

### Current Market Outlook

**Cotton prices noticed uptrend this week compared to the previous week.** Average price of Kapas at Rajkot during the week was Rs. 4350 per quintal, which stood Rs 4085 previous week.

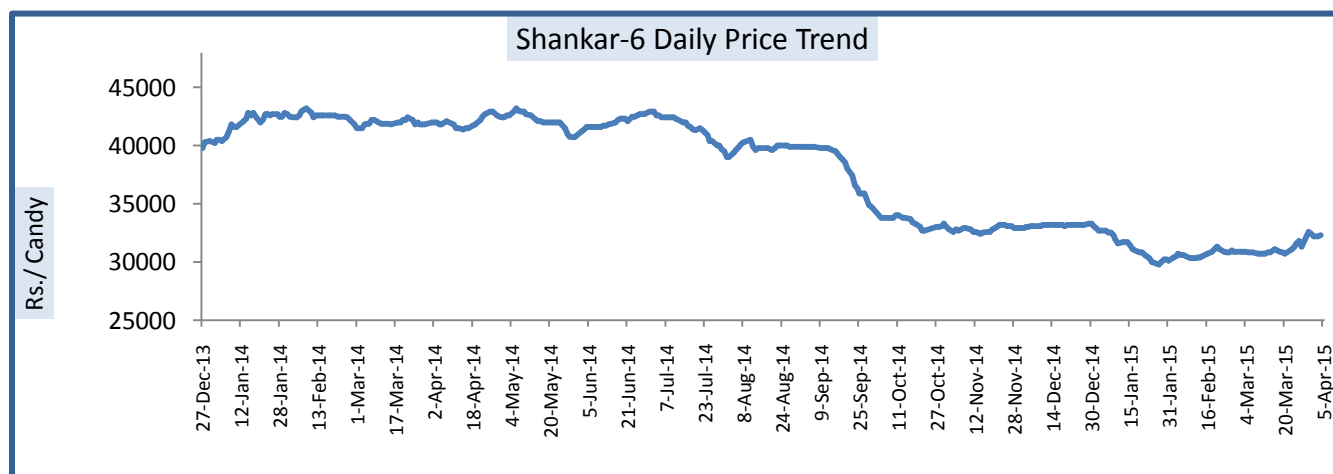
**Gujarat has contributed 108 lakh bales of cotton in the country's total production estimates of 390 lakh bales during the season 2014-15 against 370 lakh bales in 2013-14,** said CCI. Maharashtra would stand around at 83 lakh bales, Telangana at 57 lakh bales, Karnataka at 30 lakh bales, Andhra Pradesh at 27 lakh bales, Haryana at 25 lakh bales, Rajasthan at 17 lakh bales, Punjab at 14 lakh bales, Tamil Nadu at 5 lakh bales Orissa at 4 lakh bales and others collectively at 2 lakh bales. According to CCI the figures could surge up further as estimates from many areas are still awaited.

**The Consultative Committee of Cotton Advisory Board (CAB) has revised the cotton production estimates at 390 lakh bales,** which was earlier estimated 400 bales in October last year, when season commenced. According to the committee cotton production would be 10 lakh bales lesser which was estimated earlier, consumption by textile mills would be around 278.5 lakh bales, export to be around 70 lakh bales and imports would be around 8 lakh bales.

**During the initial four months of season, cotton consumption recorded at 1714 million kgs** which is 3.5% 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 four month of the season stood 1368 million kgs around 3.39% higher when compared to corresponding period last year.

**India exported 1.53 lakh bales of cotton last week (23-29 Mar 2015), which was 1.82 lakh bales** previous to last week (16-22 Mar 2015), according to the data released by IBIS. Imports on the other hand stood 0.24 lakh bales last week, which was 0.11 lakh bales previous to last week.

**Cotton Corporation of India (CCI) has procured 86 lakh bales of cotton this marketing year so far,** a little lower than the record procurement of 89 lakh bales in 2008-09. As cotton arrival is expected to last till May this year, cotton procurement by CCI is likely to breach the record level by the end of season. Around 302 lakh bales of cotton has arrived in domestic market until 24 March 2015, compared to 306 lakh bales year ago during the same period, said CCI.



### Domestic Balance Sheet

All figures in Lakh Bales (of 170 Kgs. Each)

Item	2013-14	2014-15	% Change
<b>Supply</b>			
Opening stock	52.58	58.90	12.02
Crop size	407.25	397	-2.52
Imports	11.75	13	10.64
Availability	471.58	468.9	-0.57
<b>Demand</b>			
Mill consumption	266.68	270	1.24
Small Mill consumption	24	26	8.33
Non-Mill consumption	10	10	0.00
Total consumption	300.68	306	1.77
Export	112	90*	-19.64
Total Demand	418.6	396	-5.40
Ending Stock	58.9	72.9	23.77

Source: Cotton Association of India (CAI) March'15 Update \*As estimated by CCI

### Balance Sheet Highlight (2014-15):

As per the latest revision in the cotton balance sheet by CAI, cotton availability would be on lower side this season due to lower opening stocks and production, although imports would stand higher. Total consumption will be higher but lower export in the season would make the total demand to be weaker and hence ending stock will bulge up.

### Cotton Crop Prospects for Season 2015-16:

Cotton production in India could fall by 4.28 percent in the next season i.e. 2015-16 to 6.48 million tons (381 lakh Bales) compared to 6.77 million tons in the current season, said International Cotton Advisory Committee (ICAC). The fall in the production would be caused by acreage, which would shrink in the upcoming season according to ICAC. Acreage of cotton in India in season 2015-16 is likely to drop by 5% to 11.6 million hectares due to the drastically falling cotton prices in the country.

