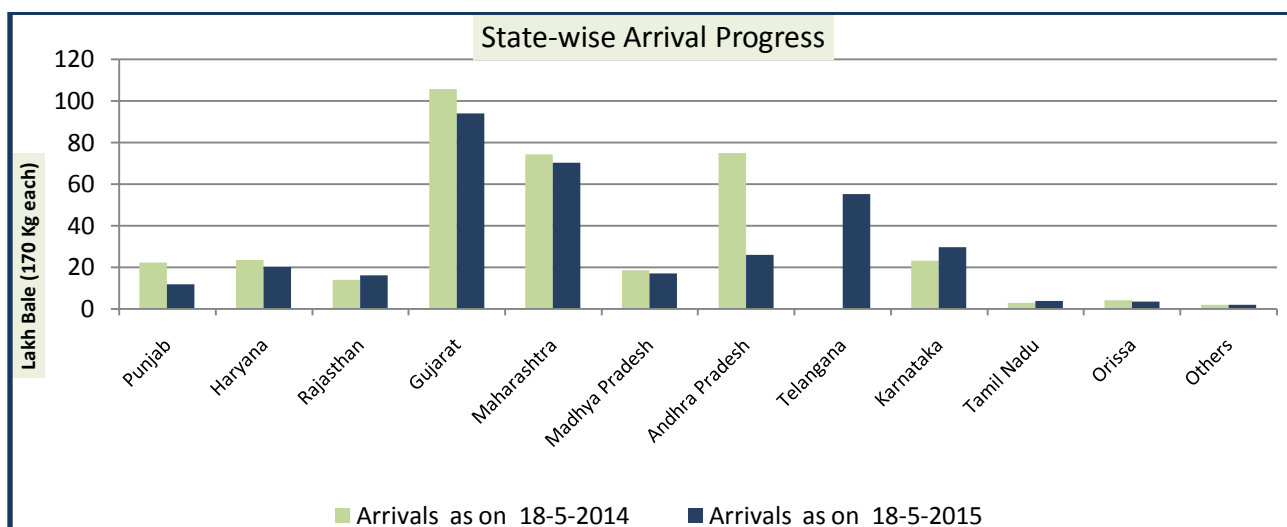


State wise Arrivals (in lakh bales of 170 kgs each):

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
	31-03-2015	18-05-2015	13-10-2014	18-05-2014
1. Punjab	14	11.67	21	22.2
2. Haryana	25	19.86	24	23.37
3. Rajasthan	17	15.99	14	13.93
North Total	56	47.52	59	59.5
4. Gujarat	108	93.96	124	105.65
5. Maharashtra	83	70.21	84	74.09
6. Madhya Pradesh	18	17.01	19	18.58
Central Total	228	181.18	227	198.32
7. Andhra Pradesh	27	25.71	78	74.88
8. Telangana	57	55.23	--	--
9. Karnataka	30	29.62	23	23.16
10. Tamil Nadu	5	3.66	5	2.72
South Total	119	114.23	106	100.77
11. Orissa	4	3.45	4	4.05
12. Others	2	2	2	1.85
Total	6	5.45	6	5.9
Grand Total	390	348.37	398	364.48

