



KEDIA ADVISORY

DAILY COTTON REPORT

6 Mar 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	62080.00	62080.00	61320.00	61600.00	-0.52
COCUDA KL	20-Mar-24	2,700.00	2,708.00	2,669.00	2,675.00	-1.00
COCUDA KL	19-Apr-24	2,732.00	2,744.00	2,701.00	2,711.00	-1.02
KAPAS	30-Apr-24	1,646.00	1,657.00	1,637.00	1,640.00	-0.61

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	95.25	94.53	95.52	94.53	0.96
ZCE COTTON	15940.00	16045.00	16065.00	15850.00	0.00
ZCE COTTON YARN	20990.00	20990.00	20990.00	20990.00	0.00
USDINR	82.95	82.96	82.92	82.94	0.01

Cottoncandy witnessed a marginal decline of -0.52%, settling at 61600, driven by profit booking following a recent surge fueled by adverse weather conditions in China and reduced acreage in the US, contributing to a global cotton shortage. The severe cold in China has affected the crop cycle, while diminished acreage in the US has added to concerns about supply. However, profit-taking pulled prices lower as market participants assessed the situation. The US Department of Agriculture's (USDA) World Agricultural Supply and Demand Estimates (WASDE) for 2023/24 indicated lower ending stocks, higher exports, and reduced mill use, underlining the global cotton supply challenges. The Southern India Mills' Association (SIMA) has advised textile mills to avoid panic buying, anticipating a potential increase in global supply post-July. The USDA reported a 69% decline in net sales of cotton for 2023/2024, contributing to market fluctuations. Despite this, the February WASDE report highlighted a decrease in world cotton production and ending stocks, with India's cotton exports in February reaching the highest level in two years. Indian cotton, now the cheapest globally, attracted buyers in China, Bangladesh, and Vietnam. Technically, the market is undergoing long liquidation, with a -1.97% drop in open interest, settling at 399. Cottoncandy is currently finding support at 61260, and a breach could test 60910 levels. Resistance is expected at 62020, with a potential move above targeting 62430. Despite the recent profit-taking, the fundamentals of reduced global supply and increased Indian exports suggest a complex market dynamic. Traders should closely monitor global production trends, export figures, and weather conditions for cotton markets' future movements.

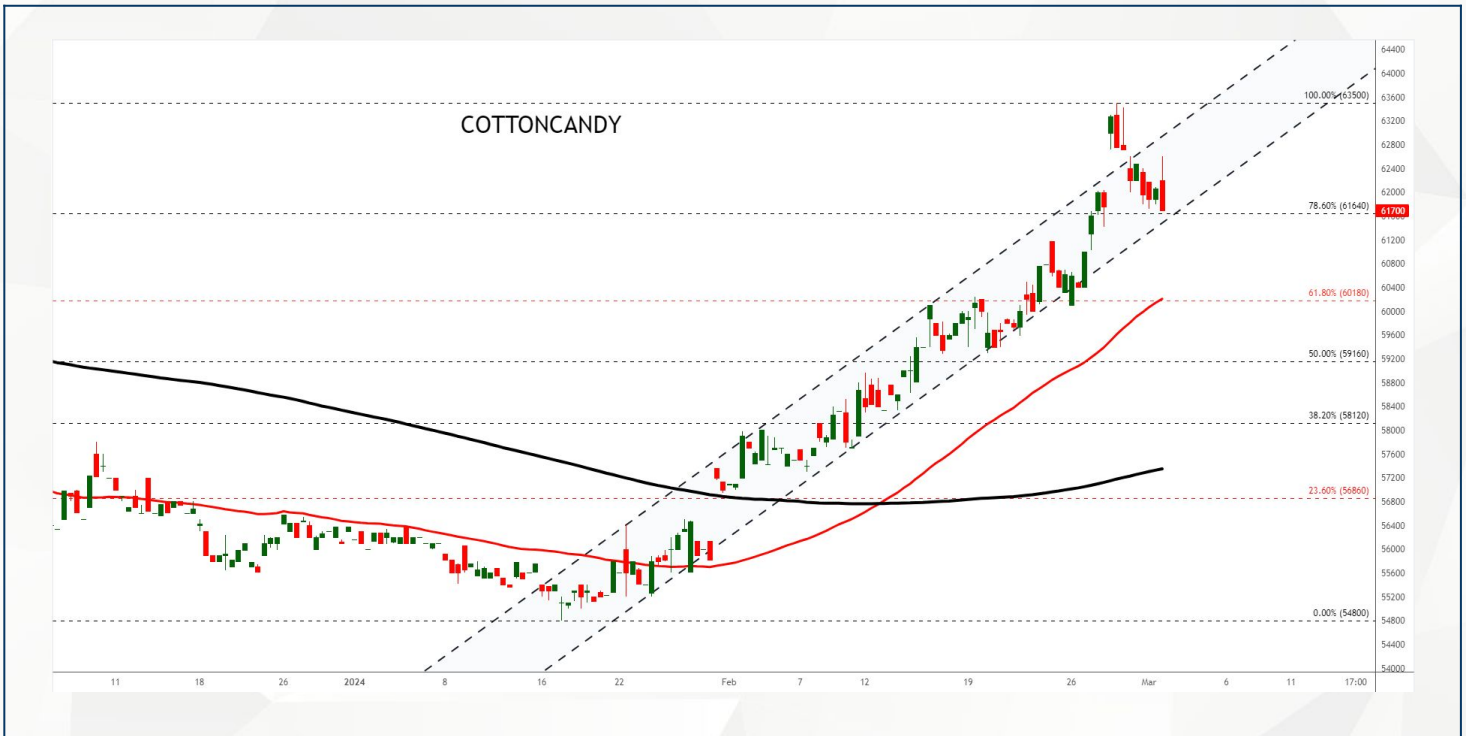
Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	28,957.40	0.04
29 mm Cotton	कादी	29,141.65	0.16