Consumption of cotton would be slightly higher at 5.27 million tons in 2015-16 as compared to 5.244 million tons in 2014-15. Cotton export from India is expected to rise in 2015-16. According to ICAC, cotton exports from India in 2015-16 would be around 1.41 million tons around 31.04% higher when compared to the export of current season which would be around 1.076 million tons.

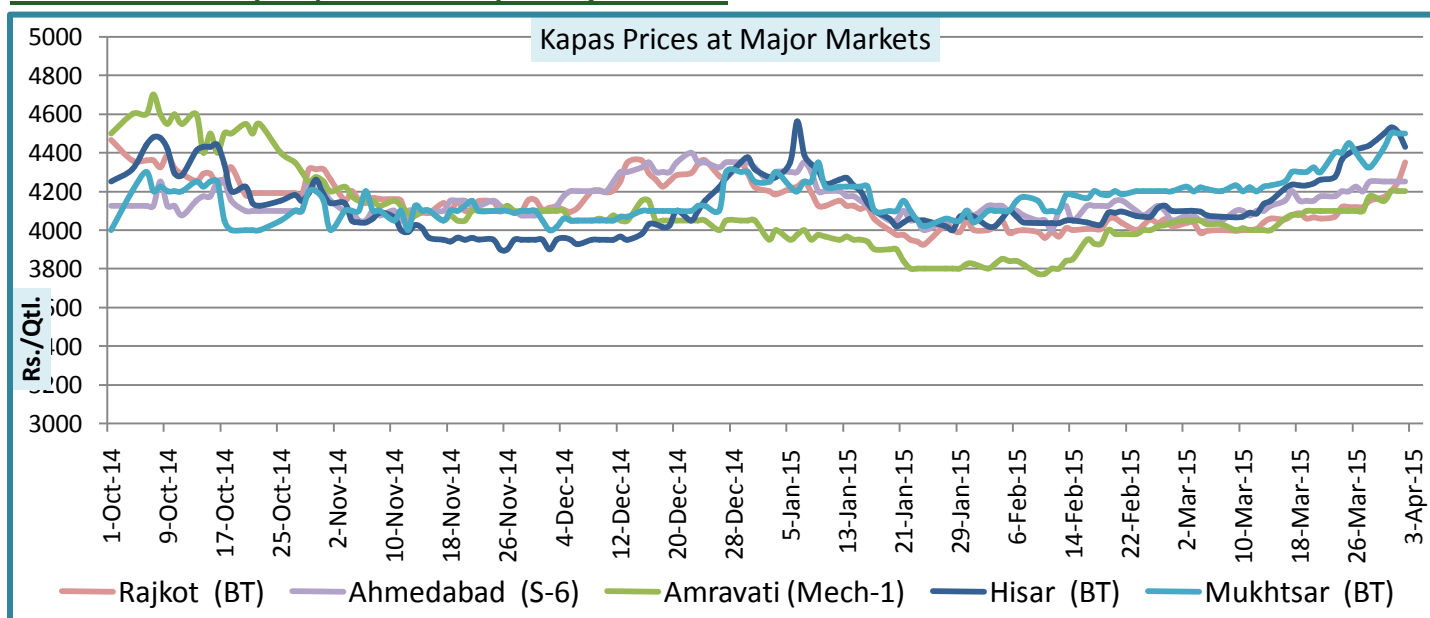
### Domestic Cotton Prices

#### Cotton Prices at Key Spot Centers:

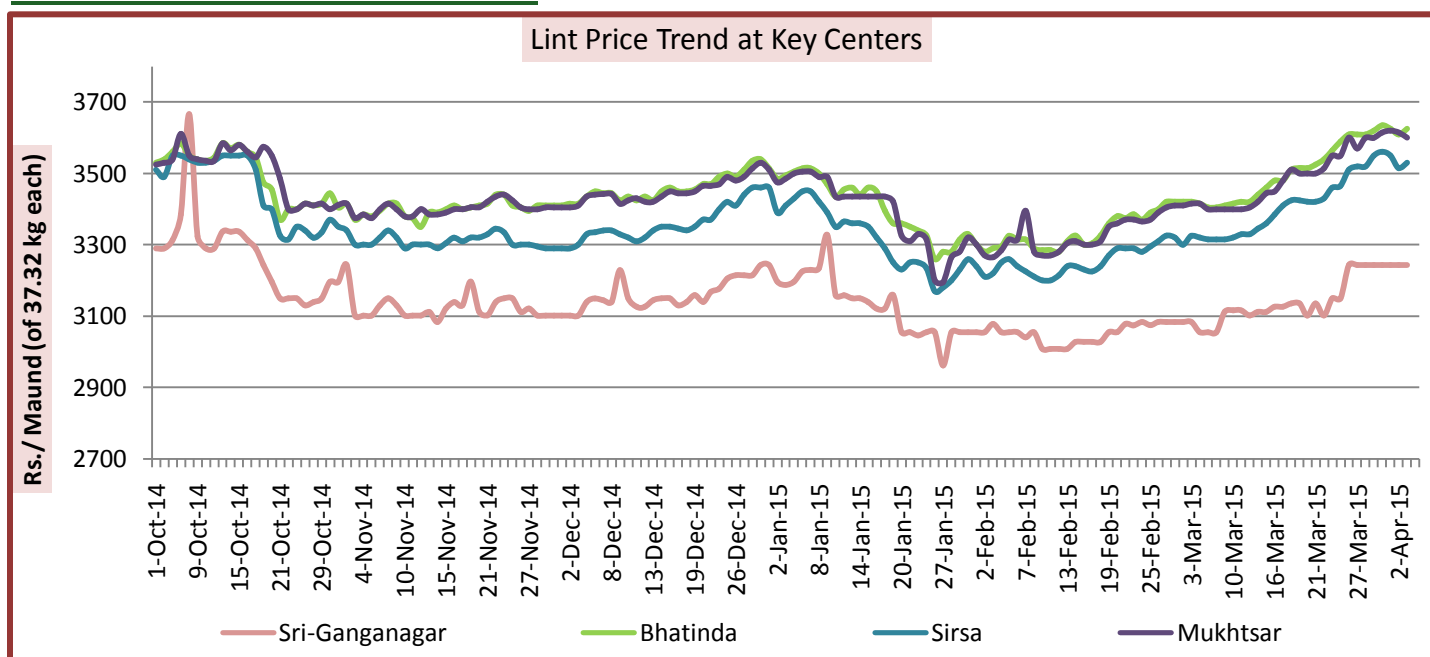
Centre	Variety	Weekly Average Prices		Change
		28th to 02nd Apr 2015	21st to 27th Mar 2015	
	<b>Kapas</b>	<b>(Rs./Qtl)</b>		
Amravati	Mech-1	4185	4100	85
Khandwa	Mech-1	NA	4200	-
Khargaon	Mech-1	NA	4200	-
	<b>Kapas</b>			
Mahesana(Kadi)	B.T. Cotton	4410	4346	64
Rajkot	B.T. Cotton	4350	4083	267
Patan	B.T. Cotton	4410	4179	231
Deesa	B.T. Cotton	NA	NA	-
Dhrol	B.T. Cotton	NA	4110	-
Muktsar	B.T. Cotton	4400	4379	21