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

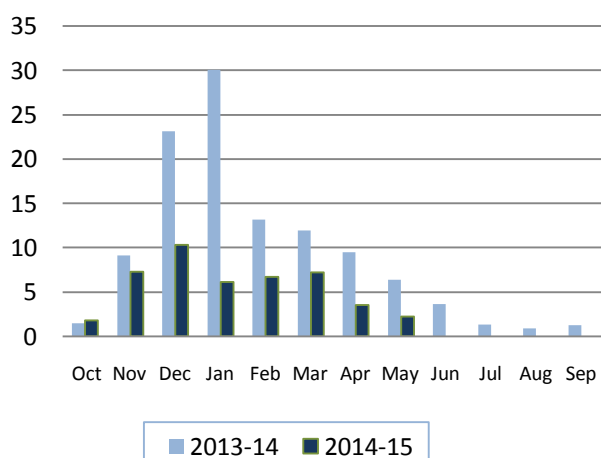


Cotton Export and Import Scenario

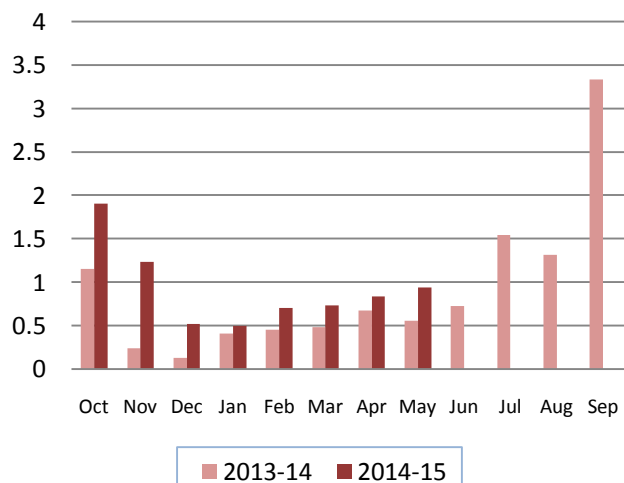
Cotton Exports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.43	1.81
Nov	9.06	7.3
Dec	23.12	10.34
Jan	30	6.11
Feb	13.15	6.68
Mar	11.9	7.25
Apr	9.46	3.56
May	6.37	2.23
Jun	3.62	
Jul	1.32	
Aug	0.87	
Sep	1.24	
Total	111.5	45.3
Source: IBIS		

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	0.71
Mar	0.488	0.740
Apr	0.68	0.84
May	0.56	0.95
Jun	0.73	
Jul	1.55	
Aug	1.32	
Sep	3.34	
Total	11.07	7.41
Source: IBIS		

Month Wise Exports (In lakh Bales)



Month Wise Imports (In Lakh Bales)



Cotton exports so far (i.e. Oct'14-May'15) stood around 59.4% lower Y-o-Y at 45.3 lakh bales which was 104.4 lakh bales during the same period last year. Imports during the current season so far stood 7.41 lakh bales which was 4.13 lakh bales last year during the corresponding period.

Cotton Yarn Dynamics

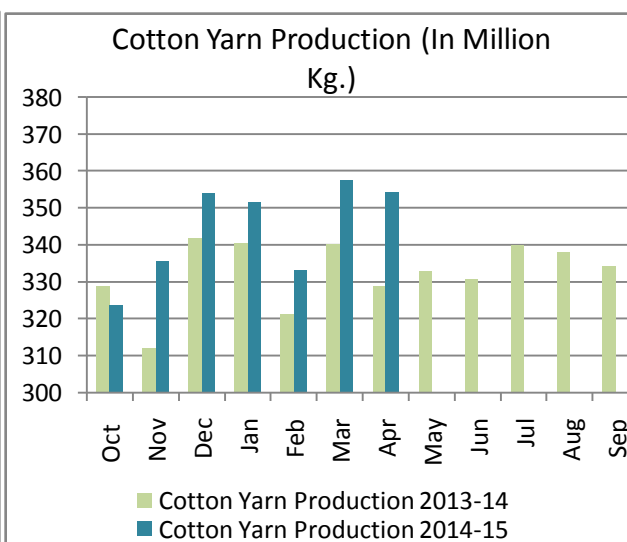
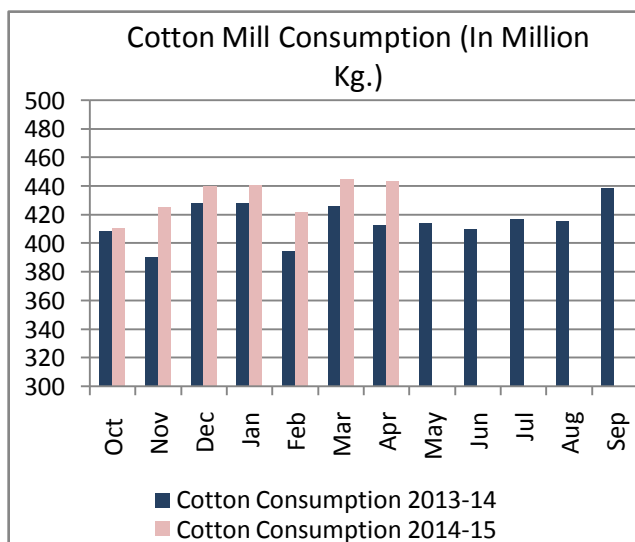
Cotton Consumption and Cotton Yarn Production:

In the initial seven months of season, cotton consumption recorded at 3,028 million kgs which is 4.82% higher than the consumption during corresponding period last year. Similarly cotton yarn production too remained higher in this year. Cumulative cotton yarn production during the initial seven month of the season stood 2,313 million kgs around 4.16% higher when compared to corresponding period last year.

