



KEDIA ADVISORY

DAILY COTTON REPORT

5 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	56530.00	56530.00	56530.00	56530.00	-0.46
COCUDA KL	20-Aug-24	2,842.00	2,865.00	2,832.00	2,849.00	-0.49
COCUDA KL	20-Sep-24	3,000.00	3,029.00	2,983.00	3,014.00	-0.07
KAPAS	30-Apr-25	1,583.50	1,588.00	1,581.00	1,584.00	-0.25

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	68.34	68.28	68.57	68.08	0.13
ZCE COTTON	14155.00	14230.00	14240.00	14050.00	-0.14
ZCE COTTON YARN	19740.00	19740.00	19740.00	19740.00	-0.18
USDINR	83.76	83.84	83.76	83.82	0.02

Cottoncandy settled down by 0.46% at 56,530 due to profit booking, despite being supported by significant declines in cotton acreage in key Indian states. Punjab, Haryana, and Rajasthan reported a total of 10.23 lakh hectares under cotton, a sharp decline from last year's 16 lakh hectares. Punjab's cotton area dropped to 97,000 hectares from the usual 7.58 lakh hectares seen in the 1980s and 1990s. Rajasthan's area reduced from 8.35 lakh hectares last year to 4.75 lakh hectares, and Haryana's from 5.75 lakh hectares to 4.50 lakh hectares in 2024. Support for cotton prices also came from delays in shipments from the US and Brazil, boosting demand for Indian cotton from neighboring mills. Firm trends in cottonseed prices are holding up natural fiber prices even as sowing for the kharif 2024 season begins in Karnataka, Telangana, and Andhra Pradesh, fueled by monsoon rains. In Telangana, cotton acreage is expected to rise as some chilli farmers shift to cotton due to weak spice prices. The 2024/25 US cotton projections indicate higher beginning and ending stocks, with production, domestic use, and exports unchanged. The season average upland farm price is down by 4 cents from the May forecast to 70 cents per pound, following a decline in new-crop cotton futures. Globally, the 2024/25 cotton balance sheet shows increased beginning stocks, production, and consumption, with world trade unchanged. World ending stocks are projected to be 480,000 bales higher than in May, at 83.5 million. Production is raised by 90,000 bales due to higher area and yield in Burma, and consumption is 80,000 bales higher, with increases in Vietnam and Burma offsetting reductions elsewhere. Technically, the market is under long liquidation, with open interest dropping by 0.58% to settle at 171 while prices fell by 260 rupees. Cottoncandy has support at 56,000 and could test 55,530 levels below this, while resistance is likely at 57,030, with prices potentially testing 57,530 above.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,317.25	-0.08
29 mm Cotton	कादी	27,201.90	0.26

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	30-Sep-24	-0.46	-0.58	Long Liquidation

Technical Chart



BUY COTTONCANDY SEP @ 56400 SL 56000 TGT 56800-57000. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	30-Sep-24	56530.00	56530.00	56530.00	56530.00	56530.00	56530.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,956.45	0.33
Cotton Seed Oilcake	कादी	3,026.10	-0.33

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Aug-24	-0.49	-1.97	Long Liquidation
COCUDAKL	20-Sep-24	-0.07	-3.35	Long Liquidation

Technical Chart



BUY COCUDAKL AUG @ 2840 SL 2800 TGT 2890-2940. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Aug-24	2,849.00	2882.00	2849.00	2849.00	2833.00	2816.00
COCUDAKL	20-Sep-24	3,014.00	3055.00	3009.00	3009.00	2989.00	2963.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,498.90	-0.46
Kapas	कादी	1,494.40	0.08

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	-0.25	-0.85	Long Liquidation