Fazilika	B.T. Cotton	4331	4292	39
Bhiwani	B.T. Cotton	4620	4463	158
Adampur	B.T. Cotton	4481	4356	125
Fatehabad	B.T. Cotton	4522	4363	160
Dabwali	B.T. Cotton	4380	4217	163
Jind	B.T. Cotton	NA	4410	-
Uchana (Jind)	B.T. Cotton	4528	4380	148
Rawatsar (Hanumangarh)	B.T. Cotton	4456	4304	152
Hubli	B.T. Cotton	4241	4004	237
Hathras	B.T. Cotton(US)	NA	3100	-
Hanumangarh	B.T. Cotton	4490	4325	165
	<b>Kapas</b>			
Ahmedabad	Shankar-6	4250	4196	54
Gondal	Shankar-6	4305	4083	223
	<b>Kapas</b>			
Jamner (Jalgaon)	Medium Staple	3850	3850	Unch
Hathras	Desi	NA	3500	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	4113	4070	42
Guntur	Un-Ginned	NA	NA	-
Kurnool	Un-Ginned	4050	4038	13
Krishna	Un-Ginned	4050	4050	Unch
East Godavari	Un-Ginned	4050	4050	Unch
	<b>Lint</b>			
Abohar	J-34	3619	3571	48
Muktsar	J-34	3610	3548	63
Fazilika	J-34	3596	3528	68

Bhatinda	J-34	3620	3573	47
Mansa	J-34	3607	3542	65
Sirsa	J-34	3539	3468	72
Sri-Ganganagar	J-34	3243	3170	73