Month	Cotton Consumption 2013-14	Cotton Consumption 2014-15	Cotton Yarn Production 2013-14	Cotton Yarn Production 2014-15
Oct	408.49	410.85	328.79	323.53
Nov	390.25	425.82	312.13	335.65
Dec	427.72	440.38	341.67	353.97
Jan	428.16	440.71	340.38	351.61
Feb	394.8	422.07	321.31	333.09
Mar	426.15	444.78	340.2	357.39
Apr	413.36	443.62	328.68	354.15
May	414.51		332.92	
Jun	409.82		330.69	
Jul	417.22		340	
Aug	415.86		338.09	
Sep	438.7		334.03	

Figures in Million Kg.

Cotton Consumption versus Cotton Yarn Production



Cotton Seed Oil and Cotton Seed Oil Cake

Cotton Seed Oil at Key Centers:

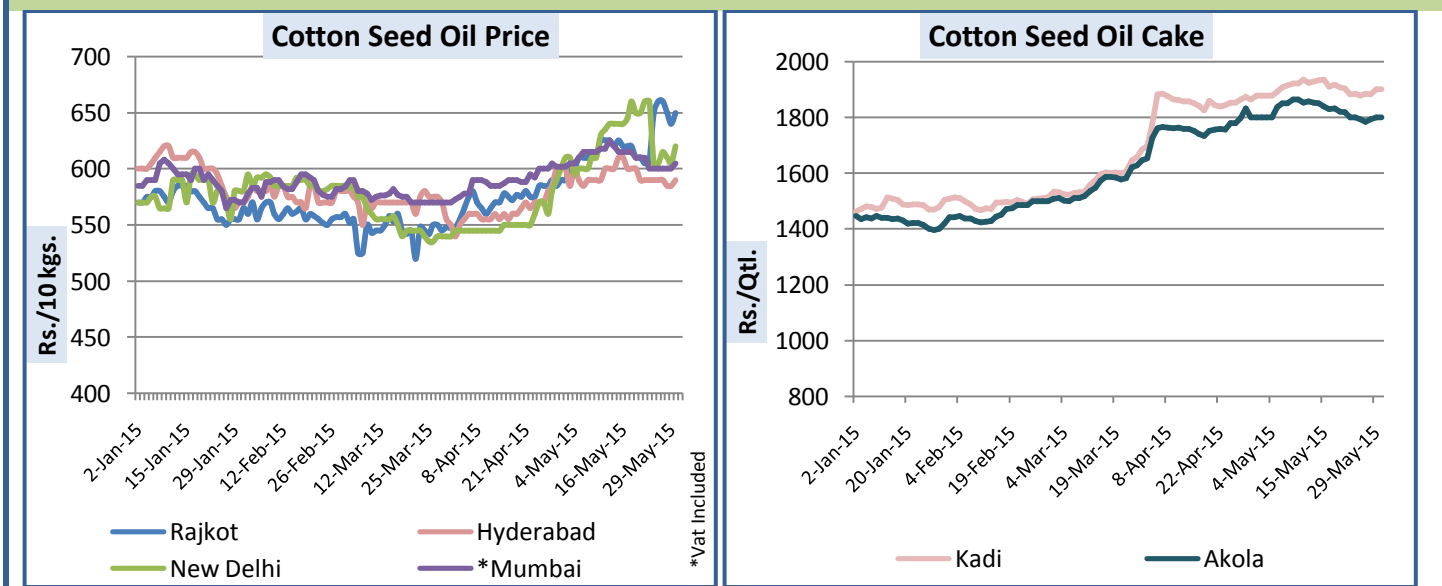
Centre	Monthly Average Prices (Rs/10 kg.)		% Change
	June'15	May'15	
Rajkot	625	555	12.61
New Delhi	622	574	8.36
Hyderabad	594	565	5.13
Mumbai*	610	590	3.39

* VAT Included

Cotton Seed Oil Cake at Key Centers:

Centre	Monthly Average Prices (Rs/Quintal)		% Change
	June'15	May'15	
Kadi	1904	1586	20.05
Akola	1825	1562	16.84

Cotton Seed Oil and Cotton Seed Oil Cake



Technical Analysis of Cotton Future

Commodity	Kapas
Exchange	NCDEX
Contract Month	Apr'16



Monthly Technical Outlook:

- Candlesticks denote overall downtrend in the market.
- RSI is moving towards neutral region.
- MACD denotes correction in centerline movement
- We expect prices to remain sideways to firm in coming days.

