



KEDIA ADVISORY

DAILY COTTON REPORT

23 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	57480.00	57550.00	57400.00	57470.00	0.47
COCUDA KL	20-Sep-24	3,283.00	3,345.00	3,266.00	3,315.00	0.85
COCUDA KL	20-Dec-24	2,915.00	2,934.00	2,904.00	2,915.00	-0.17
KAPAS	30-Apr-25	1,592.50	1,601.00	1,592.00	1,599.50	0.38

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	69.46	69.52	69.68	69.43	0.14
ZCE COTTON	13495.00	13430.00	13550.00	13430.00	0.71
ZCE COTTON YARN	19285.00	19280.00	19375.00	19170.00	1.15
USDINR	83.94	83.98	83.94	83.95	0.01

Cottoncandy prices edged up by 0.47%, closing at ₹57,470, supported by concerns over reduced acreage and tighter supply projections for the current kharif cropping season. The acreage under cotton has declined by approximately 9% to 110.49 lakh hectares (lh) compared to 121.24 lh in the same period last year. The Cotton Association of India (CAI) estimates that the total acreage will be around 113 lh this year, down from 127 lh the previous year. This decline is primarily attributed to farmers shifting to other crops due to lower yields and higher production costs. The CAI also highlighted a potential tightness in the cotton balance sheet for the upcoming season due to higher-than-expected exports, particularly to Bangladesh, which have surged from 15 lakh bales to 28 lakh bales. India's cotton production and consumption for 2023-24 are both estimated at around 325 lakh bales. With exports at 28 lakh bales and imports at 13 lakh bales, the gap will be filled by drawing from last year's stock. In terms of global cotton production, the 2024/25 balance sheet has seen reductions in production, consumption, and stock levels, largely due to lower output in the United States and India. Global ending stocks are reduced by 5.0 million bales to 77.6 million, reflecting the overall tightness in the market. Technically, the market is under short covering, as indicated by a 0.57% drop in open interest, settling at 175 contracts while prices increased by ₹270. Cottoncandy finds support at ₹57,390, with a potential test of ₹57,320 if this level is breached. On the upside, resistance is expected at ₹57,540, and a move above this level could push prices towards ₹57,620.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,273.55	-0.18
29 mm Cotton	कादी	27,130.20	0

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	30-Sep-24	0.47	-0.57	Short Covering

Technical Chart



BUY COTTONCANDY SEP @ 57000 SL 56700 TGT 57500-57800. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	30-Sep-24	57470.00	57620.00	57540.00	57470.00	57390.00	57320.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	3,140.40	0.57
Cotton Seed Oilcake	कादी	3,139.75	-0.76

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Sep-24	0.85	-0.91	Short Covering
COCUDAKL	20-Dec-24	-0.17	-2.47	Long Liquidation

Technical Chart



SELL COCUDAKL SEP @ 3380 SL 3430 TGT 3320-3280. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Sep-24	3,315.00	3388.00	3309.00	3309.00	3273.00	3230.00
COCUDAKL	20-Dec-24	2,915.00	2948.00	2918.00	2918.00	2902.00	2888.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,546.80	-0.06
Kapas	कादी	1,526.45	0

