



KEDIA ADVISORY

DAILY COTTON REPORT

6 Feb 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	28-Mar-24	57420.00	57900.00	57420.00	57720.00	-0.03
COCUDAKL	20-Feb-24	2,535.00	2,535.00	2,475.00	2,491.00	-1.50
COCUDAKL	20-Mar-24	2,567.00	2,568.00	2,510.00	2,529.00	-1.44
KAPAS	30-Apr-24	1,492.00	1,492.00	1,478.50	1,484.50	-0.34

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	87.14	86.91	87.44	86.52	0.03
ZCE COTTON	15955.00	15915.00	16025.00	15910.00	0.00
ZCE COTTON YARN	20400.00	20400.00	20400.00	20400.00	-0.02
USDINR	83.23	83.23	83.02	83.11	0.16

Cotton candy, a crucial commodity in the global textile industry, experienced a marginal decline of -0.03% in its price, settling at 57720. This decline comes amid notable shifts in the global cotton market, with projections indicating reduced world consumption for the 2023/24 period, particularly in key cotton-producing nations such as India, Indonesia, Pakistan, Uzbekistan, and Turkey. Additionally, higher world ending stocks for 2023/24, driven by increased beginning stocks and production alongside lower consumption, exerted downward pressure on prices. CAI maintained its estimates for domestic consumption and production for the 2023-24 season, indicating stability in India's cotton sector. Despite this, global dynamics, including Brazil's historic high cotton production in the 2022-23 season and reports of pink bollworm infestation impacting cotton crops, contribute to the complex market landscape. Brazilian cotton shipments experienced fluctuations, reflecting broader challenges in global demand amid unfavourable economic conditions. Furthermore, projections from the ICAC suggest that global cotton production is set to outpace consumption for the second consecutive year. While production is expected to increase by 3.25% year-on-year, consumption is forecasted to marginally decline, indicating potential oversupply in the market. In the major spot market of Rajkot, the price of cotton candy ended at 26745.6 Rupees, dropping marginally by -0.1%. This slight decline may reflect localized factors or minor fluctuations in demand-supply dynamics within the region. From a technical standpoint, the market is witnessing fresh selling pressure, indicated by a gain in open interest by 3.8% despite the price decrease of -20 rupees. Support levels for cotton candy are identified at 57460, with a potential downside target of 57200. Conversely, resistance is expected at 57940, with a breakout potentially leading to prices testing 58160 levels.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	26,745.60	-0.1
29 mm Cotton	कादी	26,771.65	-0.01

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	28-Mar-24	-0.03	3.80	Fresh Selling

Technical Chart



BUY COTTONCANDY MAR @ 57600 SL 57400 TGT 58000-58300. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	28-Mar-24	57720.00	58160.00	57940.00	57680.00	57460.00	57200.00

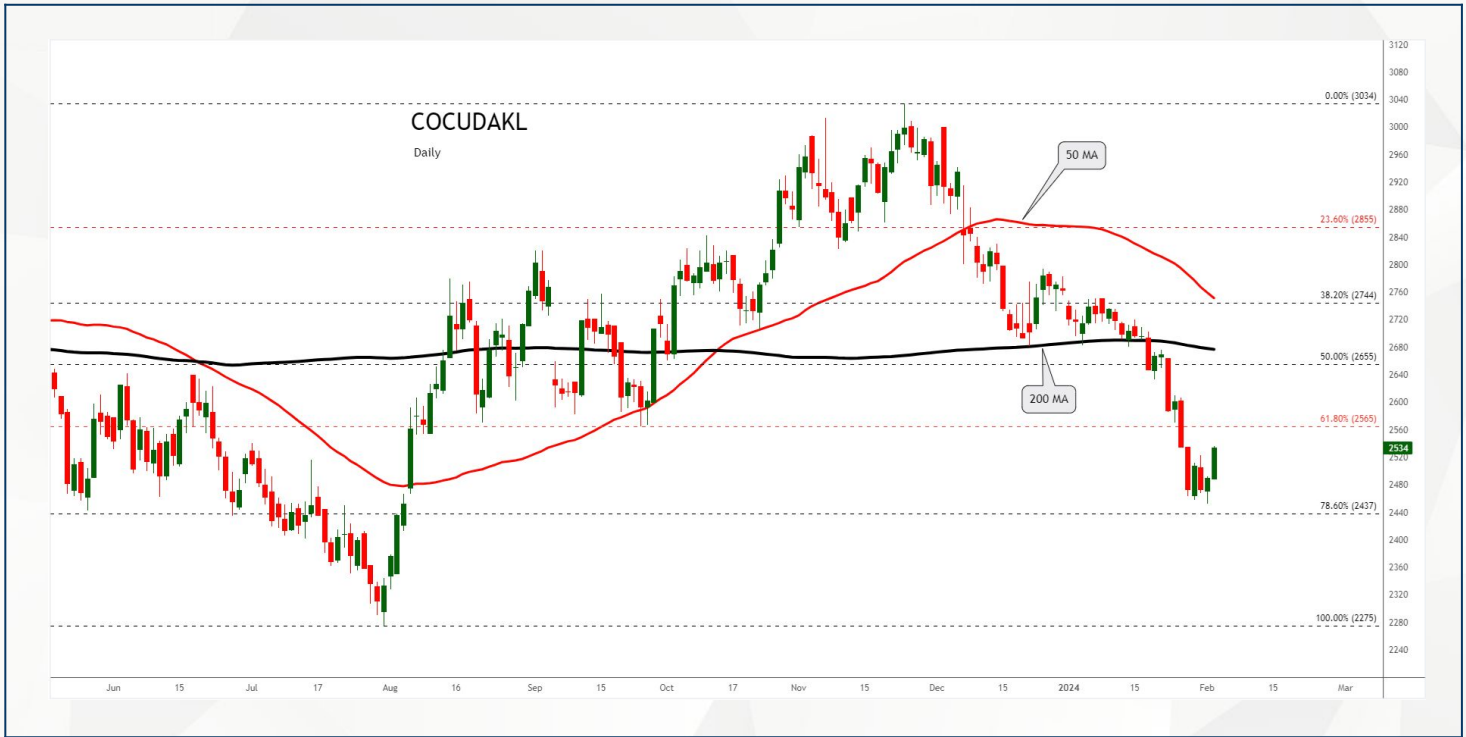
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,536.85	-0.14
Cotton Seed Oilcake	कादी	2,506.85	-0.32