Expected price range during coming month:

Expected Trend	Expected Trading Band
Range-bound to Bullish Momentum	895-945

Expected Support and Resistance:

Support 1	Support 2	Resistance 1	Resistance 2
890	885	950	960

International Market Scenario

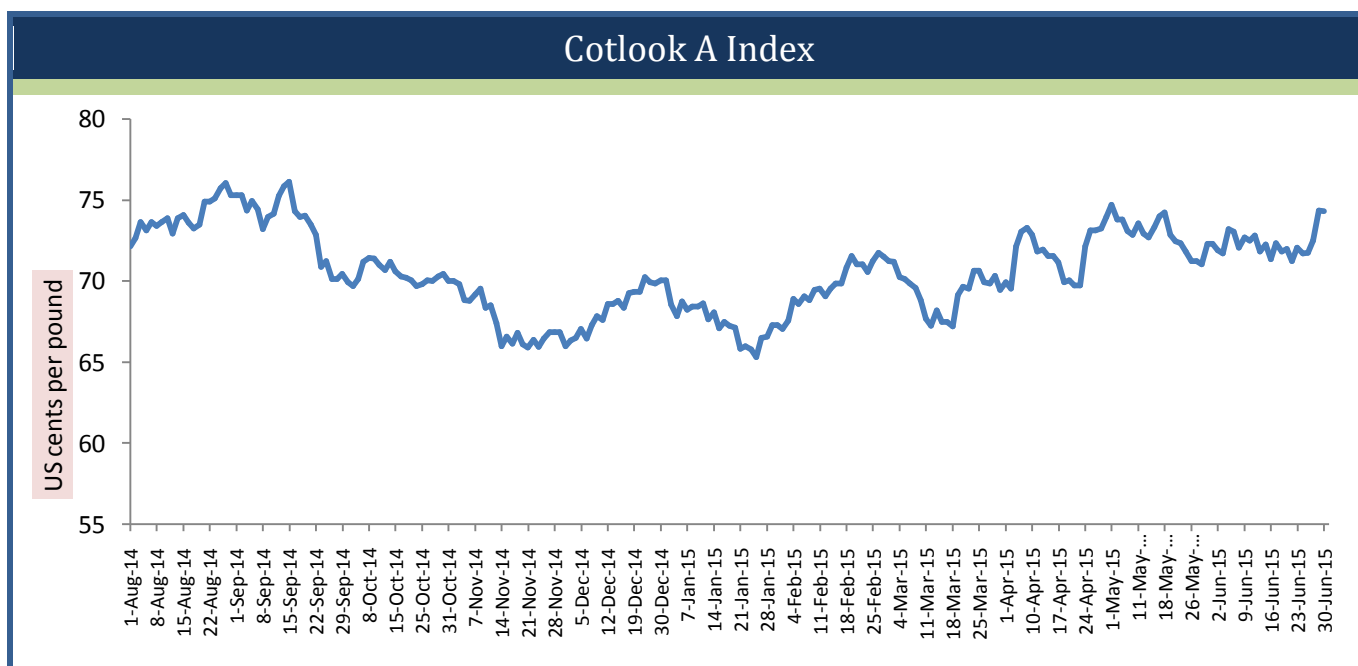
Current Market Scenario: International market noticed mostly weak momentum during the month of June. Cotlook A Index remained in the range of 71.25-74.35 cents during the month. Monthly average, stood at 72.35 cents, around 0.70% lower when compared to previous month and around 20.41% lower when compared to corresponding month of the previous year.

The world's biggest cotton consumer, China would sell the initial volume of 1 million tonnes of cotton from its state reserve during July and August in the current year, according to country's top planner. 330000 tonnes of domestic cotton from the 2011 crop with the floor price of 13,200 Yuan per tonne, 470,000 tonnes of domestic cotton from 2012 at 14,200 Yuan per tonne, and 200,000 tonnes of imported cotton from the 2012 crop at 15,500 Yuan per tonne would be offered at Beijing for the sale.

USDA has slashed down the cotton acreage estimates for the country. In its June estimates, USDA gave the estimate of 8.998 million acre to be planted cotton, which was projected at 9.549 million acres in March and the trade estimate for the same was 9.429 million acre. It should be noted that the actual area under cotton in 2014-15 was 11.037 million acres.

The International Cotton Advisory Committee (ICAC) has revised the world cotton ending stocks estimates for season 2015-16 upwardly. According to ICAC July estimates, cotton ending stocks is likely to be around 20.90 million tonnes as compared to 20.79 million tonnes, which was earlier estimated in June.

