



KEDIA ADVISORY

DAILY COTTON REPORT

27 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	60100.00	61000.00	60100.00	60920.00	0.73
COCUDAKL	20-Mar-24	2,560.00	2,585.00	2,545.00	2,576.00	0.51
COCUDAKL	19-Apr-24	2,590.00	2,618.00	2,580.00	2,608.00	0.54
KAPAS	30-Apr-24	1,553.00	1,567.50	1,548.00	1,565.50	0.68

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	94.86	93.43	94.88	92.56	1.44
ZCE COTTON	16180.00	16220.00	16240.00	16100.00	0.00
ZCE COTTON YARN	21400.00	21400.00	21400.00	21400.00	0.00
USDINR	82.92	82.92	82.87	82.89	-0.06

The cotton market experienced a notable upswing yesterday, with Cottoncandy settling up by 0.73% at 60920, driven by concerns over supply constraints and sustained cotton consumption. This uptrend was further supported by significant developments in the global cotton landscape, particularly in the United States and India, which are key players in the cotton market. The 2023/24 U.S. cotton balance sheet reflected lower ending stocks compared to the previous month, with increased exports and reduced mill use, despite unchanged production figures. This shift was primarily fueled by heightened export forecasts, up by 200,000 bales to 12.3 million, buoyed by strong shipment and sales performances. Consequently, ending stocks were revised downwards to 2.8 million bales, equivalent to 20% of total disappearance, indicating a tighter supply outlook. On the global scale, the 2023/24 cotton ending stocks saw a decrease of nearly 700,000 bales, driven by lower beginning stocks and production levels. While consumption remained relatively stable, with increases in China and Vietnam offsetting declines in other key markets such as Turkey, the United States, and Thailand. Notably, India emerged as a significant player in the cotton export market, with February exports set to reach the highest level in two years, driven by competitive pricing and strong demand from Asian buyers. In light of these developments, the technical outlook for Cottoncandy suggests a bullish sentiment, with the market witnessing fresh buying and a gain in open interest by 2.64% to settle at 506. Prices are currently up by 440 rupees, with support levels at 60340 and resistance anticipated at 61240. A breach above resistance could potentially lead to further price appreciation, with a possible test of 61570 levels. However, a downside movement could see prices testing 59770 levels.

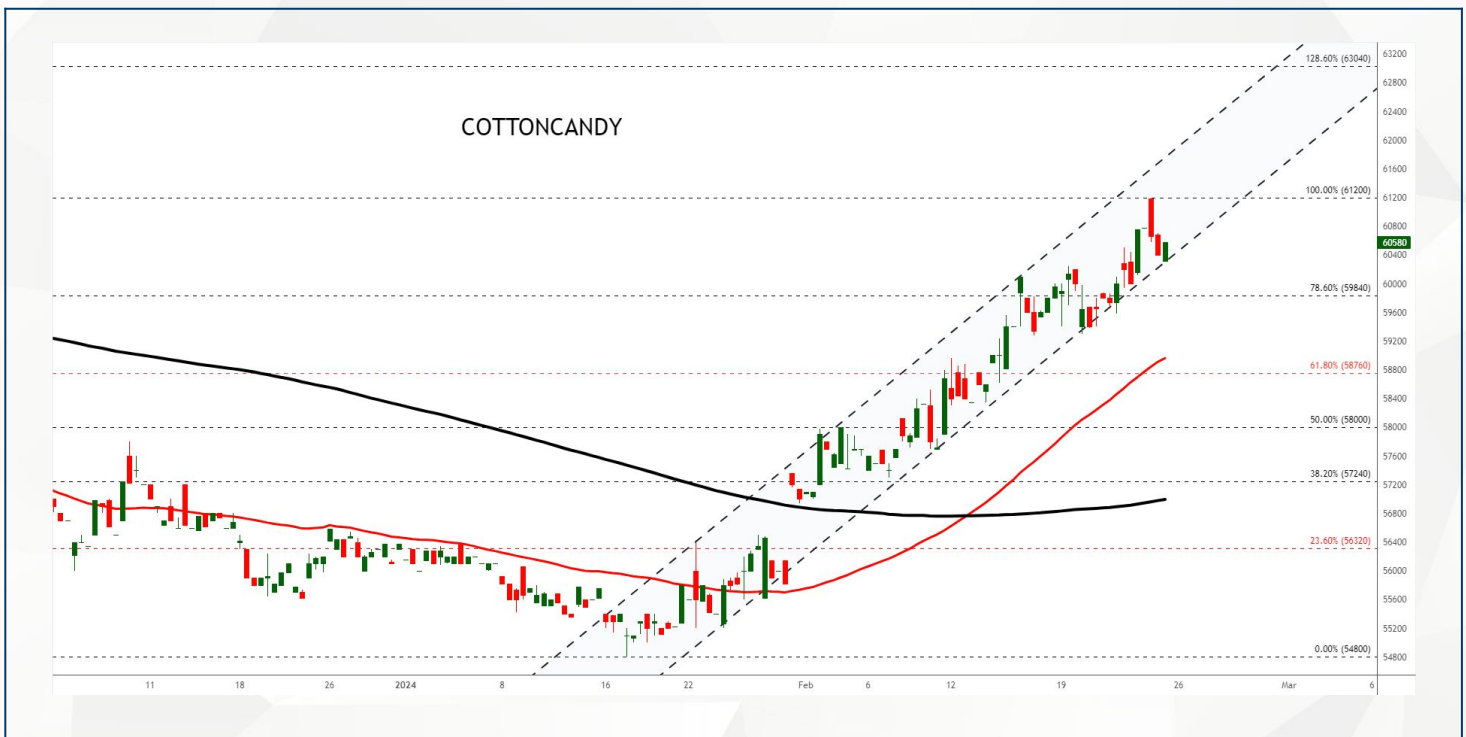
Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,978.30	-0.02
29 mm Cotton	कादी	28,015.55	0.09