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	28-Mar-24	-0.52	-1.97	Long Liquidation

Technical Chart



SELL COTTONCANDY MAR @ 61800 SL 62100 TGT 61500-61200. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	28-Mar-24	61600.00	62430.00	62020.00	61670.00	61260.00	60910.00

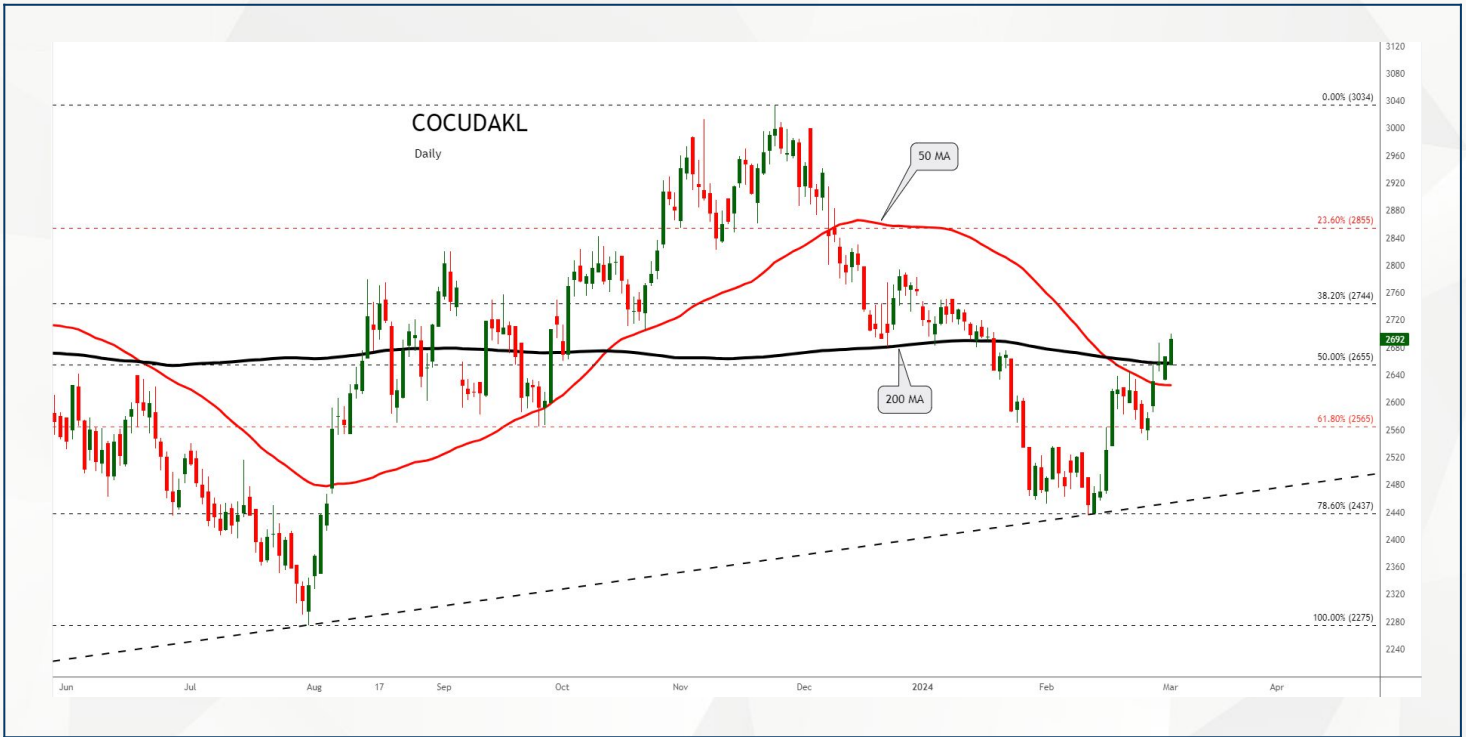
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,704.50	0.01
Cotton Seed Oilcake	कादी	2,710.70	-0.31

