



KEDIA ADVISORY

DAILY COTTON REPORT

12 Jun 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	31-Jul-24	56100.00	56480.00	56100.00	56340.00	0.36
COCUDA KL	19-Jul-24	2,688.00	2,724.00	2,683.00	2,709.00	0.63
COCUDA KL	20-Aug-24	2,770.00	2,798.00	2,770.00	2,781.00	0.14
KAPAS	30-Apr-25	1,562.00	1,568.00	1,562.00	1,566.50	0.26

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	73.15	73.03	73.25	73.02	0.34
ZCE COTTON	14790.00	14860.00	14875.00	14710.00	-1.17
ZCE COTTON YARN	19070.00	19070.00	19070.00	19070.00	-0.96
USDINR	83.59	83.63	83.51	83.62	0.10

Cottoncandy prices edged up by 0.36% yesterday, closing at 56,340, buoyed by strong demand for Indian cotton from countries like Bangladesh and Vietnam. However, upside potential was limited due to sluggish milling demand and muted yarn demand in the global market. There were anticipations of a better crop in countries such as Australia, which also contributed to the restrained upward movement. The International Cotton Advisory Committee (ICAC) projected increases in the cotton-producing area, production, consumption, and trade for the next season, 2024-25. Additionally, India's cotton stocks are expected to decline by nearly 31% in 2023/24, reaching their lowest level in over three decades, driven by lower production and rising consumption. This reduction in stockpiles is anticipated to constrain exports from the world's second-largest producer and lend support to global prices, potentially lifting domestic prices and impacting the margins of local textile companies. Looking ahead to the 2024/25 marketing year, India's cotton production is estimated to decrease by two percent due to farmers shifting acreage to higher-return crops. However, mill consumption is projected to increase by two percent as yarn and textile demand improve in major international markets. With the recent notification of an import duty recension on extra-long staple (ELS) cotton, imports are estimated to rise by 20 percent. Technically, the cotton market is witnessing fresh buying momentum, with a 0.56% increase in open interest and prices up by 200 rupees. Support for Cottoncandy is at 56,140, with a potential test of 55,930 if this level is breached. Resistance is likely at 56,520, and a move above could see prices testing 56,690. Despite challenges such as fluctuating demand and potential shifts in production, the cotton market remains influenced by global trade dynamics and domestic consumption trends.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	26,662.70	-0.46
29 mm Cotton	कादी	26,532.60	-1.11

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-Jul-24	0.36	0.56	Fresh Buying

Technical Chart



BUY COTTONCANDY JUL @ 56000 SL 55700 TGT 56500-56800. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-Jul-24	56340.00	56690.00	56520.00	56310.00	56140.00	55930.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,805.25	0.16
Cotton Seed Oilcake	कादी	2,838.20	-1.57

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	19-Jul-24	0.63	9.58	Fresh Buying
COCUDAKL	20-Aug-24	0.14	25.23	Fresh Buying

Technical Chart



SELL COCUDAKL JUL @ 2720 SL 2760 TGT 2660-2620. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	19-Jul-24	2,709.00	2746.00	2705.00	2705.00	2686.00	2664.00
COCUDAKL	20-Aug-24	2,781.00	2811.00	2783.00	2783.00	2768.00	2755.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,425.75	-0.38
Kapas	कादी	1,410.50	-1.34

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.26	0.94	Fresh Buying

Technical Chart



BUY KAPAS APR @ 1560 SL 1545 TGT 1580-1600. NCDEX

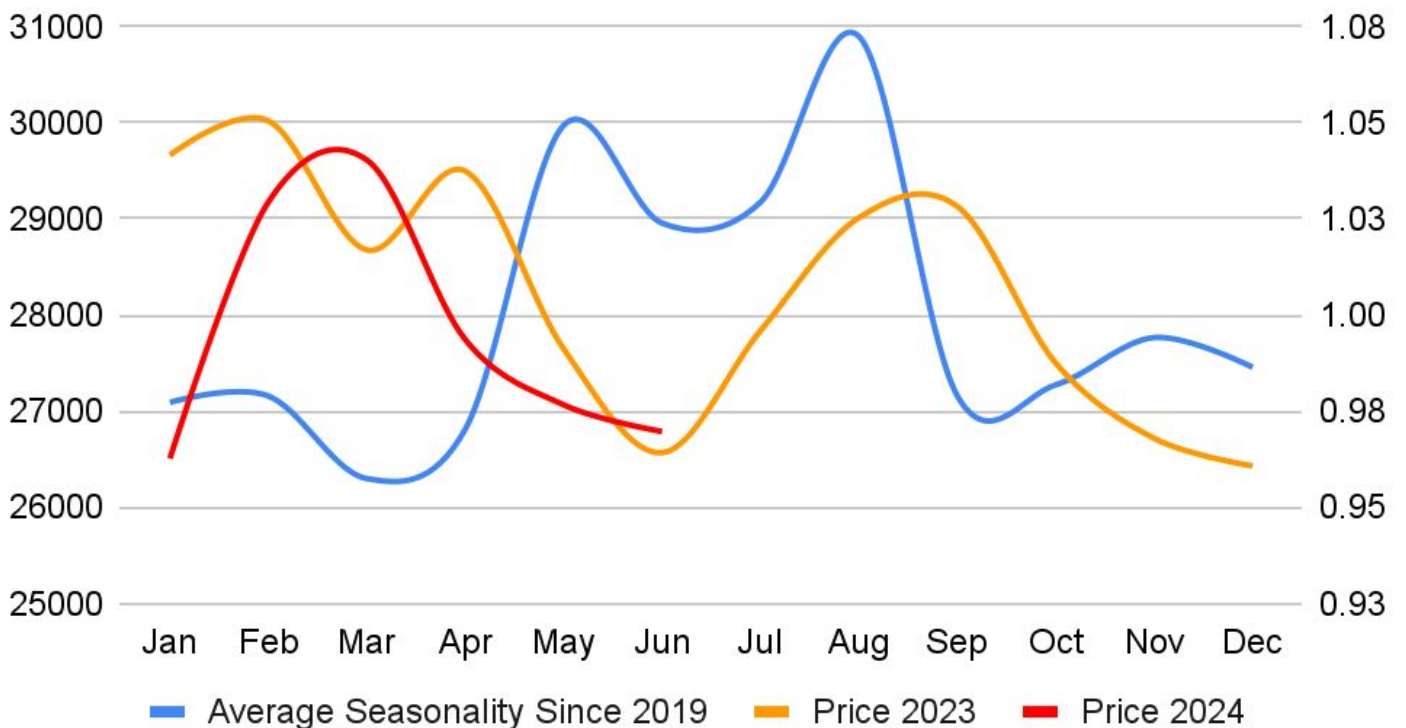
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,566.50	1572.00	1570.00	1566.00	1564.00	1560.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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