### Price Trend of Kapas (Seed Cotton) at Key Centers:

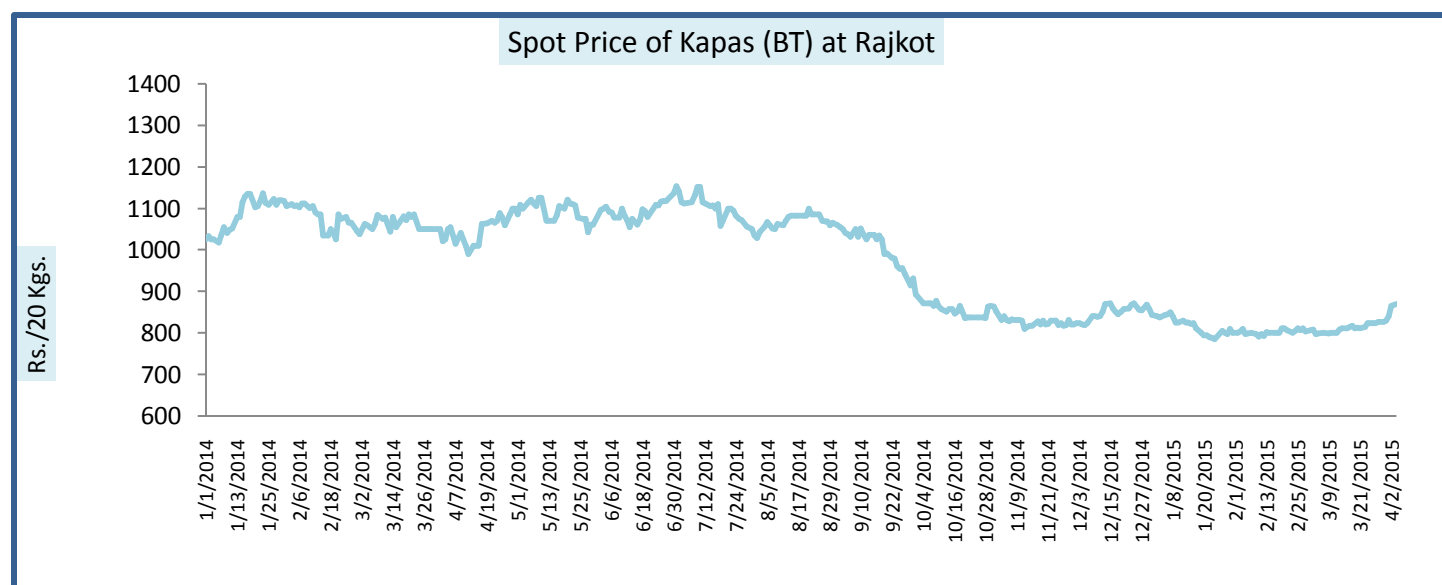
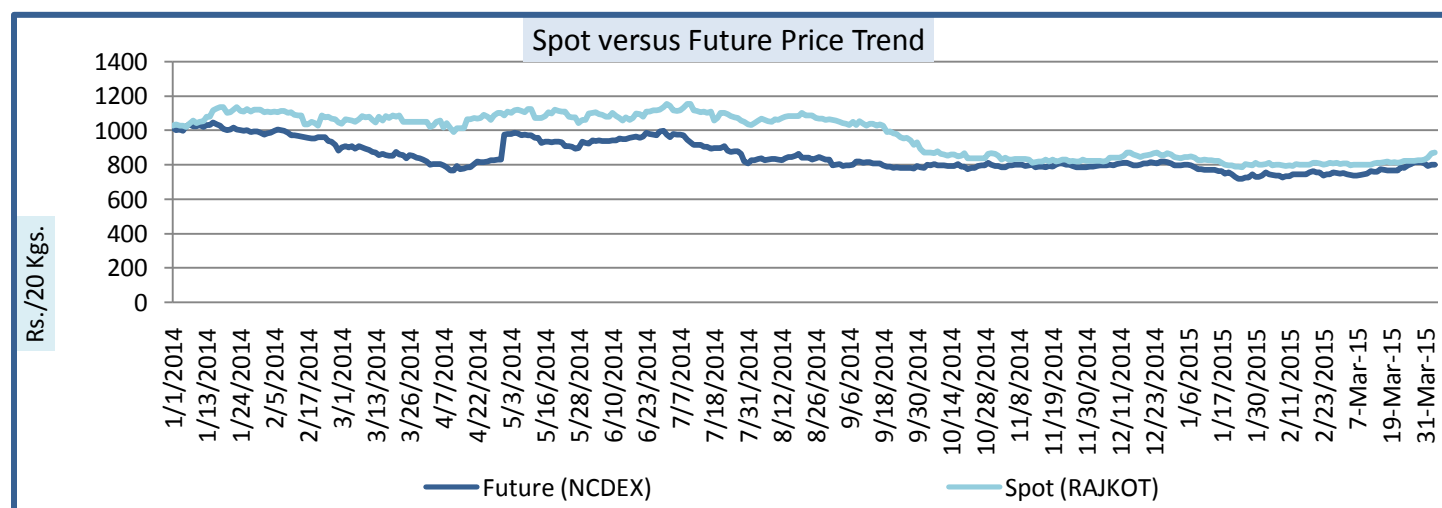


### Price Trend of Lint at Various Centers



**Cotton Association of India Spot Rates:**

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				27th Mar to 01st Apr 2015	20th to 26th Mar 2015	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	33025	31300	1725
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	33525	31800	1725
J-34(202)	26mm	3.5 - 4.9	23	32975	32380	595
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	31650	30780	870
Shankar-6(105)	29mm	3.5 - 4.9	28	32125	31300	825
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	34800	33800	1000
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	35800	34800	1000
DCH-32(107)	34mm	3.0 - 3.8	33	42375	41100	1275