Technical Chart



BUY KAPAS APR @ 1575 SL 1560 TGT 1595-1605. NCDEX

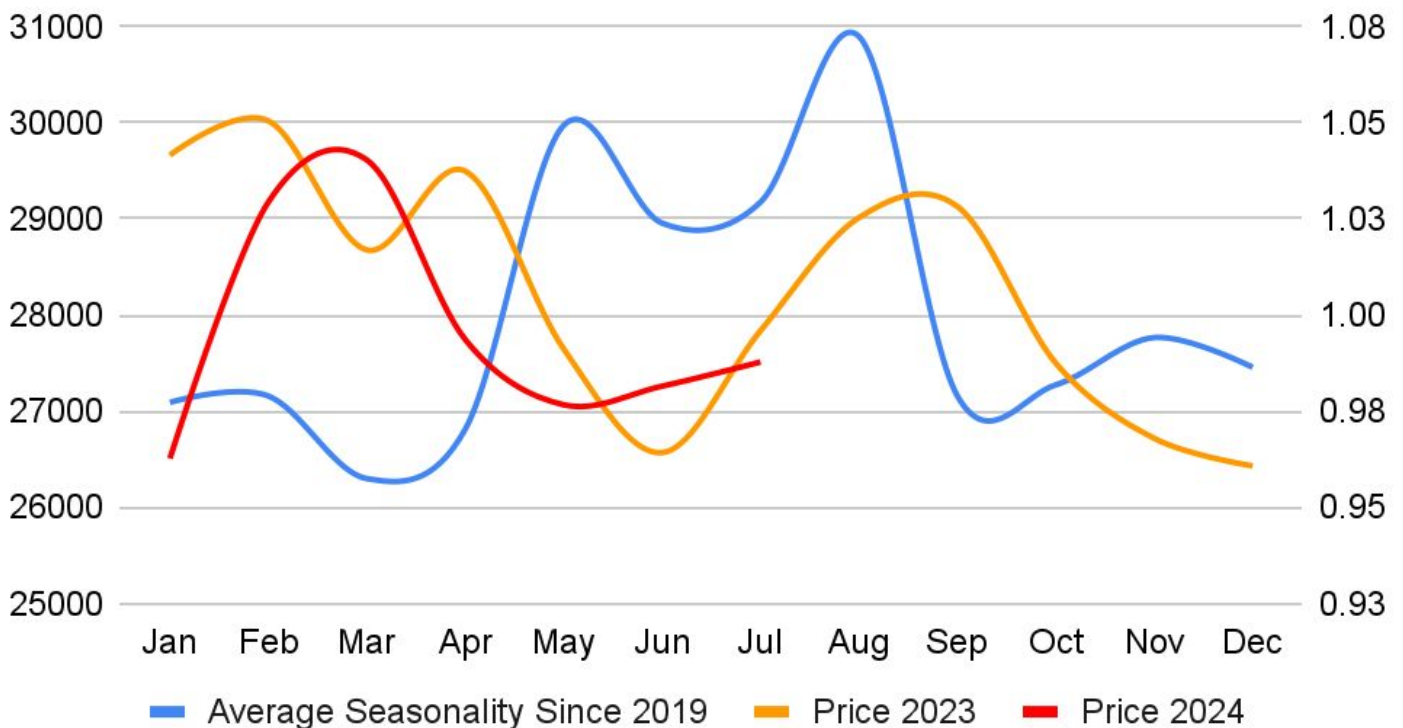
Trading Levels

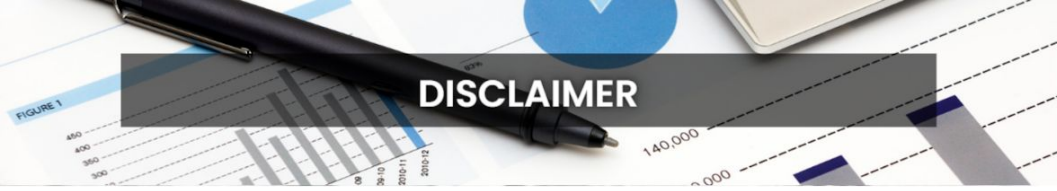
Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,584.00	1,591.00	1,587.00	1,584.00	1,580.00	1,577.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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