

Cotton

The Cotton closed yesterday at 7840. The structure of the short and medium term trend, the inter-swings correlation, the time studies and the offer/demand balance index are showing bearish tendency . We expect the cotton to make a sharp drop and reach 6700-6650 area in the coming weeks. We will monitor the hedge funds positions because the decline could extend to 6200 if it is accompanied with a significant shift in the hedge funds positions.