



KEDIA ADVISORY

DAILY COTTON REPORT

3 Sep 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	58700.00	58910.00	58700.00	58860.00	1.48
COCUDA KL	20-Sep-24	3,535.00	3,730.00	3,501.00	3,686.00	4.72
COCUDA KL	20-Dec-24	2,958.00	3,022.00	2,948.00	2,994.00	1.66
KAPAS	30-Apr-25	1,615.00	1,636.00	1,607.00	1,630.50	1.08

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	69.25	69.63	69.63	69.21	-1.07
ZCE COTTON	13575.00	13595.00	13645.00	13500.00	0.15
ZCE COTTON YARN	19270.00	19020.00	19490.00	18960.00	-1.38
USDINR	83.94	84.00	83.92	83.99	0.11

Cottoncandy prices increased by 1.48% to settle at 58,860, fueled by concerns over declining acreage and potential supply tightness. The cotton acreage in the current Kharif cropping season has dropped by approximately 9% to 110.49 lakh hectares, down from 121.24 lakh hectares during the same period last year. The Cotton Association of India (CAI) projects the total acreage for this season to be around 113 lakh hectares, a significant decrease from the 127 lakh hectares recorded the previous year. Farmers are shifting to other crops due to lower cotton yields and the high cost of production, further contributing to the reduced acreage. The cotton balance sheet for the upcoming season is expected to be tight due to higher exports to Bangladesh, which have unexpectedly increased from 15 lakh bales to 28 lakh bales this year. This surge in exports, coupled with reduced acreage, could lead to a tighter supply situation. India's cotton production and consumption are both estimated at around 325 lakh bales, with the increased exports potentially straining available stocks. Currently, the total available cotton stock is estimated at 70 lakh bales, including the stocks held by spinning mills, ginners, and the Cotton Corporation of India, along with expected arrivals in August-September. If the new crop is delayed, the supply could become even tighter. Technically, the market is under short covering, as evidenced by a 3.47% decline in open interest to settle at 167 contracts, while prices rose by 860 rupees. Cottoncandy is finding support at 58,730, with a potential test of 58,610 if this level is breached. Resistance is expected at 58,940, with a move above potentially testing 59,030.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	28,120.00	0.04
29 mm Cotton	कादी	27,966.80	1.74

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	30-Sep-24	1.48	-3.47	Short Covering

Technical Chart



BUY COTTONCANDY SEP @ 58600 SL 58200 TGT 59200-59600. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	30-Sep-24	58860.00	59030.00	58940.00	58820.00	58730.00	58610.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	3,245.35	-0.8
Cotton Seed Oilcake	कादी	3,313.20	1.53

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Sep-24	4.72	4.62	Fresh Buying
COCUDAKL	20-Dec-24	1.66	5.28	Fresh Buying

Technical Chart



BUY COCUDAKL SEP @ 3650 SL 3600 TGT 3720-3760. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Sep-24	3,686.00	3868.00	3639.00	3639.00	3548.00	3410.00
COCUDAKL	20-Dec-24	2,994.00	3062.00	2988.00	2988.00	2954.00	2914.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,598.35	0.02
Kapas	कादी	1,572.55	1.02

