



KEDIA ADVISORY

DAILY COTTON REPORT

29 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	57600.00	58800.00	57600.00	58680.00	1.70
COCUDA KL	20-Jun-24	2,733.00	2,750.00	2,721.00	2,731.00	-0.07
COCUDA KL	19-Jul-24	2,805.00	2,822.00	2,792.00	2,803.00	-0.07
KAPAS	30-Apr-25	1,610.00	1,613.50	1,607.00	1,611.50	0.25

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	82.04	82.05	82.22	81.87	-0.12
ZCE COTTON	15255.00	15350.00	15350.00	15165.00	0.00
ZCE COTTON YARN	18795.00	18690.00	18855.00	18690.00	0.00
USDINR	83.19	83.29	83.18	83.27	0.07

Cotton candy futures surged by 1.7% yesterday, closing at 58680, driven by robust demand for Indian cotton from countries like Bangladesh and Vietnam, among others. However, the upside was capped by sluggish milling demand and muted yarn demand in the global market. Despite these factors, there were prospects of improved crop yields in countries like Australia. The International Cotton Advisory Committee (ICAC) projected increases in cotton-producing area, production, consumption, and trade for the upcoming 2024-25 season. In India, cotton stocks are anticipated to decline by nearly 31% in 2023/24, reaching their lowest level in over three decades due to reduced production and rising consumption. Lower stockpiles are expected to constrain exports from the world's second-largest producer, supporting global prices but potentially impacting domestic textile companies' margins. For the marketing year 2024/25, India's cotton production is estimated to decrease by 2% to 25.4 million 480 lb. bales, with a shift in acreage to higher-return crops. However, mill consumption is forecasted to increase by 2%, driven by improving yarn and textile demand in major international markets. Additionally, with the recension of import duty on extra-long staple (ELS) cotton, imports are expected to rise by 20%. Technically, the cotton candy market is experiencing fresh buying, with open interest increasing by 1.84% to settle at 332 contracts, while prices surged by 980 rupees. Currently, cotton candy finds support at 57920, with potential to test 57160 if it falls below this level. On the upside, resistance is likely at 59120, with a move above potentially testing 59560. Overall, while demand remains strong, market dynamics and technical indicators will continue to shape price movements in the cotton candy futures market.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,234.90	-0.11
29 mm Cotton	कादी	27,154.10	-0.35

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-Jul-24	1.70	1.84	Fresh Buying

Technical Chart



BUY COTTONCANDY JUL @ 58500 SL 58200 TGT 58900-59200. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-Jul-24	58680.00	59560.00	59120.00	58360.00	57920.00	57160.00

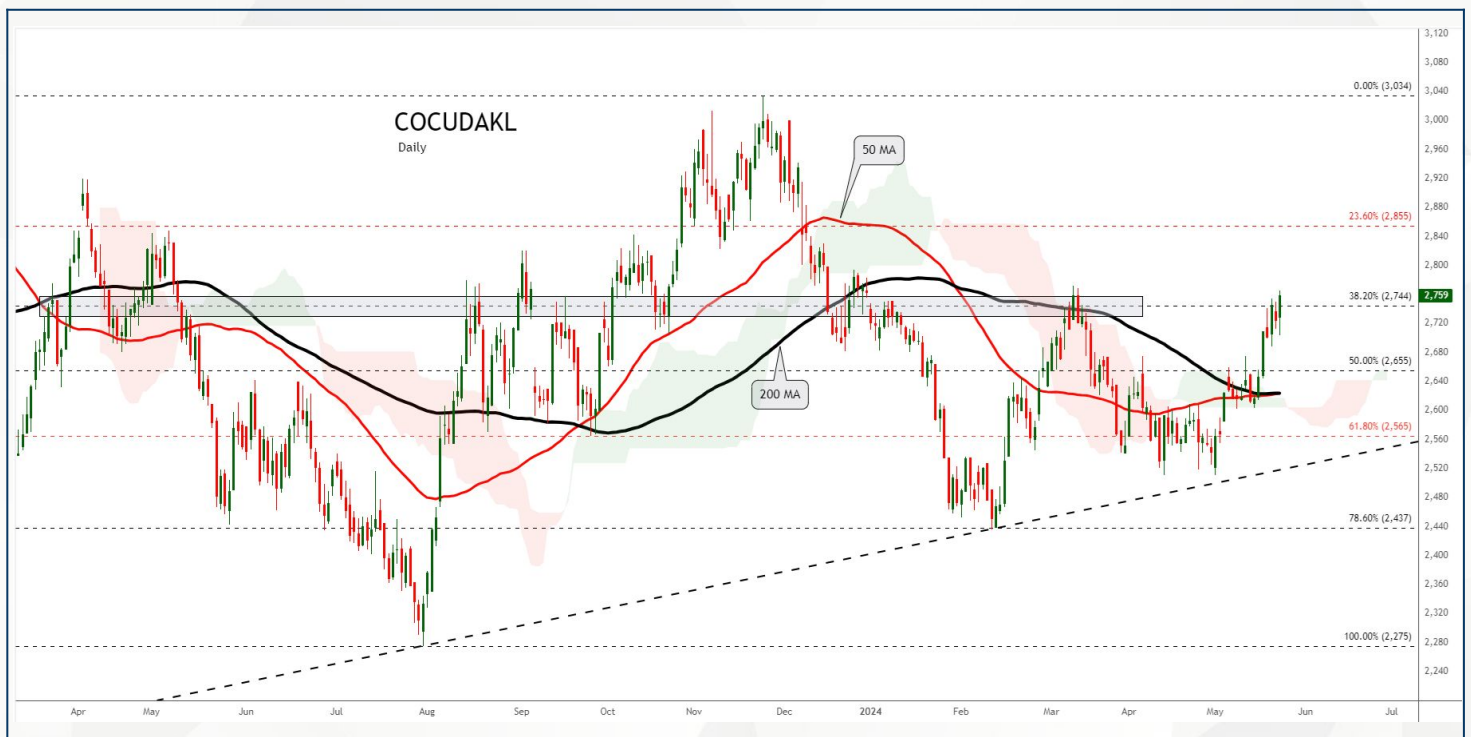
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,823.55	0.58
Cotton Seed Oilcake	कादी	2,916.35	-0.09

