



KEDIA ADVISORY

DAILY COTTON REPORT

13 Mar 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	28-Mar-24	62440.00	62680.00	61920.00	62040.00	-0.96
COCUDAKL	19-Apr-24	2,759.00	2,769.00	2,720.00	2,727.00	-1.41
COCUDAKL	20-May-24	2,800.00	2,802.00	2,755.00	2,762.00	-1.36
KAPAS	30-Apr-24	1,649.00	1,649.00	1,623.50	1,625.50	-1.43

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	95.37	95.21	95.75	94.06	0.47
ZCE COTTON	15860.00	15875.00	15945.00	15800.00	0.00
ZCE COTTON YARN	20605.00	20605.00	20605.00	20605.00	0.00
USDINR	82.79	82.81	82.74	82.80	0.04

Cotton prices experienced a slight decline yesterday, settling down by -0.96% at 62040, driven by profit booking activities following earlier gains. This came in the wake of the latest U.S. cotton forecasts for the 2023/24 season, which showed lower production and ending stocks compared to the previous month's estimates. Reduced production in the U.S., reflected in the March 8 Cotton Ginnings report, led to a decrease of 334,000 bales to 12.1 million, while ending stocks were lowered by 300,000 bales to 2.5 million. Despite this, the projected marketing year average price received by upland producers remained unchanged at 77.0 cents per pound. On the global front, cotton supply and demand estimates for 2023/24 indicated higher production, consumption, and trade, albeit with lower ending stocks. While production was slightly higher due to increased output in India, consumption saw a significant rise driven by China and India. World trade also saw an uptick, with higher imports projected for China, India, Australia, and Turkey. However, ending stocks witnessed a marginal decline, indicating a tighter market scenario. Meanwhile, the Southern India Mills' Association (SIMA) advised textile mills in southern States to avoid panic buying of cotton. The recent surge in domestic cotton prices prompted caution, with prices of the widely-used Shankar-6 variety reaching almost ₹62,000 a candy from ₹55,300 two weeks prior. The Committee on Cotton Production and Consumption estimated production for the current season at 316.57 lakh bales, with imports at 12 lakh bales and domestic consumption at 310 lakh bales. Despite increased capacity utilization at mills and significant contracts for exports, concerns lingered regarding the sustainability of export demand as domestic prices approach international levels. In Rajkot, a major spot market, cotton prices ended slightly lower at 29482.05 Rupees, dropping by -0.05 percent. From a technical perspective, the market observed fresh selling, with a gain in open interest by 0.84%. Currently, Cottoncandy finds support at 61740, with a potential downside to 61450, while resistance is likely to be encountered at 62500, with a breakthrough potentially leading to prices testing 62970 levels.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	29,482.05	-0.05
29 mm Cotton	कादी	29,401.00	0

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	28-Mar-24	-0.96	0.84	Fresh Selling

Technical Chart



SELL COTTONCANDY MAR @ 62400 SL 62800 TGT 61900-61600. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	28-Mar-24	62040.00	62970.00	62500.00	62210.00	61740.00	61450.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,764.10	0.49
Cotton Seed Oilcake	कादी	2,790.50	0.48

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	19-Apr-24	-1.41	4.42	Fresh Selling
COCUDAKL	20-May-24	-1.36	33.72	Fresh Selling

Technical Chart



SELL COCUDAKL APR @ 2760 SL 2800 TGT 2710-2670. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	19-Apr-24	2,727.00	2788.00	2739.00	2739.00	2709.00	2690.00
COCUDAKL	20-May-24	2,762.00	2820.00	2773.00	2773.00	2744.00	2726.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,534.75	0.04
Kapas	कादी	1,542.70	0.1