**Price Movement at Spot and Future Market:**


### Cotton Arrivals at Key Centers:

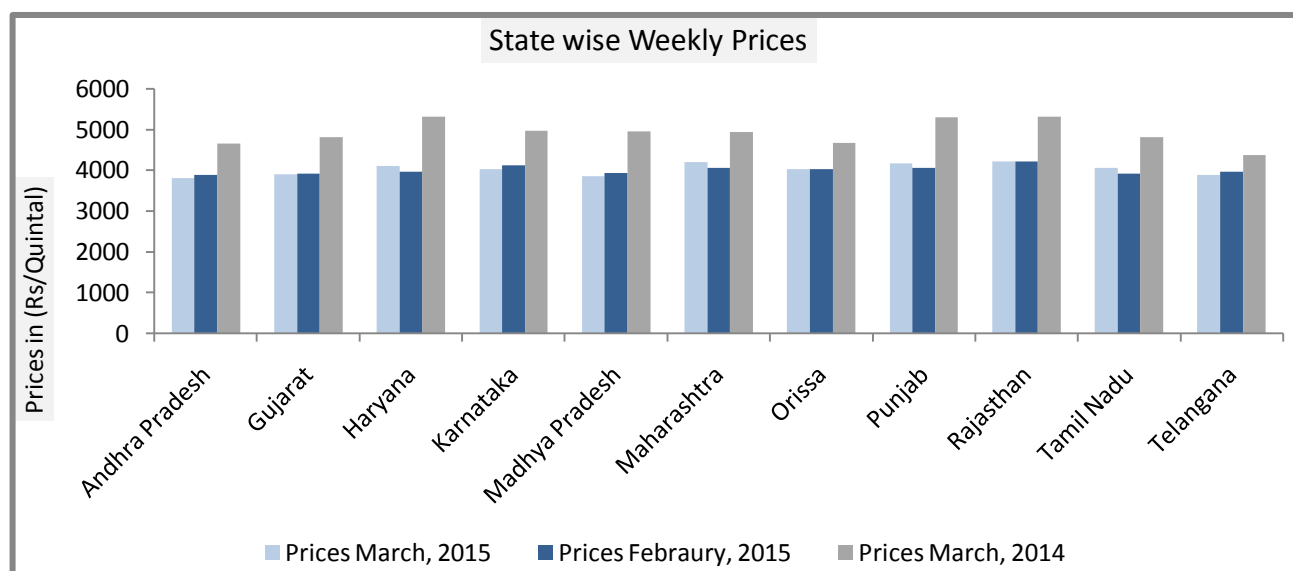
Centre	Variety	Weekly Sum Arrivals (Qtl)		Change
		28th Mar to 02nd Apr 2015	21st to 27th Mar 2015	
Amravati	Mech-1	23700	7200	16500
Khandwa	Mech-1	NA	300	-
Khargaone	Mech-1	NA	1500	-
Mahesana(Kadi)	B.T. Cotton	60000	102500	-42500
Rajkot	B.T. Cotton	1400	4800	-3400
Patan	B.T. Cotton	971	25663	-24692
Deesa	B.T. Cotton	NA	NA	-
Fazilika	B.T. Cotton	NA	438	-
Dhrol	B.T. Cotton	380	500	-120
Muktsar	B.T. Cotton	340	1020	-680
Bhiwani	B.T. Cotton	4150	8300	-4150
Adampur	B.T. Cotton	2423	3740	-1318
Fatehabad	B.T. Cotton	1175	2275	-1100
Dabwali	B.T. Cotton	2685	2600	85
Jind	B.T. Cotton	NA	264	-
Uchana (Jind)	B.T. Cotton	1925	3970	-2045
Rawatsar (Hanumangarh)	B.T. Cotton	200	350	-150
Hubli	B.T. Cotton	250	230	20
Hathras	B.T. Cotton(US)	NA	NA	-
Hanumangarh	B.T. Cotton	170	350	-180
Ahmedabad	Shankar-6	59500	314500	-255000
Gondal	Shankar-6	319	3015	-2696
Jamner (Jalgaon)	Medium Staple	160	1087	-927
Hathras	Desi	NA	NA	-
Bijapur	Bunny	NA	NA	-
Hubli	D.C.H.	NA	NA	-
Raichur	H-44 Cotton	8826	12306	-3480
Guntur	Un-Ginned	NA	NA	-
Kurnool	Un-Ginned	0.2	0.3	-0.1
Krishna	Un-Ginned	NA	NA	-
East Godavari	Un-Ginned	NA	NA	-
Abohar	J-34	1012	2210	-1199
Bhatinda	J-34	34850	51000	-16150
Mansa	J-34	510	2380	-1870
Sirsa	J-34	2210	5100	-2890
Sri-Ganganagar	J-34	NA	4590	-

### State wise Scenario

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

State	Prices 01-05 Apr 2015	Prices 24-31 Mar 2015	Prices 01-05 Apr 2014	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh	3981.8	3888.24	4550.79	2.41	-12.5
Gujarat	4166.3	4008.52	4418.94	3.94	-5.72
Haryana	4321.71	4312.98	5358.92	0.2	-19.35
Karnataka	3718.69	3963.55	4759.19	-6.18	-21.86
Madhya Pradesh	4129.49	3941.34	4886.1	4.77	-15.48
Maharashtra	4162.78	4145.91	4907.61	0.41	-15.18
Punjab	4443.33	4345.43	5310.08	2.25	-16.32
Rajasthan	4340.93	4415.41	5382.55	-1.69	-19.35
Tamil Nadu	4196.51	4149.32	4826.64	1.14	-13.06
Telangana	3942.14	3894.06	4464.13	1.23	-11.69
Average	4140.37	4081.09	4642.43		