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	28-Mar-24	0.73	2.64	Fresh Buying

Technical Chart



BUY COTTONCANDY MAR @ 60700 SL 60500 TGT 61100-61300. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	28-Mar-24	60920.00	61570.00	61240.00	60670.00	60340.00	59770.00

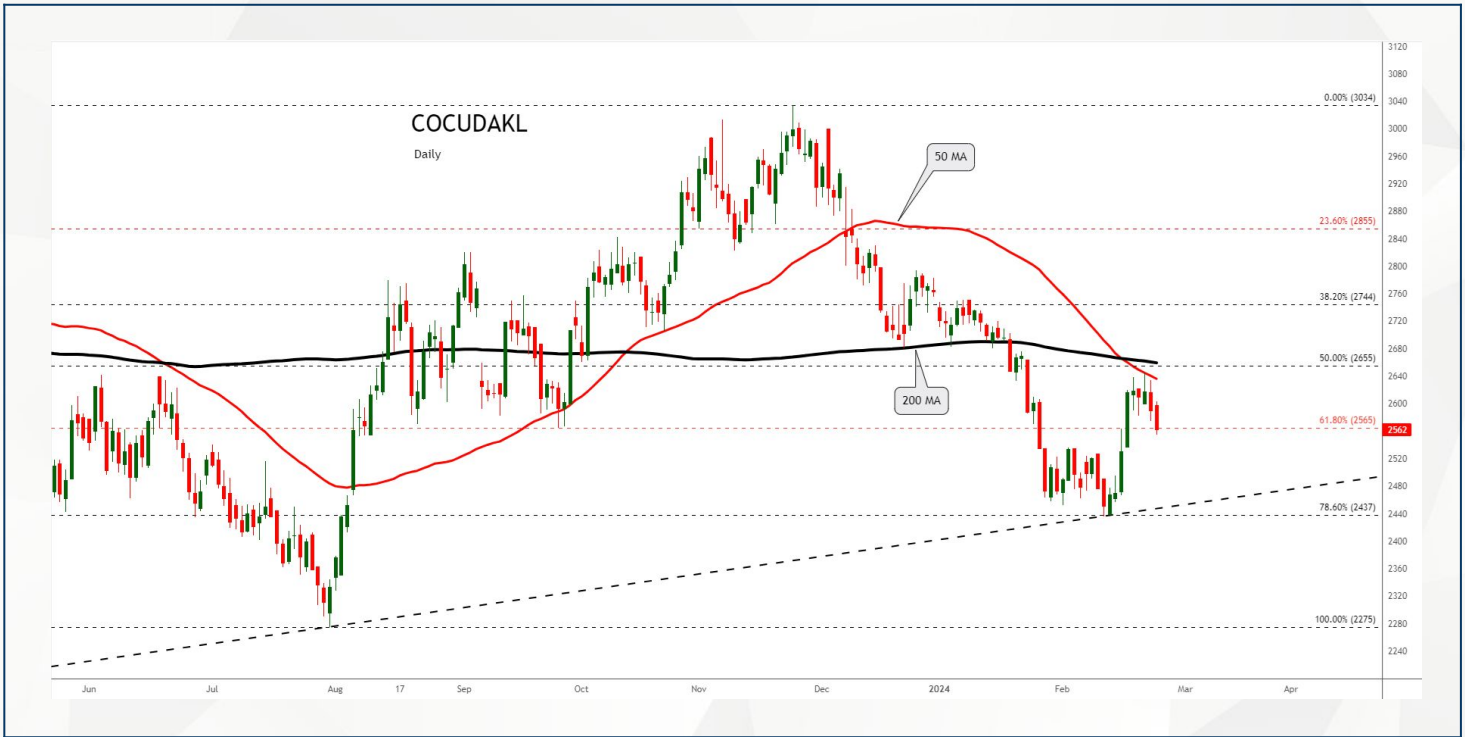
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,612.50	-0.06
Cotton Seed Oilcake	कादी	2,613.70	-0.25