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Feb-24	-1.50	-3.83	Long Liquidation
COCUDAKL	20-Mar-24	-1.44	10.17	Fresh Selling

Technical Chart



BUY COCUDAKL FEB @ 2480 SL 2440 TGT 2540-2580. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Feb-24	2,491.00	2560.00	2500.00	2500.00	2465.00	2440.00
COCUDAKL	20-Mar-24	2,529.00	2594.00	2536.00	2536.00	2504.00	2478.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,378.85	-0.11
Kapas	कादी	1,383.50	0.05

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-0.34	-2.65	Fresh Selling

Technical Chart

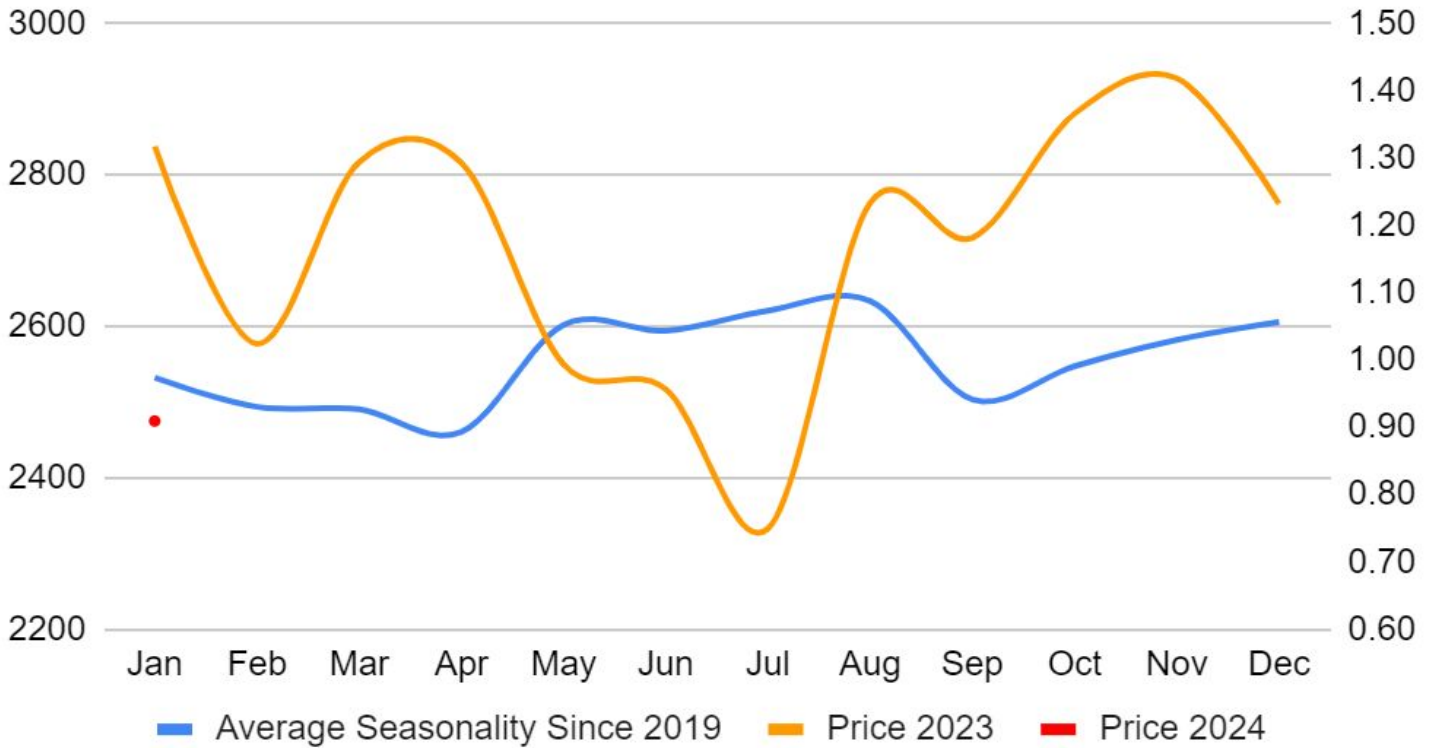


BUY KAPAS APR @ 1480 SL 1460 TGT 1500-1515. NCDEX

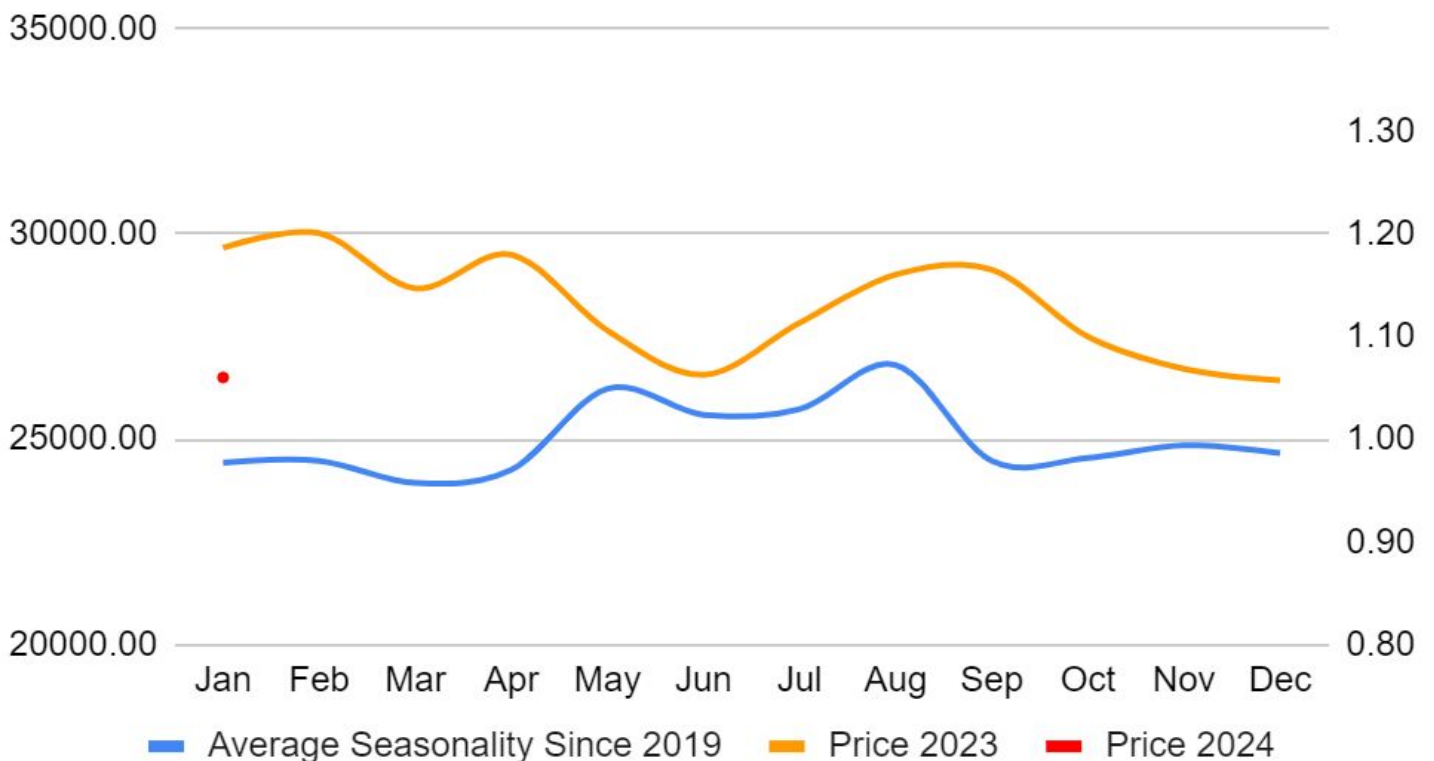
Trading Levels

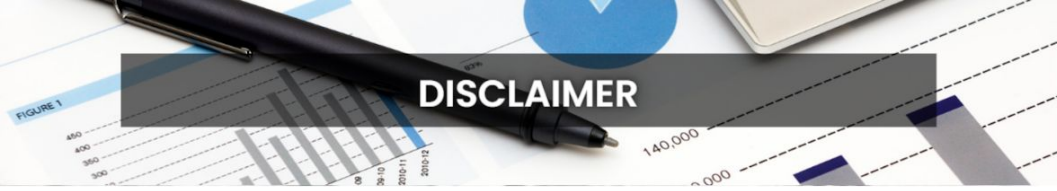
Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,484.50	1499.00	1492.00	1485.00	1478.00	1471.00

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Cotton Seasonality





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