USDA has revised the import estimates of China for the season the 2014-15 at 1.742 million tons in June which was estimated 1.676 million tons earlier in May this season. USDA expects the increase in China cotton imports as the country is carrying the strong demand for high grades of cotton which it will source from other countries.



World Cotton Scenario (2015-16):

World and Country-wise Cotton Production

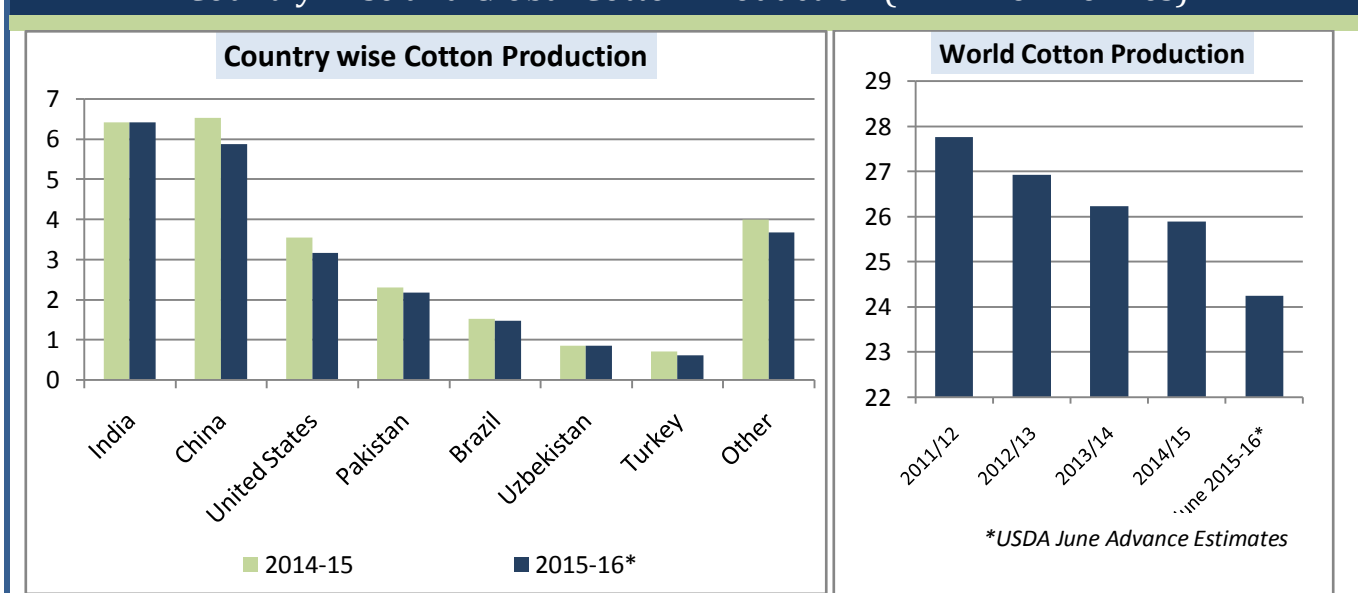
Country wise Cotton Production Estimates (Million Tonnes)			
Country	2014-15	2015-16 (Proj.)	% Change
India	6.423	6.423	0.00
China	6.532	5.879	-10.00
United States	3.553	3.157	-11.15
Pakistan	2.308	2.177	-5.68
Brazil	1.524	1.47	-3.54
Uzbekistan	0.849	0.849	0.00
Turkey	0.697	0.61	-12.48
Other	3.994	3.673	-8.04
World Total	25.879	24.238	-6.34

Source: USDA (June 2015 Estimates)

World cotton production estimate for the season 2015-16 has been upwardly revised by USDA in June. Cotton production on global front is likely to stand around 24.238 million tons in the coming season i.e. 2015-16, around 0.07% higher when compared to the estimates of previous month which was 24.222 million tons and around 6.34% lower when compared to the production estimates for current season.

According to USDA, cotton output in India would remain unchanged in the season 2015-16, as compared to previous season. Although yield is expected to rise in the upcoming season, fall in acreage would keep the production figures same as the previous year. Except India and Uzbekistan, where cotton output is likely to remain same as the previous year, rest of the major cotton growing nations including China, USA, Pakistan, Brazil and Turkey are expected to witness fall in cotton production.

