



KEDIA ADVISORY

DAILY COTTON REPORT

23 Jan 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-Jan-24	55600.00	55600.00	55600.00	55600.00	-0.11
COTTONCANDY	28-Mar-24	0.00	0.00	0.00	57440.00	0.00
COCUDAKL	20-Feb-24	2,666.00	2,676.00	2,649.00	2,666.00	-0.04
COCUDAKL	20-Mar-24	2,693.00	2,704.00	2,678.00	2,693.00	-0.11
KAPAS	30-Apr-24	1,532.00	1,535.00	1,527.00	1,533.50	0.26

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	84.81	83.87	84.98	83.54	0.00
ZCE COTTON	15950.00	15850.00	16050.00	15825.00	0.60
ZCE COTTON YARN	20950.00	20950.00	20950.00	20950.00	-0.07
USDINR	83.16	83.19	83.08	83.09	-0.09

Cottoncandy prices recorded a gain of 0.76%, settling at 55,660, driven by low-level buying after facing pressure due to a reduction in world consumption forecasts for the 2023/24 season. The forecasted decrease of 1.3 million bales is attributed to reductions in consumption expectations for India, Indonesia, Pakistan, Uzbekistan, and Turkey. However, the market saw support from an increase in world ending stocks for 2023/24, up by 2.0 million bales, driven by higher beginning stocks, production, and lower consumption. The Cotton Association of India (CAI) maintained its estimates for domestic cotton consumption during the 2023-24 season at 311 lakh bales. The pressing estimates for the same season were held steady at 294.10 lakh bales. Brazil witnessed historic high cotton production in the 2022-23 season, driven by expanded cultivation and productivity. Despite increased global supply, sluggish demand and economic challenges led to bloated inventories and reduced cotton prices worldwide. Reports of a decline in pink bollworm infestation in the Indian cotton crop provided some relief. The infestation reduced from 30.62% during 2017-18 to 10.80% in 2022-23. In November, Brazilian cotton shipments increased by 12% compared to October 2023 but decreased by 5.5% compared to November 2022. From a technical perspective, the market is experiencing short covering, with open interest remaining unchanged at 198. Cottoncandy is finding support at 55,300, and a breach below this level could test 54,950. Resistance is likely at 55,900, with a potential upward movement testing 56,150.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	26,410.20	-0.21
29 mm Cotton	कादी	26,484.80	0.17

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-Jan-24	-0.11	-0.51	Long Liquidation

Technical Chart



BUY COTTONCANDY JAN @ 55400 SL 55200 TGT 55700-55900. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-Jan-24	55600.00	55600.00	55600.00	55600.00	55600.00	55600.00
COTTONCANDY	28-Mar-24	57440.00	19150.00	38300.00	19150.00	38300.00	19150.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,665.50	-0.42
Cotton Seed Oilcake	कादी	2,641.50	0.09

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Feb-24	-0.04	-2.90	Long Liquidation
COCUDAKL	20-Mar-24	-0.11	5.04	Fresh Selling

Technical Chart



BUY COCUDAKL FEB @ 2640 SL 2600 TGT 2690-2730. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Feb-24	2,666.00	2691.00	2664.00	2664.00	2652.00	2637.00
COCUDAKL	20-Mar-24	2,693.00	2718.00	2692.00	2692.00	2680.00	2666.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,381.25	-0.14
Kapas	कादी	1,381.75	0.36

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	0.26	1.44	Fresh Selling

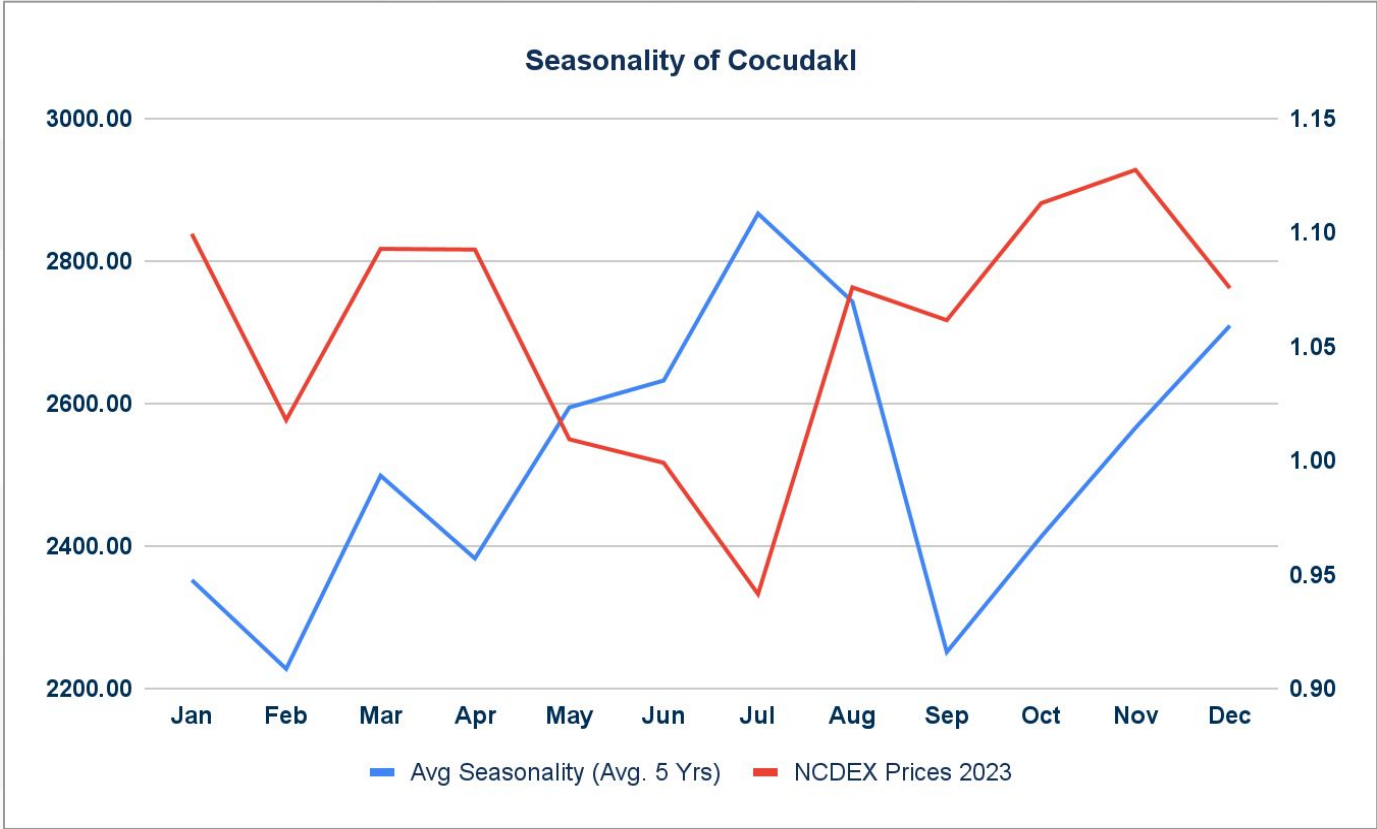
Technical Chart



BUY KAPAS APR @ 1525 SL 1510 TGT 1540-1550. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,533.50	1540.00	1537.00	1532.00	1529.00	1524.00





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