



22nd August 2012

Market Update:

Cotton Recovery Testing First Interesting Resistance

UPDATE
Technical

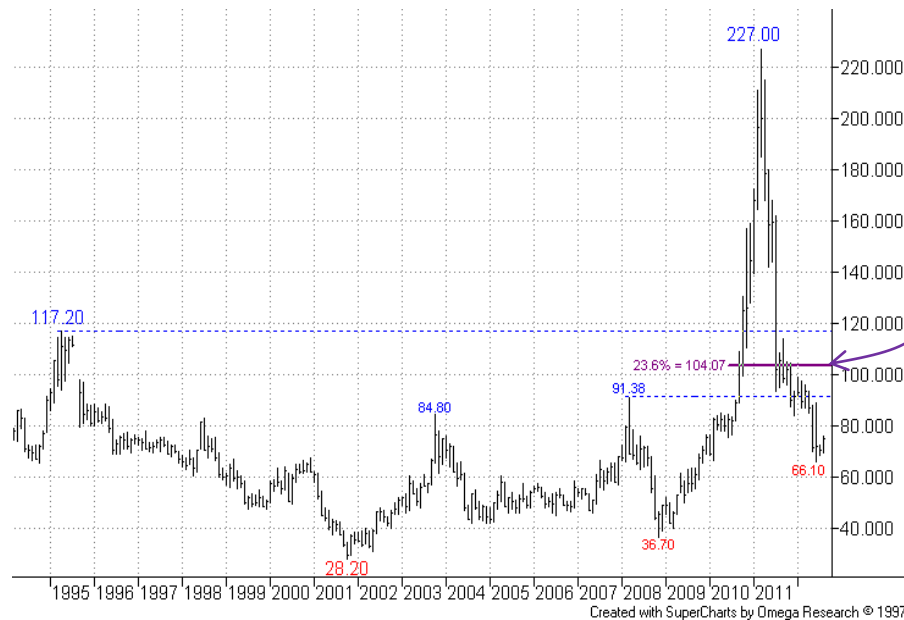




Cotton Recovery Testing First Interesting Resistance

After significant losses in 2011 Cotton prices have been drifting further down this year, not finding any clear chart support. A modest recovery though, from a June low, has now reached an interesting resistance area, the likely key to further shorter term gains.

UPDATE Technical



MONTHLY CHART – CONTINUATION:

The drop back in prices has brought the chart back within the range of the previous decade.

Note first interesting resistance here doesn't come until the current 23.6% rebound level just above 104.00.

More



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DAILY CHART – Dec-12:

Recovery from the Jun low has now reached dual resistance from the 77.13 38.2% retracement of this year's losses and bear channel top nearby.

A break through this would be shorter term bullish and likely see at least a test of resistance from the 83.25 Dec-11 low, and perhaps higher retracements

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SEVEN DAYS AHEAD

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