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Mar-24	-1.00	-5.91	Long Liquidation
COCUDAKL	19-Apr-24	-1.02	4.96	Fresh Selling

Technical Chart



BUY COCUDAKL MAR @ 2680 SL 2640 TGT 2730-2760. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Mar-24	2,675.00	2723.00	2684.00	2684.00	2660.00	2645.00
COCUDAKL	19-Apr-24	2,711.00	2762.00	2719.00	2719.00	2694.00	2676.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,497.50	0.06
Kapas	कादी	1,519.65	0.64

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-0.61	0.68	Fresh Selling

Technical Chart

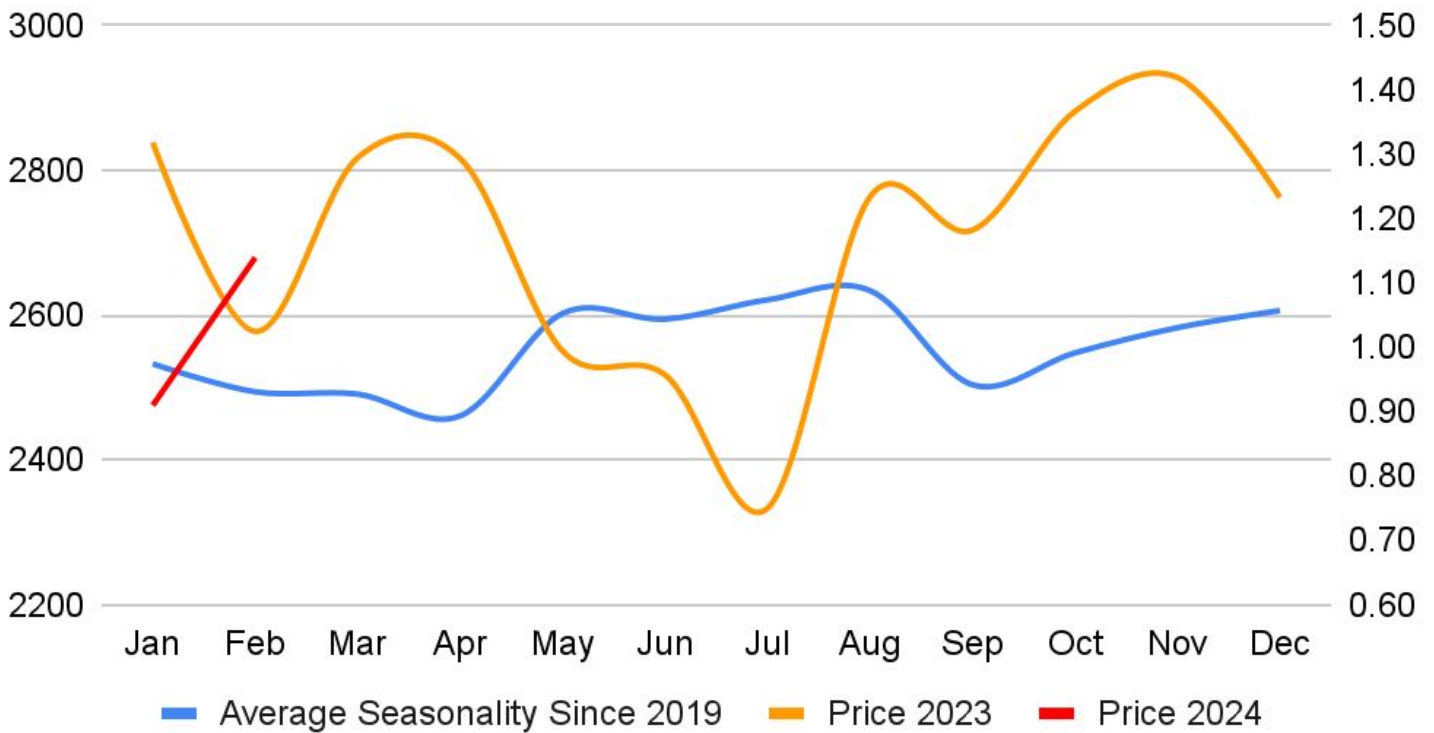


SELL KAPAS APR @ 1650 SL 1670 TGT 1630-1610. NCDEX

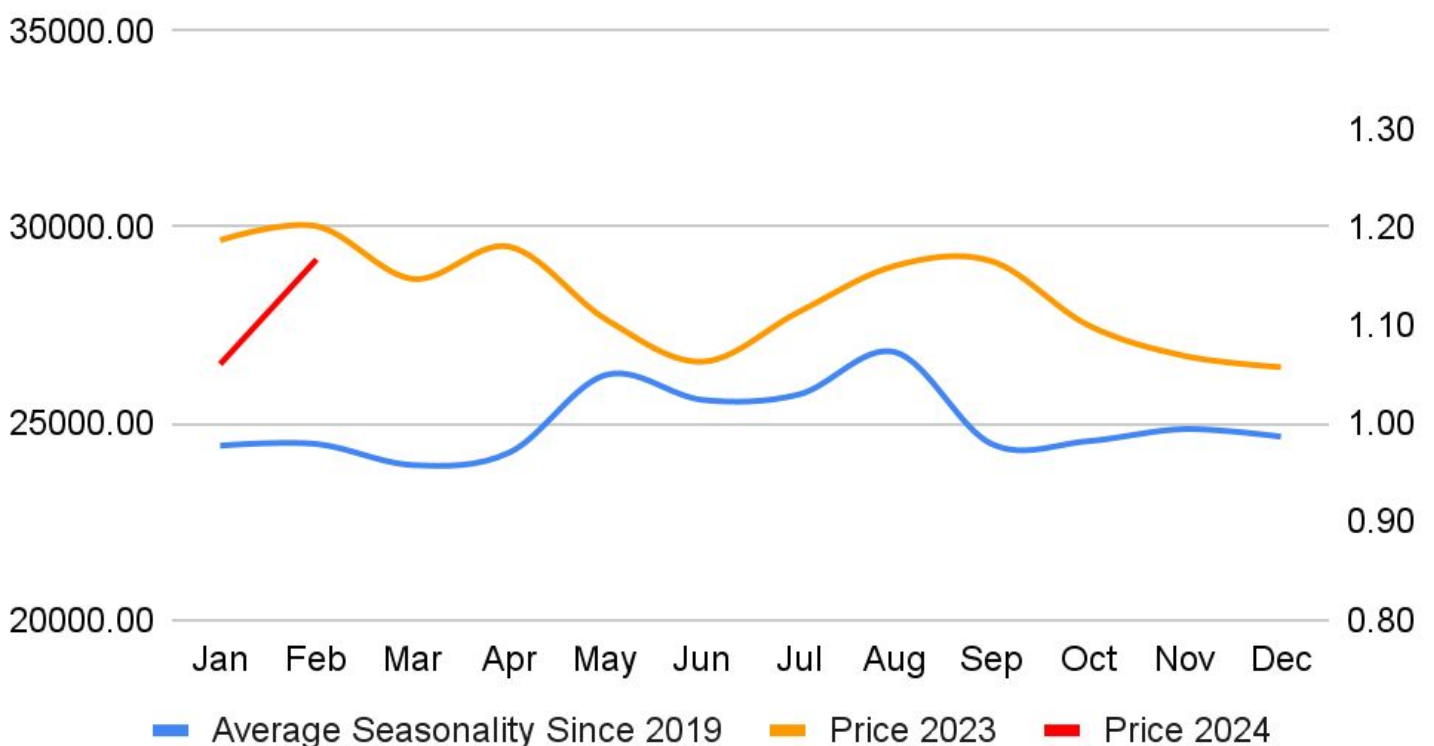
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,640.00	1665.00	1653.00	1645.00	1633.00	1625.00

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Cotton Seasonality





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