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-1.43	-3.97	Fresh Selling

Technical Chart

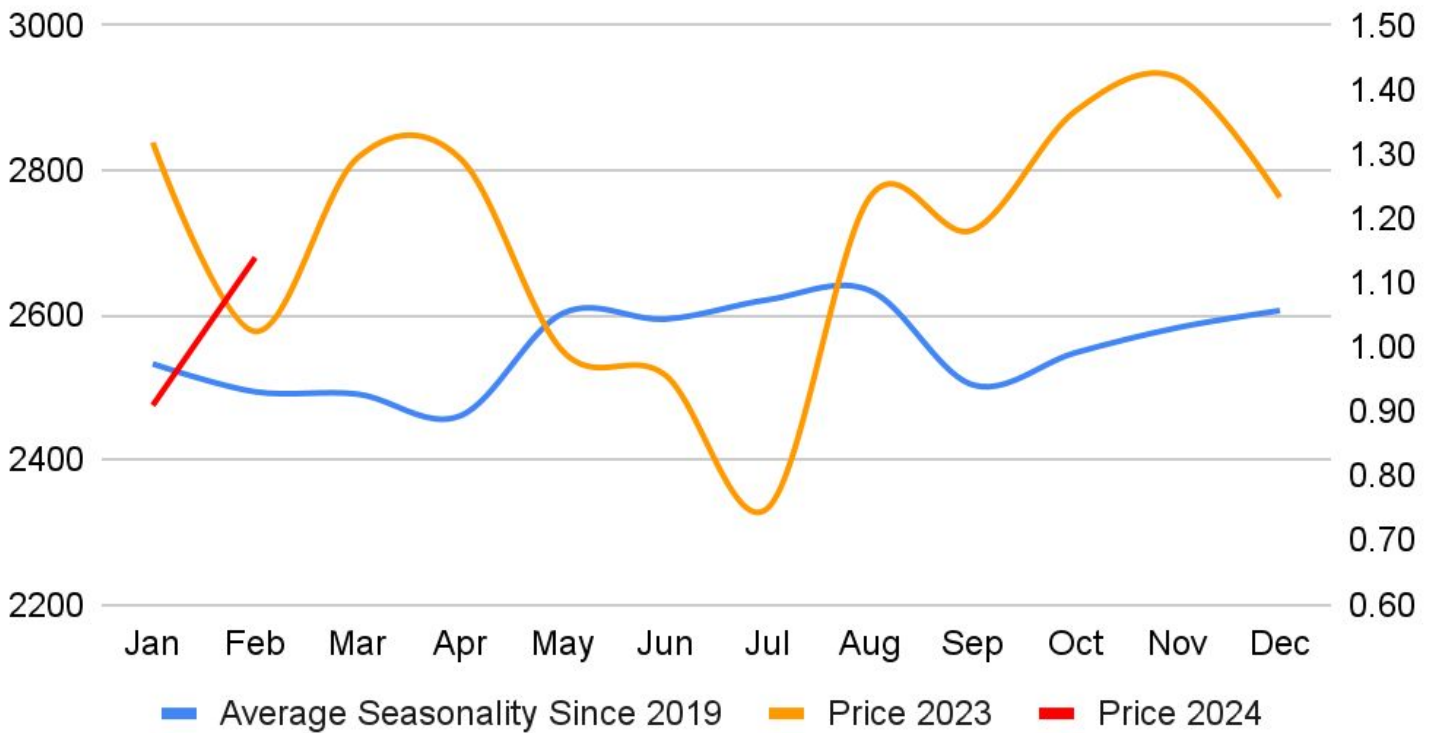


SELL KAPAS APR @ 1635 SL 1655 TGT 1610-1600. NCDEX

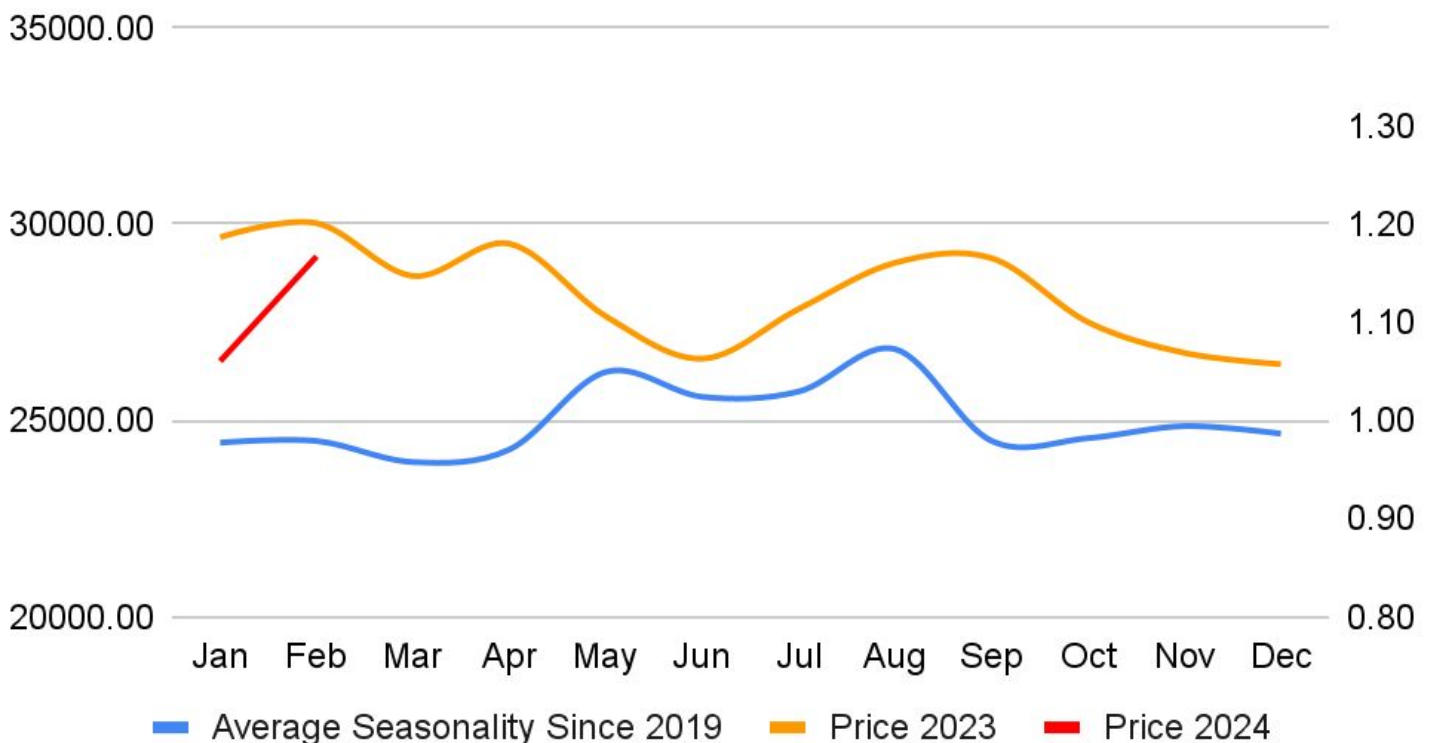
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,625.50	1,659.00	1,643.00	1,633.00	1,617.00	1,607.00

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Cotton Seasonality





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