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	1.08	3.40	Fresh Buying

Technical Chart

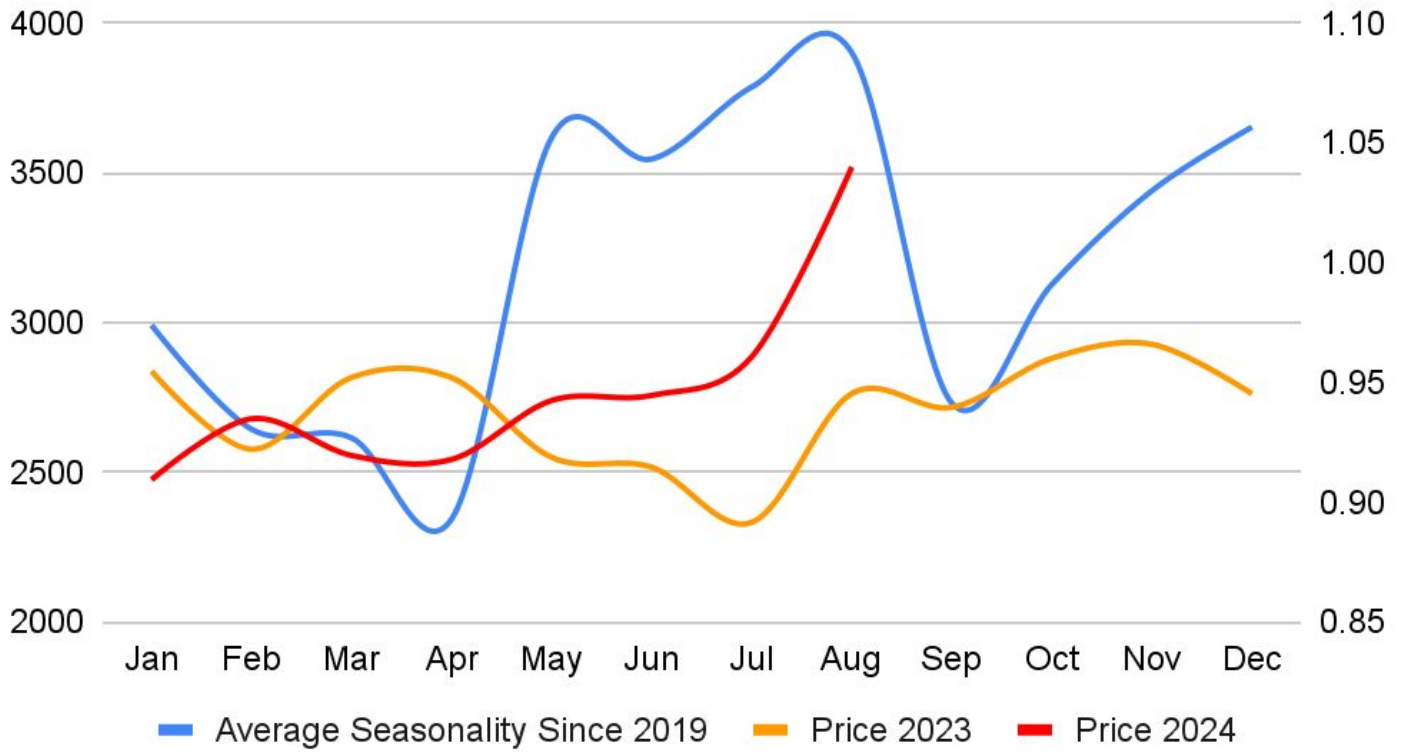


BUY KAPAS APR @ 1620 SL 1610 TGT 1640-1660. NCDEX

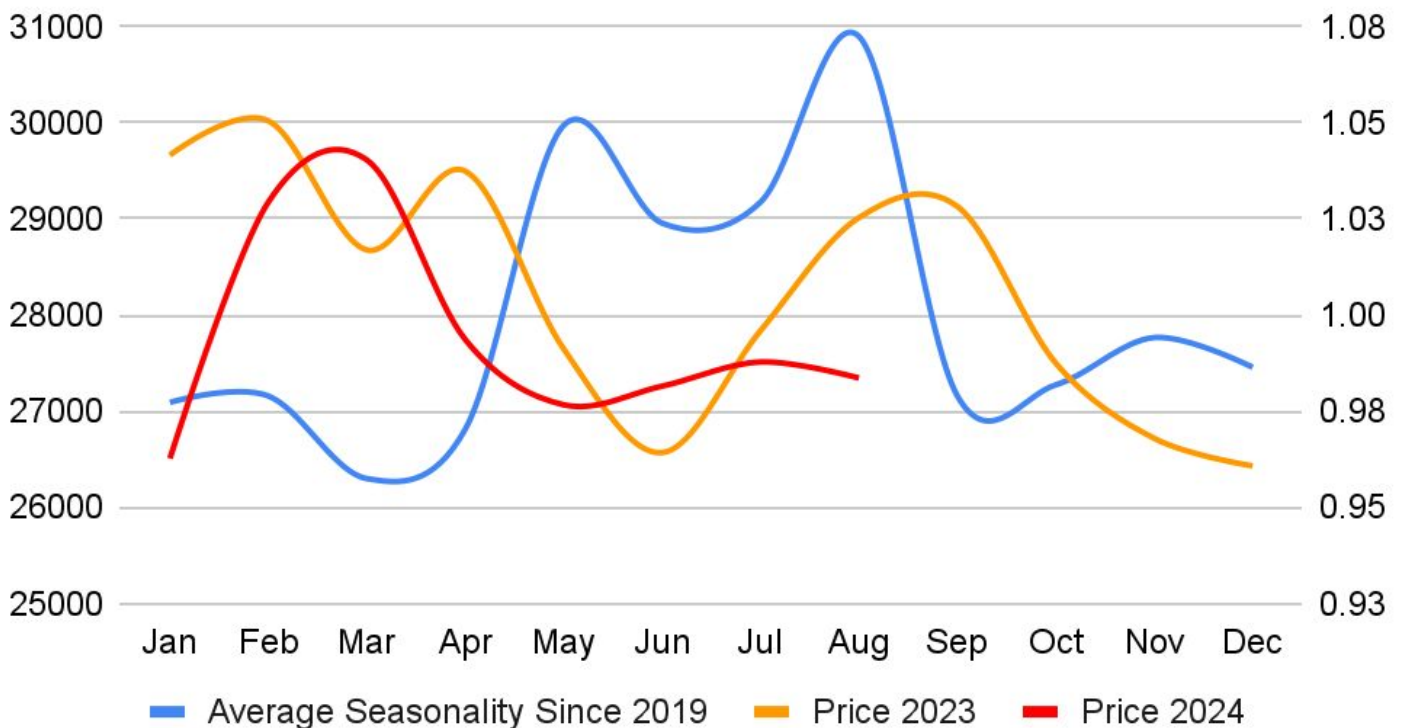
Trading Levels

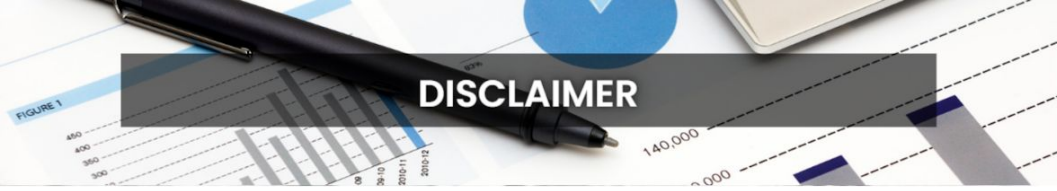
Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,630.50	1654.00	1643.00	1625.00	1614.00	1596.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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KEDIA ADVISORY

KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD

Mumbai, India

SEBI REGISTRATION NUMBER - INH000006156

For more details, please contact: +91 93234 06035 / 96195 51022

Email: info@kediaadvisory.com

Regd.Off.: 1, 2, 3 & 4, 1st Floor, Tulip Bldg, Flower Valley Complex, Khadakpada Circle,
Kalyan-(W), Mumbai-421301