



KEDIA ADVISORY

DAILY COTTON REPORT

27 May 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	58500.00	58580.00	58140.00	58280.00	0.00
COCUDA KL	20-Jun-24	2,729.00	2,765.00	2,704.00	2,749.00	0.88
COCUDA KL	19-Jul-24	2,778.00	2,822.00	2,763.00	2,804.00	0.83
KAPAS	30-Apr-25	1,615.00	1,623.00	1,605.00	1,620.00	0.59

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	80.52	81.40	82.17	79.53	-1.49
ZCE COTTON	15340.00	15390.00	15400.00	15280.00	0.00
ZCE COTTON YARN	18790.00	18785.00	18795.00	18785.00	0.00
USDINR	83.25	83.26	83.04	83.12	-0.22

Cotton prices remained unchanged at 58,280, with sluggish milling demand still a concern amidst muted global demand for yarn. However, the downside was limited as India's cotton continues to attract strong demand from buyers in countries like Bangladesh and Vietnam. Prospects of improved crops in countries like Australia also contributed to the market sentiment. The International Cotton Advisory Committee (ICAC) projected increases in cotton-producing areas, production, consumption, and trade for the upcoming 2024-25 season. In India, cotton stocks are expected to decline by nearly 31% in 2023/24, reaching their lowest level in over three decades due to lower production and rising consumption. This decrease in stockpiles is anticipated to constrain exports from the world's second-largest producer, supporting global prices while potentially affecting the margins of local textile companies. India's cotton production for the current season is estimated to be 30.97 million bales, slightly lower than the previous year, while consumption is expected to rise. Additionally, cotton exports from India for the season are projected to increase to 2.20 million bales. Looking ahead to the 2024/25 marketing year, India's cotton production is estimated to decrease slightly to 25.4 million bales due to farmers shifting acreage to higher return crops. However, mill consumption is expected to increase, supported by improving demand for yarn and textiles in major international markets. With the recent reduction in import duty on extra-long staple (ELS) cotton, imports are forecasted to rise. Technically, the cotton market witnessed fresh selling with a significant increase in open interest, indicating potential downward pressure. Support is seen at 58,080, with resistance at 58,520. This technical overview suggests a cautious stance for Cottoncandy, influenced by both demand-supply dynamics and market sentiment.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,292.85	-0.16
29 mm Cotton	कादी	27,010.70	-0.7

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-Jul-24	0.00	34.95	Fresh Selling

Technical Chart



SELL COTTONCANDY JUL @ 58500 SL 58800 TGT 58000-57800. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-Jul-24	58280.00	58770.00	58520.00	58330.00	58080.00	57890.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,806.90	0.49
Cotton Seed Oilcake	कादी	2,916.65	0.21

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	0.88	-0.36	Short Covering
COCUDAKL	19-Jul-24	0.83	12.29	Fresh Buying

Technical Chart



BUY COCUDAKL JUN @ 2730 SL 2690 TGT 2770-2800. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Jun-24	2,749.00	2800.00	2739.00	2739.00	2713.00	2678.00
COCUDAKL	19-Jul-24	2,804.00	2855.00	2796.00	2796.00	2770.00	2737.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,463.00	-0.12
Kapas	कादी	1,451.85	-0.74

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.59	4.71	Fresh Buying

Technical Chart



BUY KAPAS APR @ 1615 SL 1600 TGT 1630-1640. NCDEX

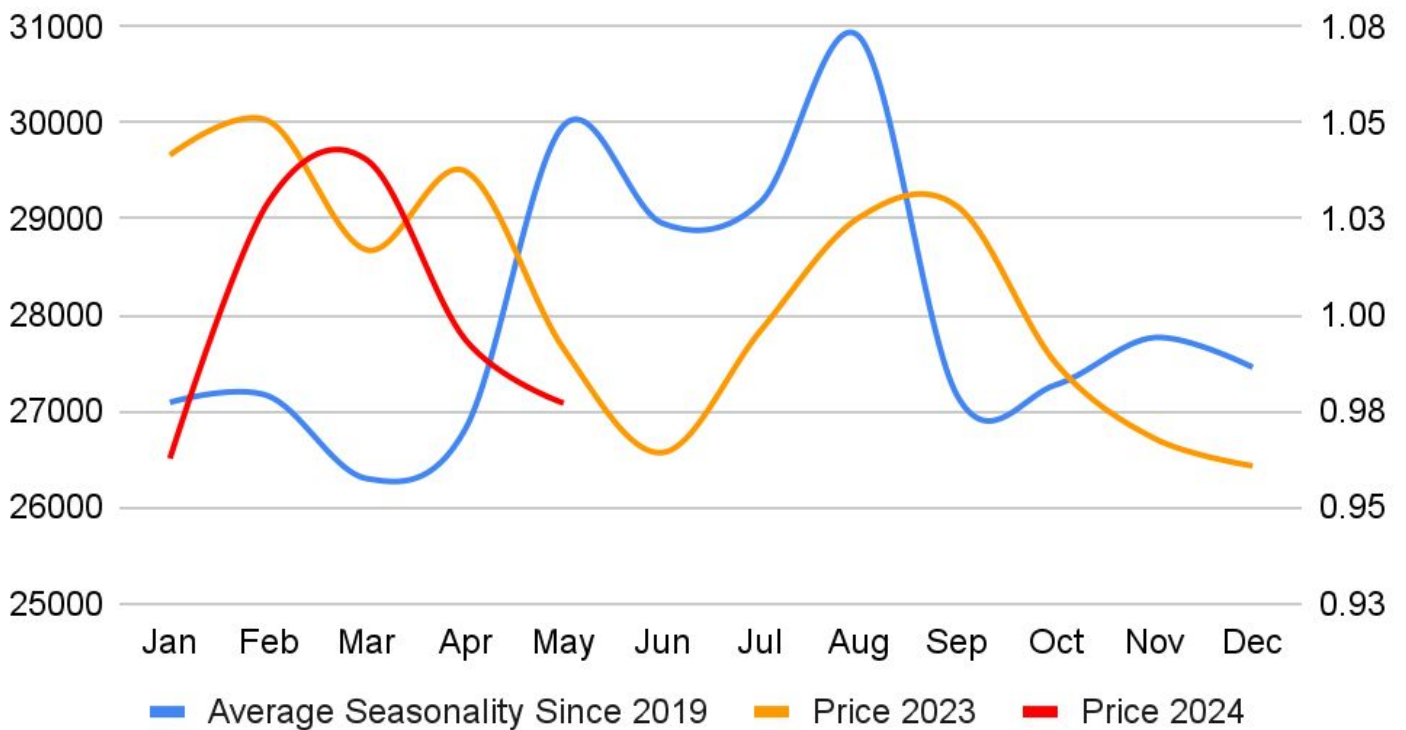
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,620.00	1,634.00	1,627.00	1,616.00	1,609.00	1,598.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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