



KEDIA ADVISORY

DAILY COTTON REPORT

22 Apr 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-May-24	57500.00	58300.00	57500.00	57960.00	0.66
COCUDA KL	20-May-24	2,555.00	2,565.00	2,543.00	2,557.00	-0.12
COCUDA KL	20-Jun-24	2,586.00	2,596.00	2,574.00	2,585.00	-0.31
KAPAS	30-Apr-24	1,454.00	1,456.00	1,426.00	1,431.00	-2.05

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	81.62	81.09	81.72	81.08	3.59
ZCE COTTON	15740.00	15805.00	15810.00	15665.00	-0.85
ZCE COTTON YARN	20775.00	20850.00	20865.00	20620.00	-0.55
USDINR	83.57	83.60	83.40	83.49	-0.07

Cotton candy prices rebounded by 0.66% yesterday, closing at 57960, driven by short covering after a recent drop attributed to expectations of improved crop yields, particularly in countries like Australia. The International Cotton Advisory Committee (ICAC) projected a bullish outlook for the next season, 2024-25, with anticipated increases in cotton-producing area, production, consumption, and trade. This positive sentiment was echoed by the Cotton Association of India (CAI), which revised its production estimates upwards for the current season. Despite these optimistic projections, ICE prices experienced a decline due to expectations of increased supply and lower demand from mills. India's cotton production for MY 2024/25 is estimated to decrease slightly, with farmers potentially shifting acreage to other crops. However, mill consumption is expected to rise, driven by improved demand for yarn and textiles in major international markets. Similarly, China's cotton imports are forecasted to increase for MY 2024/25, driven by higher demand for textile and apparel products, following a rebound in exports of textile and apparel products. From a technical perspective, the cotton candy market is witnessing fresh buying, as indicated by a gain in open interest by 0.49% to settle at 413, accompanied by a price increase of 380 rupees. Support levels are identified at 57540, with potential downside targets at 57120, while resistance is expected at 58340, with a potential breakout testing 58720. Overall, while short-term fluctuations in cotton candy prices may be influenced by factors such as crop expectations and demand trends, the long-term outlook appears positive, supported by bullish projections for production, consumption, and trade in the coming seasons. Traders should monitor both fundamental factors and technical indicators to navigate price movements effectively in the cotton candy market.

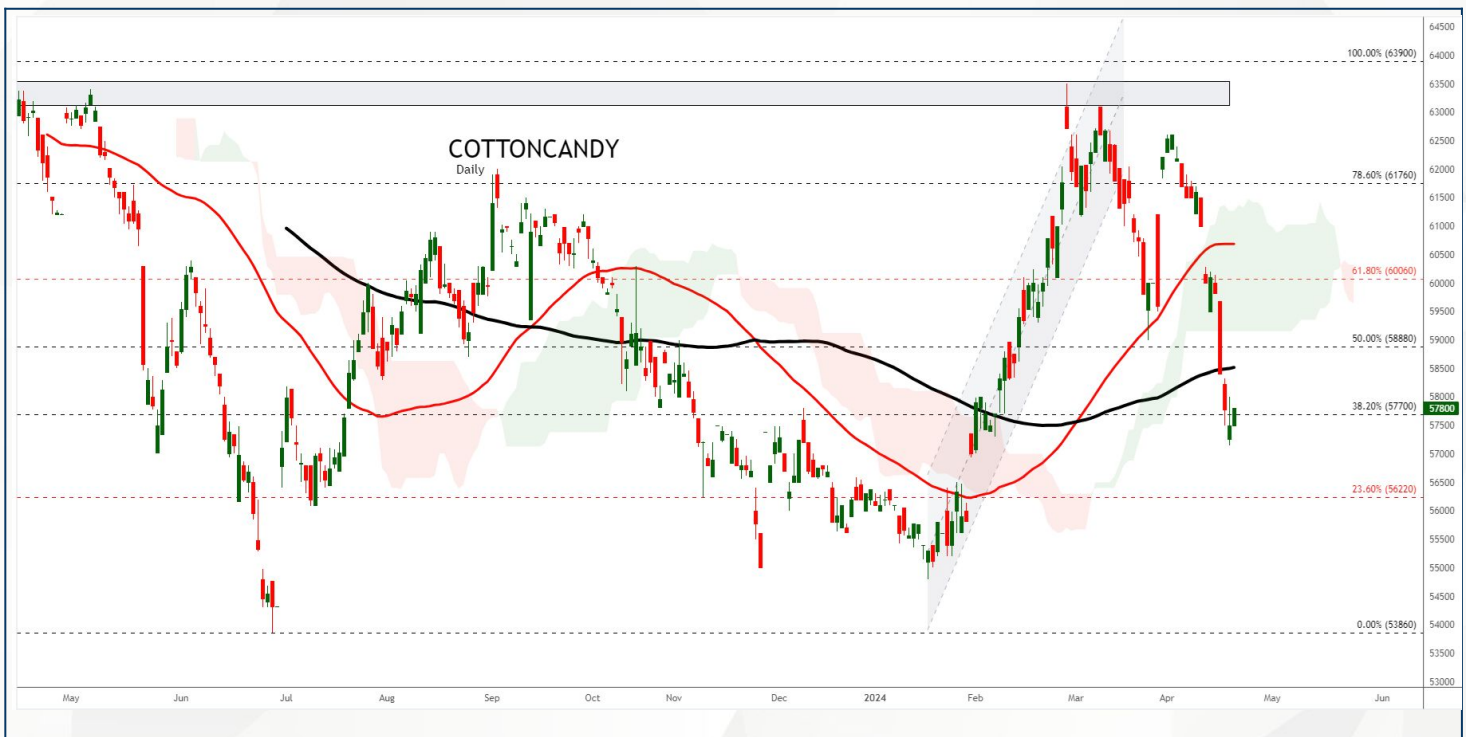
Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,548.45	-0.79
29 mm Cotton	कादी	28,038.55	0.26