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Mar-24	0.51	3.75	Fresh Buying
COCUDAKL	19-Apr-24	0.54	10.33	Fresh Buying

Technical Chart



BUY COCUDAKL MAR @ 2540 SL 2500 TGT 2590-2630. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Mar-24	2,576.00	2609.00	2569.00	2569.00	2553.00	2529.00
COCUDAKL	19-Apr-24	2,608.00	2640.00	2602.00	2602.00	2586.00	2564.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,440.85	-0.11
Kapas	कादी	1,451.95	0.33

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	0.68	1.35	Fresh Buying

Technical Chart

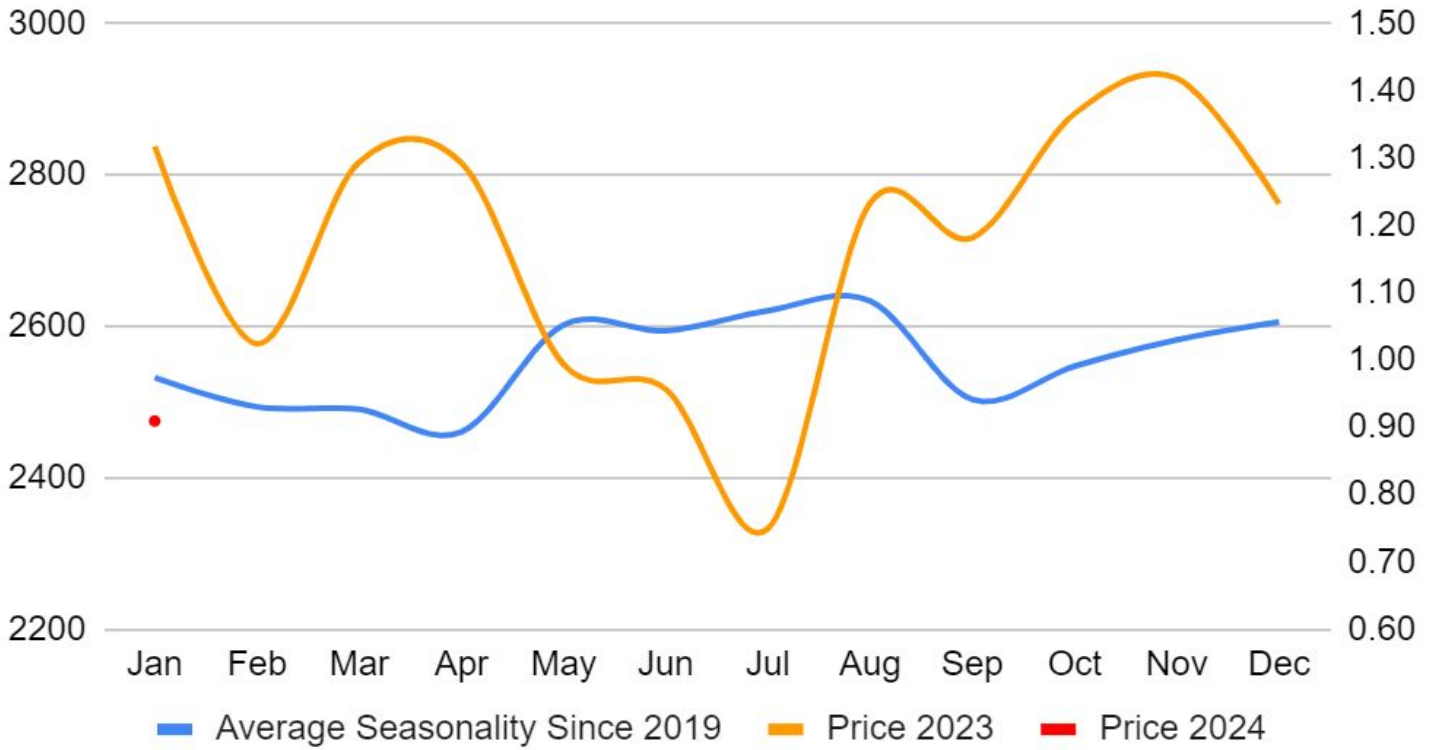


BUY KAPAS APR @ 1560 SL 1540 TGT 1580-1590. NCDEX

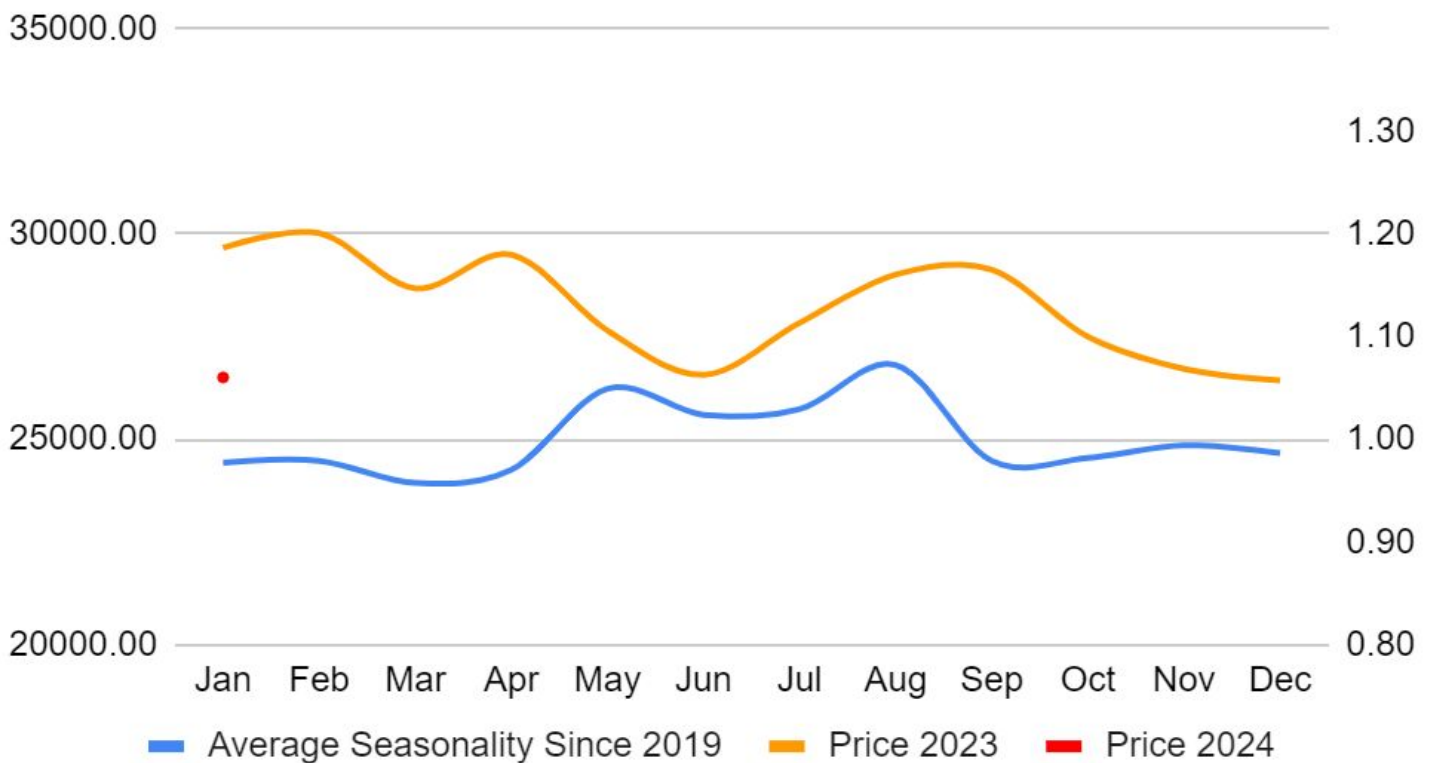
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,565.50	1579.00	1572.00	1560.00	1553.00	1541.00

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Cotton Seasonality





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