Country wise and Global Cotton Production (In Million Tonnes)



World Cotton Export and Import

Cotton Exports: In its June estimates, USDA further lowered the world cotton exports estimates for the season 2015-16 by around 0.42% to 7.36 million tons as compared to the estimates of previous month which was 7.329 million tons. The export of cotton during the season 2015-16 would be around 1.06% lower when compared to the export of current season i.e. 2014-15 which would stand around 7.44 million tones and around 15.65% lower when compared the season 2013-14.

Export from India in the coming season is expected to rise by around 22% to 1.09 million tones as compared to 0.89 million tons in the current season. Uzbekistan too is expected to export higher but rest of the major exporting nation would either export lesser or export same as the current year.

Export	2014-15	2015-16*
United States	2.33	2.33
India	0.89	1.09
Brazil	0.87	0.78
Uzbekistan	0.49	0.50
Australia	0.61	0.44
Burkina	0.26	0.26
Greece	0.24	0.24
Other	1.75	1.72
Total	7.44	7.36

**USDA June Advance Estimates, Figures in Million Tones*

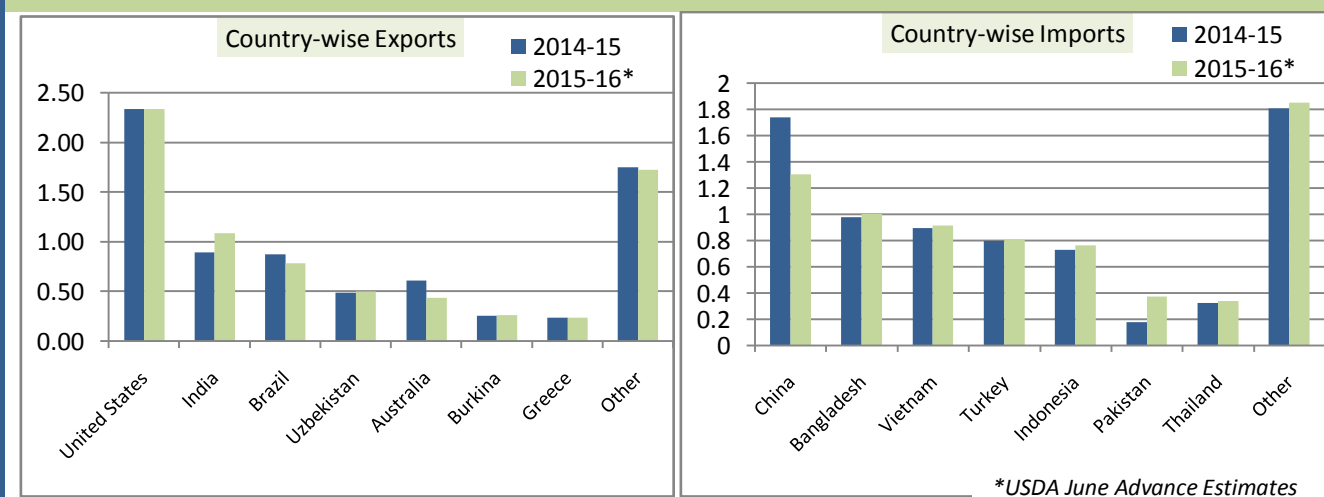
Cotton Imports: Cotton imports estimates has been raised slightly by USDA in June for season to 2015-16 by around 0.37% to 7.353 million tones which was earlier estimated at 7.326 million tons in May. According to USDA during the season 2014-15 total imports would stand around 7.443 million tons.

USDA has revised the import estimates of China for the season the 2014-15 at 1.742 million tons in June which was estimated 1.676 million tons earlier in May this season. It expects the increase in China cotton imports as the country is carrying the strong demand for high grades cotton which it will source from other countries.

Import	2014-15	2015-16*
China	1.742	1.306
Bangladesh	0.98	1.002
Vietnam	0.893	0.914
Turkey	0.795	0.806
Indonesia	0.729	0.762
Pakistan	0.174	0.37
Thailand	0.321	0.337
Other	1.809	1.855
Total	7.443	7.353

**USDA June Advance Estimates, Figures in Million Tones*

Country wise World Export-Import (In Million Tonnes)



World Consumption and Ending Stocks

Cotton Consumption: World cotton consumption is likely to stand around 25.106 million tons in the season 2015-16 whereas production would be around 24.238 million tones. It should be noted that the world consumption is likely to cross world production in the forthcoming season, said USDA in its latest release.

Cotton consumption in India too is likely to surge to 5.606 million tons in 2015-16 as compared to 5.334 million tons in the current season.