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.38	-1.82	Short Covering

Technical Chart

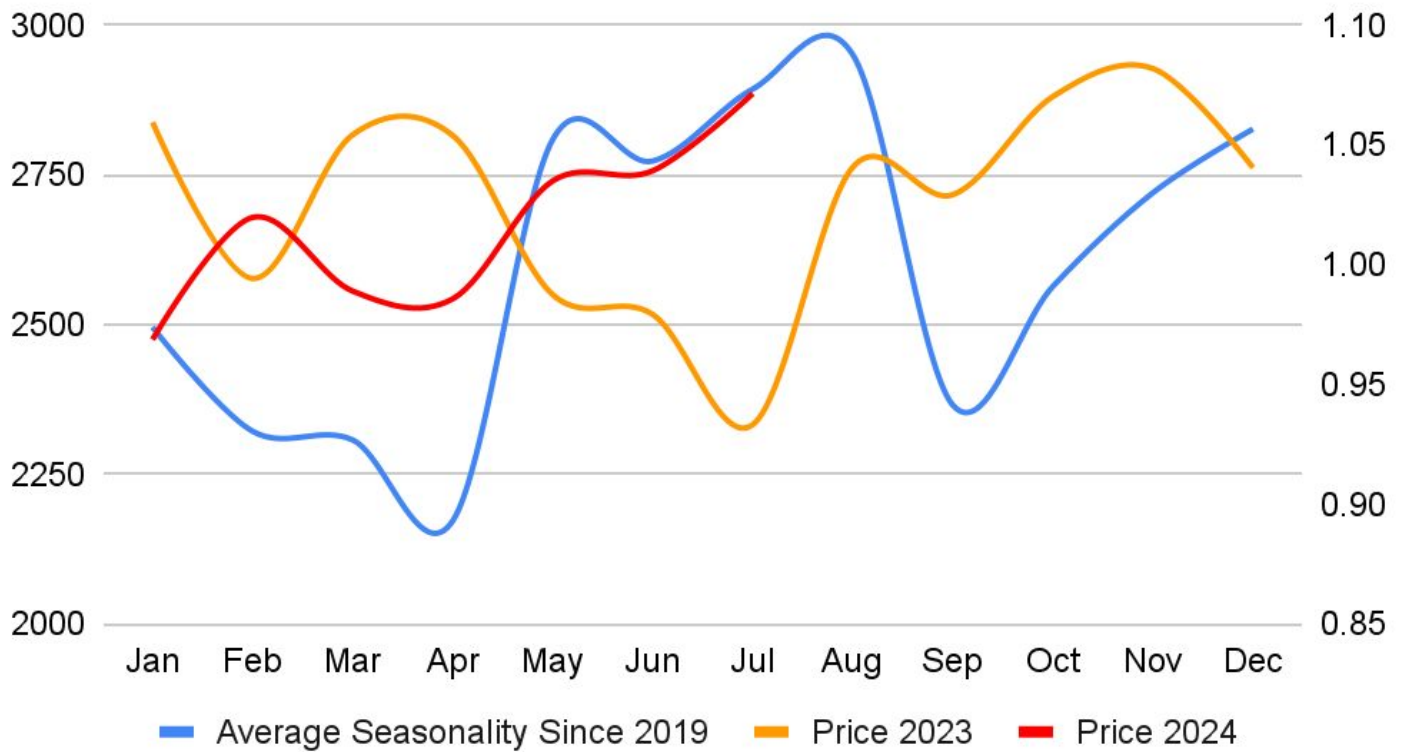


SELL KAPAS APR @ 1610 SL 1625 TGT 1590-1580. NCDEX

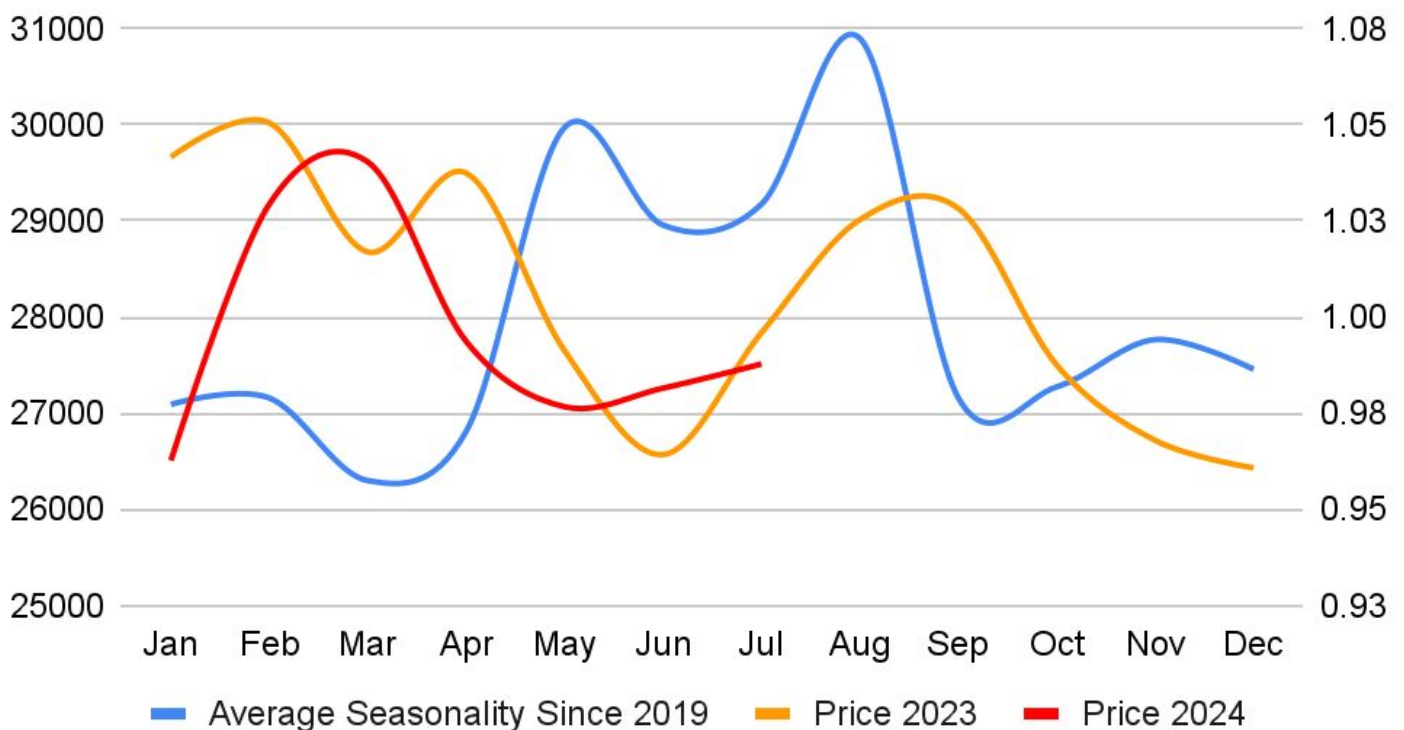
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,599.50	1607.00	1604.00	1598.00	1595.00	1589.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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