Source:Agmarknet

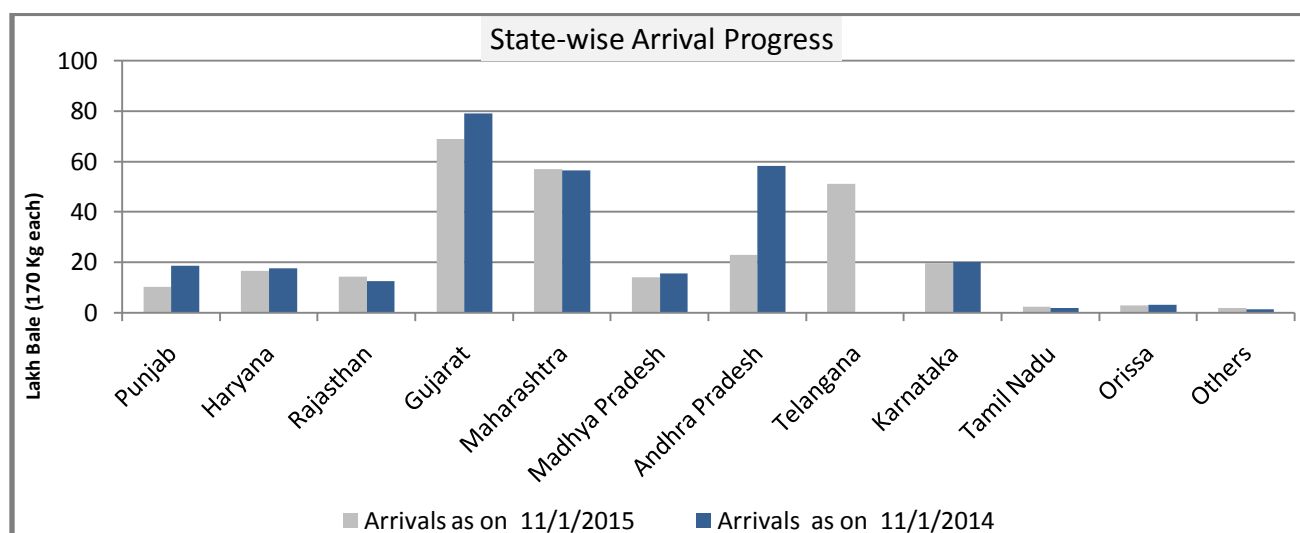


**State wise Arrivals (in lakh bales of 170 kgs each):**

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	08-03-2015	02-07-2014	08-03-2014
1. Punjab	14	10.15	21	18.69
2. Haryana	25	16.47	23	17.61
3. Rajasthan	17	14.25	14	12.35
<b>A. North Total (1+2+3)</b>	<b>56</b>	<b>40.87</b>	<b>58</b>	<b>48.65</b>
4. Gujarat	125	68.98	120	79.1
5. Maharashtra	85	57.12	84	56.56
6. Madhya Pradesh	18	13.93	19	15.63
<b>B. Central Total (4+5+6)</b>	<b>228</b>	<b>140.03</b>	<b>223</b>	<b>151.29</b>
7. Andhra Pradesh	50	22.96	76	58.22
8. Telangana	27	51.15	--	--
9. Karnataka	28	19.69	22	19.98
10. Tamil Nadu	5	2.27	5	1.74
<b>C. South Total (7+8+9)</b>	<b>110</b>	<b>96.07</b>	<b>103</b>	<b>79.94</b>
11. Orissa	4	2.78	4	3.07
12. Others	2	1.75	2	1.36
<b>D. Total (11+12)</b>	<b>6</b>	<b>4.53</b>	<b>6</b>	<b>4.43</b>
<b>Grand Total (A+B+C+D)</b>	<b>400</b>	<b>281.5</b>	<b>390</b>	<b>284.31</b>

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

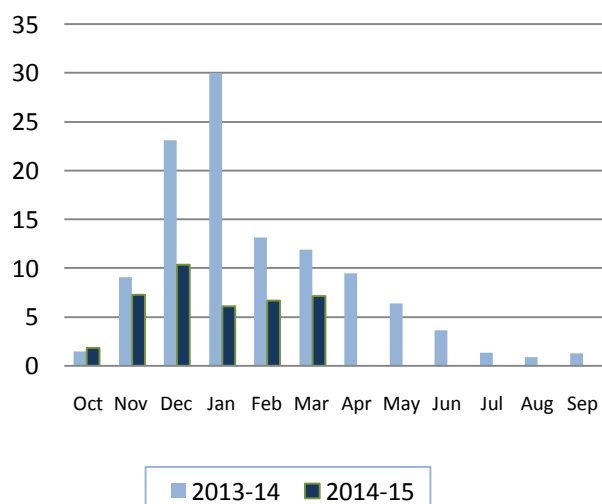


### Cotton Export and Import

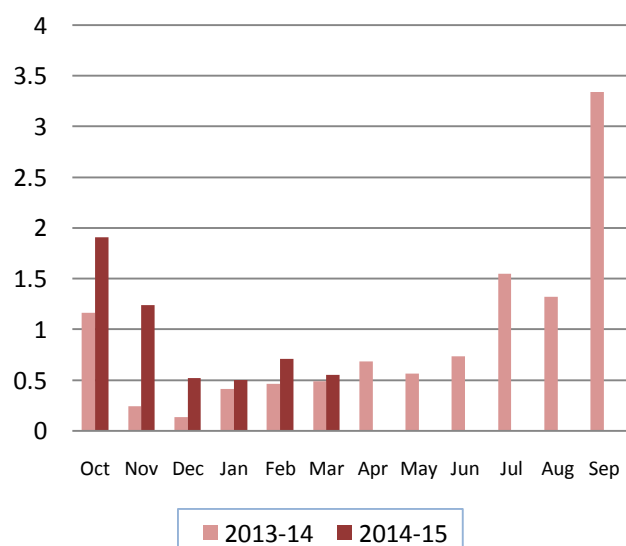
Cotton Exports(In Lakh Bales)		
Month	2013-14	2014-15
Oct	1.43	1.81
Nov	9.06	7.3
Dec	23.12	10.34
Jan	30	6.11
Feb	13.15	6.68
Mar	11.9	7.1*
Apr	9.46	
May	6.37	
Jun	3.62	
Jul	1.32	
Aug	0.87	
Sep	1.24	
<b>Total</b>	<b>111.5</b>	<b>39.4</b>

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	0.55*
Apr	0.68	
May	0.56	
Jun	0.73	
Jul	1.55	
Aug	1.32	
Sep	3.34	
<b>Total</b>	<b>11.07</b>	<b>5.43</b>

Month Wise Exports (In lakh Bales)



Month Wise Imports (In Lakh Bales)



### Weekly Export Import Data

Date	23-29 Mar 2015	16-22 Mar 2015
Export (In lakh Bales)	1.53	1.82
Import (In lakh Bales)	0.24	0.11

Source: IBIS

## International Market Scenario

**International cotton prices remained dull this week following the expectation of higher inventories in USA and weak demand from China.** Cotlook A Index stood as weekly average stood 69.82 cents/pound this week compared to 70.13 cents/pound previous week.