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	0.66	0.49	Fresh Buying

Technical Chart



BUY COTTONCANDY MAY @ 57700 SL 57300 TGT 58100-58400. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	57960.00	58720.00	58340.00	57920.00	57540.00	57120.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,697.15	0.65
Cotton Seed Oilcake	कादी	2,714.25	0.39

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-May-24	-0.12	-0.23	Long Liquidation
COCUDAKL	20-Jun-24	-0.31	10.69	Fresh Selling

Technical Chart



BUY COCUDAKL MAY @ 2550 SL 2510 TGT 2600-2640. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-May-24	2,557.00	2577.00	2555.00	2555.00	2545.00	2533.00
COCUDAKL	20-Jun-24	2,585.00	2607.00	2585.00	2585.00	2574.00	2563.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,445.60	0.22
Kapas	कादी	1,464.35	0.64

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-2.05	-23.20	Fresh Selling

Technical Chart

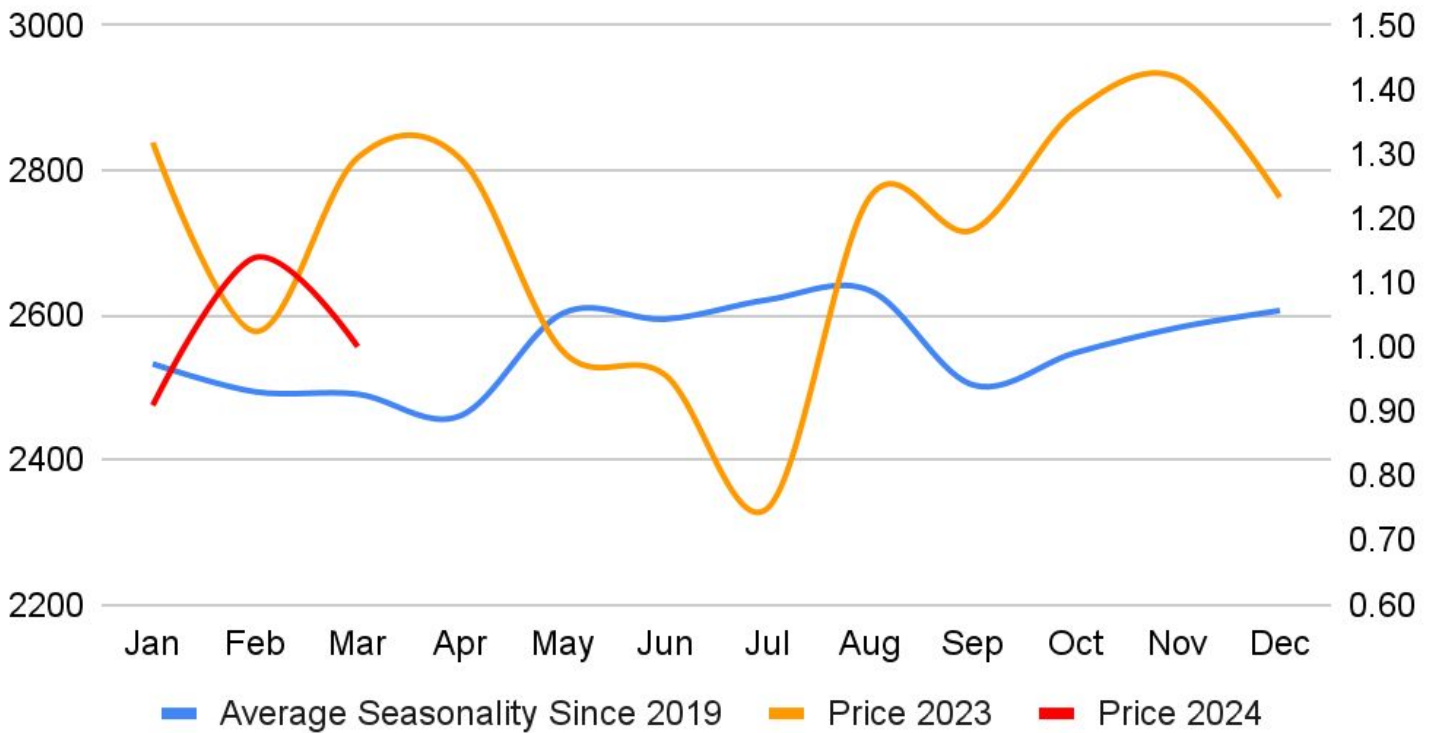


BUY KAPAS APR @ 1425 SL 1410 TGT 1445-1460. NCDEX

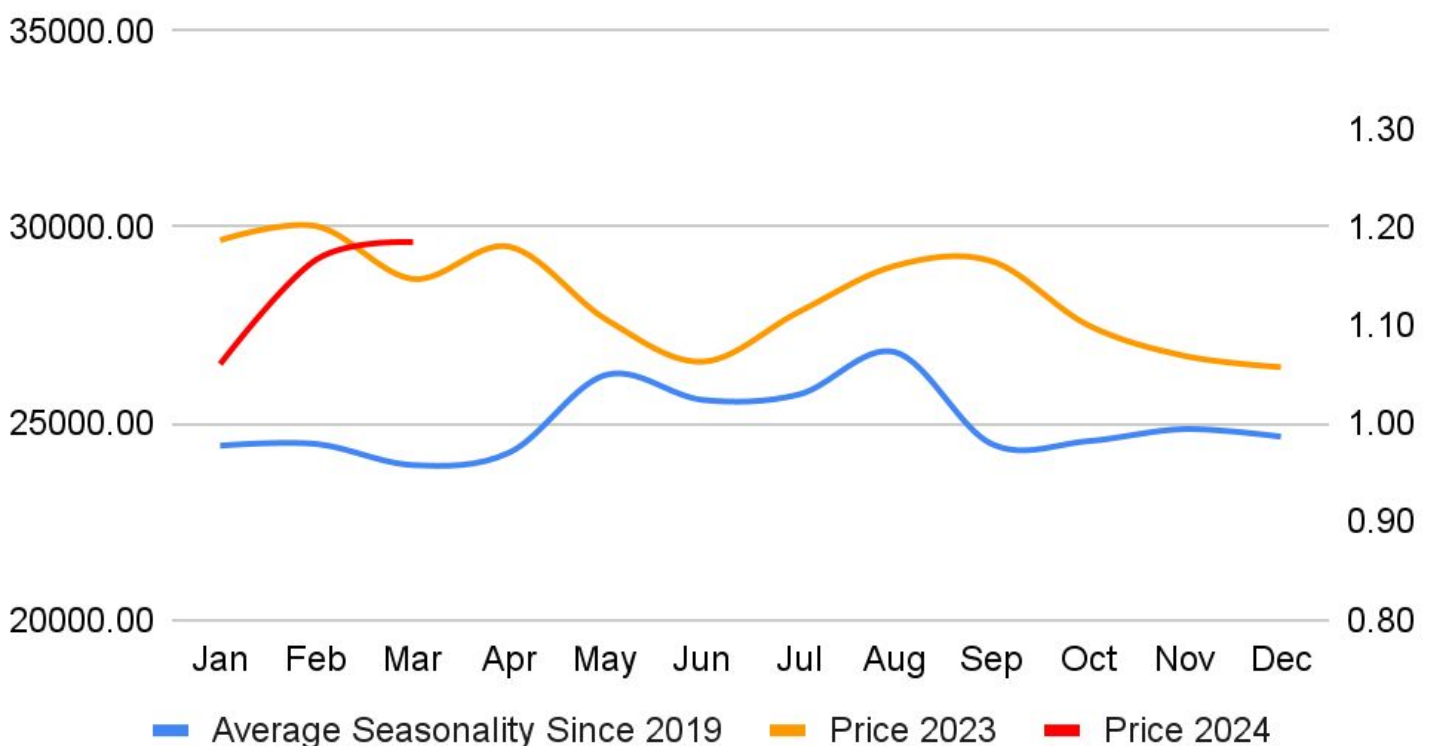
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,431.00	1468.00	1450.00	1438.00	1420.00	1408.00

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Cotton Seasonality





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