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	-0.07	-0.53	Long Liquidation
COCUDAKL	19-Jul-24	-0.07	8.05	Fresh Selling

Technical Chart



SELL COCUDAKL JUN @ 2750 SL 2790 TGT 2700-2660. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Jun-24	2,731.00	2763.00	2734.00	2734.00	2718.00	2705.00
COCUDAKL	19-Jul-24	2,803.00	2836.00	2806.00	2806.00	2790.00	2776.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,455.05	0
Kapas	कादी	1,458.70	0.25

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.25	0.33	Fresh Selling

Technical Chart



BUY KAPAS APR @ 1605 SL 1590 TGT 1620-1630. NCDEX

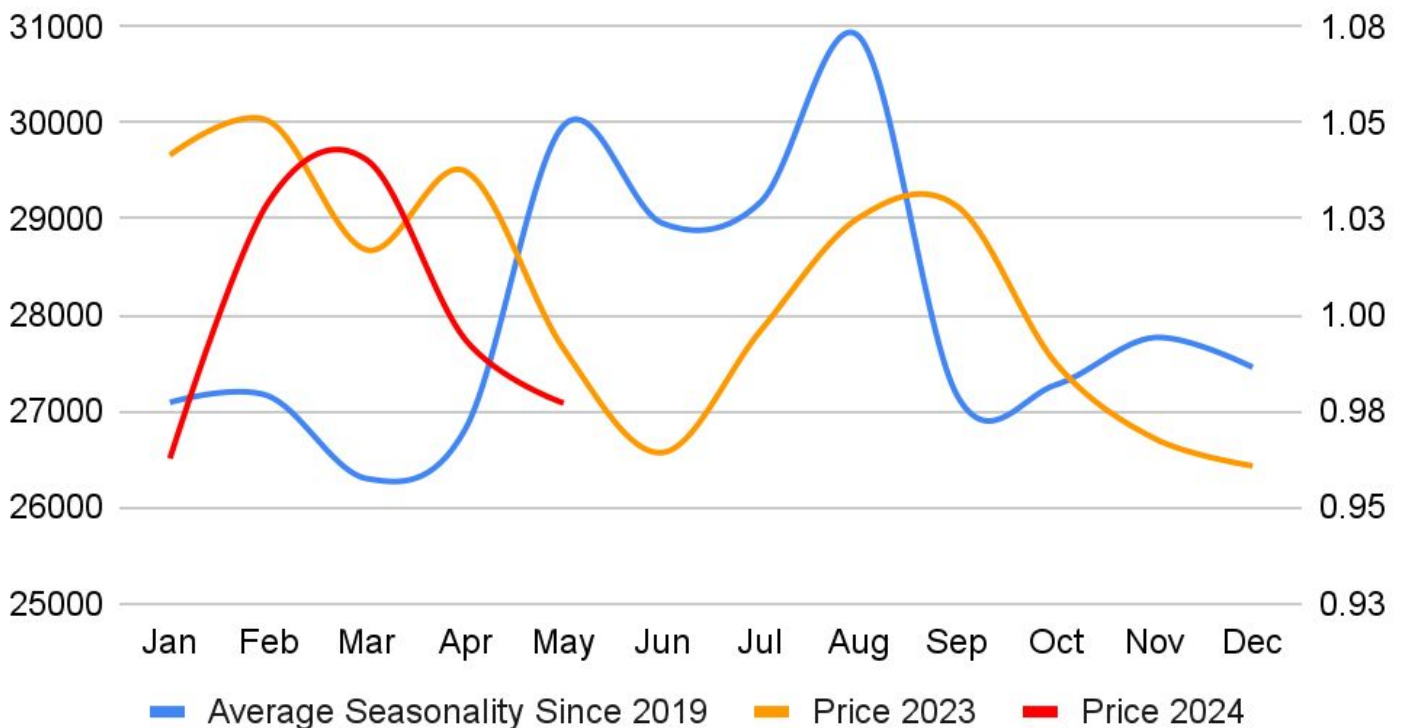
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,611.50	1617.00	1615.00	1611.00	1609.00	1605.00

Cocudaki Seasonlity



Cotton Seasonality (Rajkot - 29 mm)





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