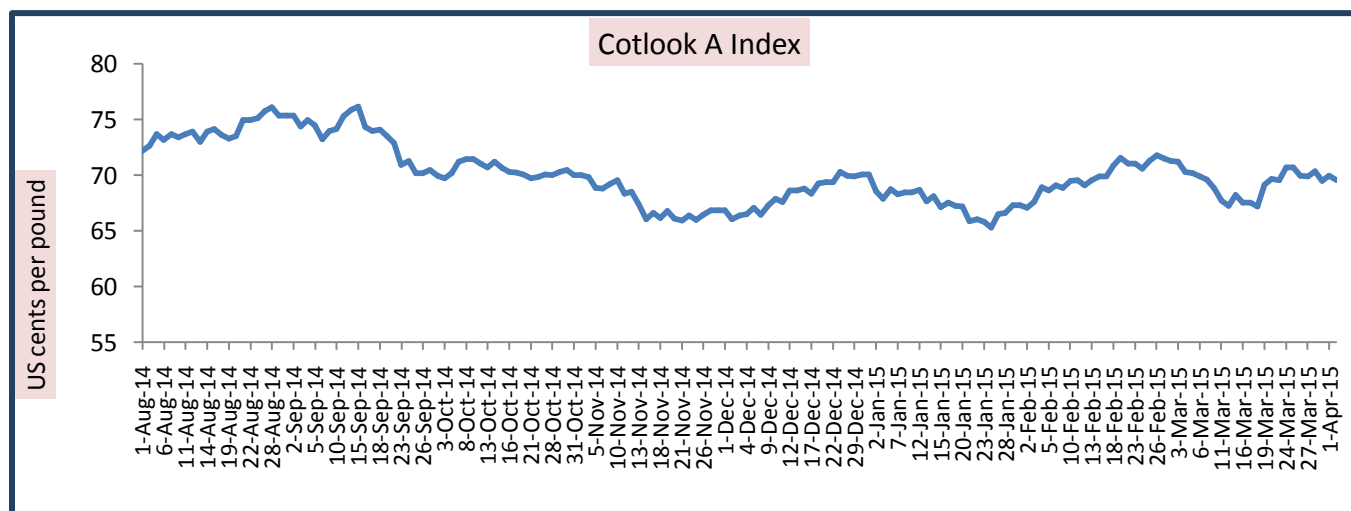
**China cotton acreage could drop by 20% in the coming season due to change in the government policies** which led lower subsidies to the many growers, according to a survey report by China's State Reserves. Cotton acreage in China could fall to 3.4 million hectares in the forthcoming season, 20.1% lower when compared to current season.

**USA is expected to lower its cotton acreage this season to 9.428 million acres, 14.6% lower** when compared to acreage of 2014 which was 11.037 million acres. The major cotton growing region, Texas is likely to witness a fall of 13.8% in cotton acreage and would plant 5.343 million acres of cotton in 2015, compared to 6.2 million acres previous year.

**Cotton exports from Pakistan has fell down by 15% during the initial eight of the current fiscal year (FY15)** when compared to the exports in corresponding period last year. According to the market participants Pakistan cotton is unable to capture world market, despite the lower price of their produce.

**Cotton output in Pakistan is estimated slightly higher this month by USDA at 2.286 million tones** which was estimated 2.264 million tones a month ago. Considering the production of previous season, Pakistan would notice a escalation of 10.54% in cotton output this season as the country produced 2.07 million tones of cotton last year.

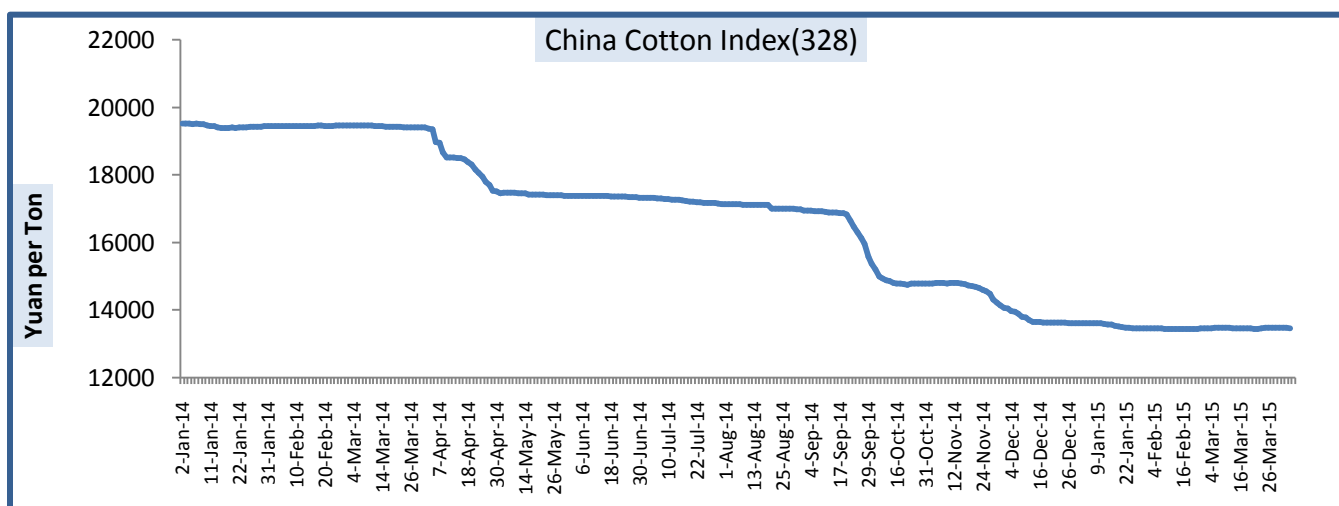
**USDA in its latest world supply and demand report, estimated world cotton inventory** to be around 23.96 million tonnes by the end of current season which was earlier estimated 23.914 million tonnes previous month. USDA has also lowered the China cotton consumption to 7.620 million tonnes this month which was earlier estimated 7.729 million tonnes previous month.