World Cotton Production versus Consumption		
Season	Production	Consumption
2010/11	25.594	25.178
2011/12	27.752	22.636
2012/13	26.916	23.437
2013/14	26.220	23.722
2014/15	25.879	24.270
2015/16*	24.238	25.106
*USDA June Advance Estimates, Figures in Million Tonnes		

Ending Stocks: Cotton ending stocks are expected to decline in the coming season, for the first time in the last five years. Lower production and higher consumption would lead the ending stocks to fall. In the upcoming season ending stocks according to the June estimates by USDA, would be around 23.097 million tons, around 3.57% lower as compared to stocks of current season. The same was estimated 23.143 million tons in the May estimates of USDA.

World Ending Stock	
Season	Ending Stocks
2010/11	11.035
2011/12	16.080
2012/13	19.713
2013/14	22.323
2014/15	23.952
2015/16*	23.097
*USDA June Advance Estimates, Figures in Million Tonnes	

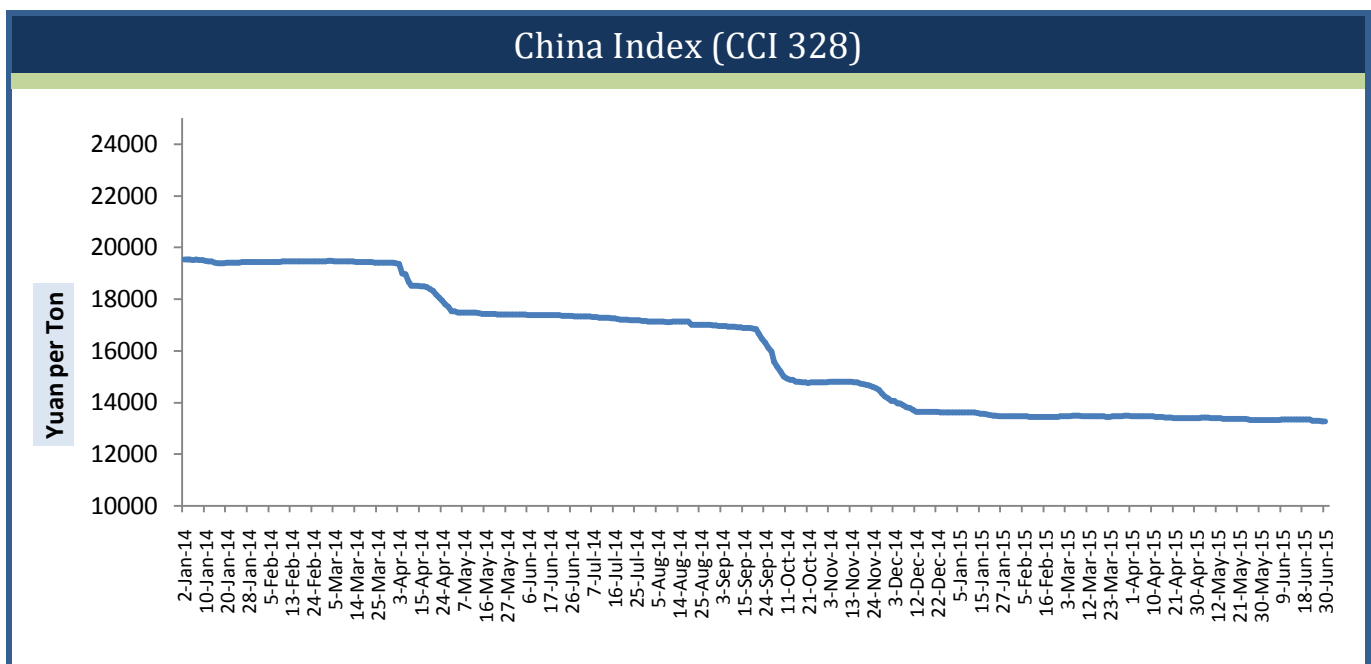
World Cotton Balance Sheet at a Glance (2015-16):

Particulars	2014-15	2015-16*	% Change
SUPPLY			
Opening stock	22.323	23.952	7.30
Production	25.879	24.238	-6.34
Imports	7.443	7.353	-1.21
Availability	55.645	55.543	-0.18
DEMAND			
Consumption	24.27	25.106	3.44
Exports	7.439	7.36	-1.06
Total Disappearance	31.709	32.466	2.39
Ending Stock	23.952	23.097	-3.57
*USDA June Advance Estimates, Figures in Million Tonnes			

