

Commodity: Cotton

Exchange: MCX

Contract: Dec.

Expiry: Dec 31, 2020

## Cotton

COTTON 1st/MXCTNC1/2020/12/08 - Daily R:19790.00 A:19800.00  
 O 19920.00 H 19920.00 L 19720.00 C 19780.00 V 187 T 92,751 I 2,467 +10 +0.05%  
 EMA(18) 19851 (50) 19393



### Technical Commentary:

- Cotton broke down through a trendline resistance and has started diverging lower gradually last week.
- On the daily chart, RSI has shown two instances of negative divergences over the last two weeks.
- After the breach of the trendline, the prices were being supported at 18-day EMA until recently, but that support has also been breached.
- The divergence between the price and the trendline has expanded and this calls for revising the stoploss lower to 20200. Short term traders may book profits at 19370 and traders with a longer term horizon may book part profits at 19370 and the balance at 19000.

### Strategy: Sell on rise

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Cotton	MCX	Dec	19110	19390	19770	20160	20480
			Call	Entry	T1	T2	SL
Cotton	MCX	Dec	Sell	19850-19900	19370	19000	20200

\* Positions may be carried forward, but stoploss should be strictly adhered.

**Commodity: Cotton Seed oil Cake**  
**Contract: Dec**
**Exchange: NCDEX**  
**Expiry: Dec 19<sup>th</sup>, 2020**
**Cottonseed Oilcake**

COTTON SEED OIL 1st(NCCOUC1)2020/12/08 - Daily B:1980.00 A:1981.00  
 O 1976.00 H 1999.00 L 1963.00 C 1980.00 V 7,100 I 24,050 -26 -1.30%  
 EMA(9) 2058.7 (18) 2041.2 (50) 1964.5


**Technical Commentary:**

- Cottonseed Oilcake had broken above a trendline resistance and stayed above it for several days. However, the prices declined below the trendline yesterday and a stoploss on our long positions has been triggered.
- Presently, the same trendline is expected to again pose resistance.
- Short positions may be created at 2065 with stoploss at 2125.

**Strategy: Sell**

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Cotton oil cake	NCDEX	Dec	1906	1965	2006	2069	2123
Intraday Trade Call			Call	Entry	T1	T2	SL
Cotton oil cake	NCDEX	Dec	<b>Sell</b>	2065	1965	1925	2125

\* Positions may be carried forward, but the stoploss must be strictly adhered.

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