### International Prices and Indices

#### China Cotton Index:

CC Indices	Weekly Average Price as on		% Change
	03-Apr-15	27-Mar-15	
CC Index(229)	14148	14145	0.02
CC Index(328)	13469	13462	0.05
CC Index(527)	12410	12417	-0.06
Prices in Yuan per Ton			

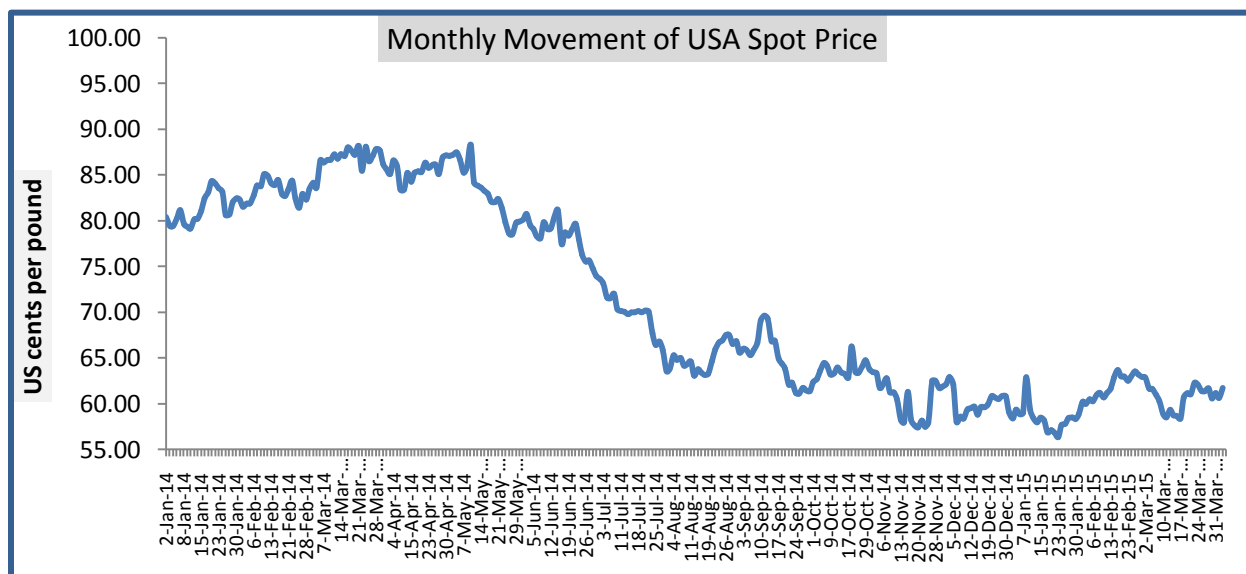


#### Cotlook A Index:

Cotlook A Index	Weekly Average Price as on		% Change
	03-Apr-15	27-Mar-15	
Prices	69.82	70.13	-0.44
Prices in US cents per Pound			

#### USA Spot Prices:

USA Spot Prices	Weekly Average Price as on		% Change
	03-Apr-15	27-Mar-15	
Prices	61.01	61.75	-1.20
Prices in US cents per Pound			


**World Monthly Average Cotlook A Index (FE) in US cents per Pound:**

Month	2013-14	2014-15	Y-o-Y % Change
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	67.35	-23.02
February	94.05	69.84	-25.74
March	96.94	69.35	-28.46
April	94.2		
May	92.7		
June	90.89		
July	83.83		

**Cotton Futures (ICE):**

Contracts	03-Apr-2015	Week Ago	Year Ago	%W-o-W change	%Y-o-Y change
<b>Mar-15</b>	63.69	63.55	79.63	0.22	-20.02
<b>May-15</b>	63.80	63.87	--	-0.11	--
<b>Jul-15</b>	64.25	64.39	--	-0.22	--
<b>Oct-15</b>	64.54	64.68	--	-0.22	--
<b>Dec-15</b>	64.73	64.67	--	0.09	--
<b>Mar-15</b>	65.14	64.59	--	0.85	--

Figures in US cents per pound

## Cotton Futures

### Technical Analysis of Cotton Future (April'15 Contract) at NCDEX:



### Weekly Technical Outlook:

- Cotton price hit 9 month high during the week.
- Candlesticks denote overall uptrend movement in the prices.
- RSI is moving high in neutral region.
- Prices are hovering above the 9 and 18 days EMA.
- MACD is depicting bullish centerline and signal line movement.
- We expect cotton prices to remain firm.

### Expected Price Range During Coming Week.

Expected Trend	Expected Trading Band
<b>Bullish Momentum</b>	<b>805-855</b>

### Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
790	780	860	875

Figures in Rs. per 20Kgs.

## Technical Analysis of Cotton Future (May'15 Contract) at ICE



### Weekly Technical Outlook:

- Candlesticks denote range bound movement in the prices.
- Steady prices and decreasing V&OI denote weakness.
- We expect cotton prices to remain range bound.

### Expected Price Range During Coming Week

Expected Trend	Expected Trading Band
Range bound to Bearish Momentum	61.20-64.80

### Expected Support and Resistance

Support 1	Support 2	Resistance 1	Resistance 2
61.00	60.20	65.40	66.00

Figures in US cents per pound

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