International Prices and Indices

China Cotton Index

CC Indices	Prices as on		% Change
	June'15	May'15	
CC Index(229)	13998	14072	-0.53
CC Index(328)	13315	13364	-0.37
CC Index(527)	12252	12287	-0.28
Figures in Yuan per Ton			



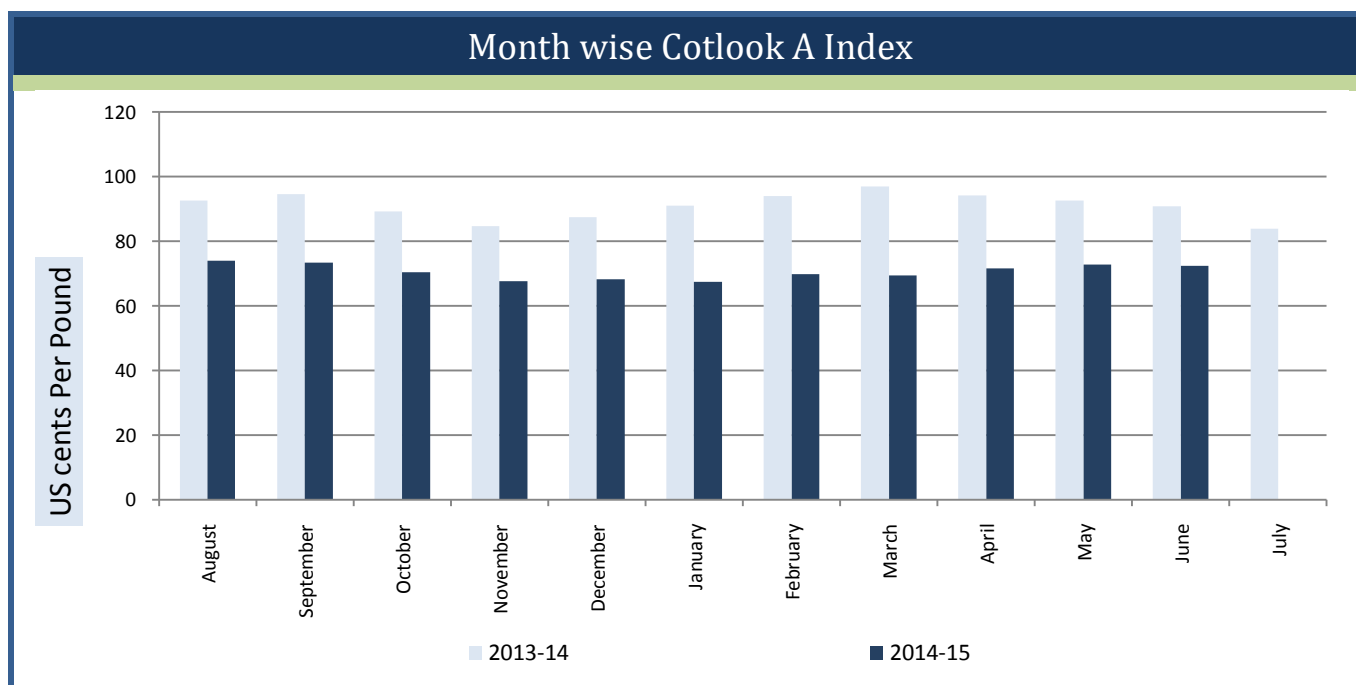
Cotlook A Index

Cotlook A Index	Monthly Average Price		% Change
	June'15	May'15	
Price	72.35	72.86	-0.70
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	67.35	-23.02
January	90.96	67.29	-26.02
February	94.05	69.84	-25.74
March	96.94	69.35	-28.46
April	94.2	71.7	-23.89
May	92.7	72.86	-21.40
June	90.89	72.35	-20.41
July	83.83		

Figures in US cents per pound



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Technical Analysis of Cotton Future Price

Commodity	Cotton
Exchange	ICE
Contract Month	Dec'15



Monthly Technical Outlook:

- Candlesticks denote sideways to firm sentiments in the market.
- RSI is moving high in neutral region.
- Volume and Open Interest are rising with the prices.
- MACD denotes bullish centerline movement.
- We expect price to remain range bound to firm in coming days.

Expected Price Range During Coming Month

Expected Trend	Expected Trading Band
Range-bound to Bullish Momentum	66.00-69.40

Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
65.60	65.00	69.80	70.00

Source : MRCI

All figures in US cents per pound

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