



KEDIA ADVISORY

DAILY COTTON REPORT

7 Aug 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	30-Sep-24	56230.00	56650.00	56230.00	56500.00	0.05
COCUDA KL	20-Sep-24	2,977.00	3,003.00	2,975.00	2,992.00	0.00
COCUDA KL	20-Dec-24	0.00	0.00	0.00	2,840.00	0.00
KAPAS	30-Apr-25	1,572.00	1,576.00	1,569.00	1,573.50	0.35

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	67.23	67.45	67.55	67.17	-0.15
ZCE COTTON	13785.00	13845.00	13885.00	13640.00	-2.20
ZCE COTTON YARN	19365.00	19365.00	19365.00	19365.00	-1.58
USDINR	84.10	84.96	83.84	83.97	-0.26

Yesterday, Cottoncandy settled up by 0.05% at 56,500, driven by profit booking after initial support from supply concerns. The decline in cotton acreage in Punjab, Haryana, and Rajasthan has been significant, with these states reporting a total of 10.23 lakh hectares under cotton, down from 16 lakh hectares last year. Punjab saw a drastic reduction to 97,000 hectares, a far cry from the normal 7.58 lakh hectares in the 1980s and 1990s. Similarly, Rajasthan's cotton area dropped from 8.35 lakh hectares to 4.75 lakh hectares, and Haryana saw a reduction from 5.75 lakh hectares to 4.50 lakh hectares in 2024. Additionally, delays in shipments from the US and Brazil have triggered demand for Indian cotton from mills in neighboring countries. Firm trends in cottonseed prices have held up natural fiber prices, despite the start of the sowing season in southern states like Karnataka, Telangana, and Andhra Pradesh, which have begun receiving monsoon rains. Cotton acreage is expected to rise in Telangana, where some chilli farmers might switch to cotton due to weak spice crop prices. For the 2024/25 U.S. cotton projections, higher beginning and ending stocks are expected compared to last month, with unchanged production, domestic use, and exports. The season average upland farm price has decreased by 4 cents to 70 cents per pound. Global projections show increased beginning stocks, production, and consumption, with world trade unchanged. Consequently, world ending stocks are projected to be 480,000 bales higher than in May at 83.5 million. Technically, the market is under short covering, evidenced by a 0.59% drop in open interest to settle at 168 contracts while prices increased by 30 rupees. Cottoncandy is currently supported at 56,270, with further support at 56,040. Resistance is expected at 56,690, and a move above this level could see prices testing 56,880.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,257.20	-0.11
29 mm Cotton	कादी	27,488.75	0.88

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	30-Sep-24	0.05	-0.59	Short Covering

Technical Chart



BUY COTTONCANDY SEP @ 56400 SL 56100 TGT 56800-57200. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	30-Sep-24	56500.00	56880.00	56690.00	56460.00	56270.00	56040.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,942.30	0.64
Cotton Seed Oilcake	कादी	2,989.30	-1.19

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Sep-24	0.00	-0.43	Long Liquidation
COCUDAKL	20-Dec-24	0.00	-100.00	Long Liquidation

Technical Chart



BUY COCUDAKL SEP @ 2960 SL 2910 TGT 3020-3060. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Sep-24	2,992.00	3018.00	2990.00	2990.00	2977.00	2962.00
COCUDAKL	20-Dec-24	2,840.00	947.00	947.00	947.00	1894.00	947.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,497.90	-0.45
Kapas	कादी	1,497.90	0.64

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.35	-0.63	Long Liquidation

Technical Chart



BUY KAPAS APR @ 1565 SL 1550 TGT 1585-1600. NCDEX

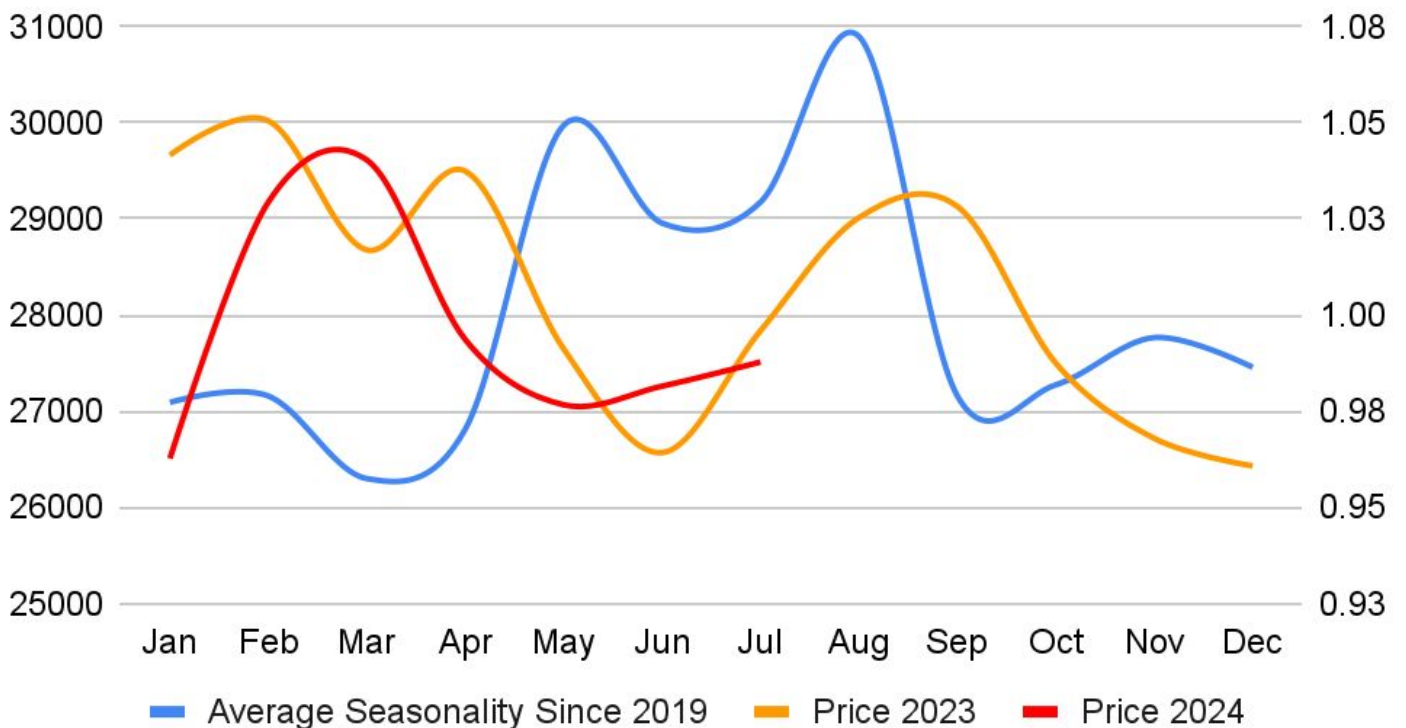
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,573.50	1580.00	1577.00	1573.00	1570.00	1566.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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