



KEDIA ADVISORY

DAILY COTTON REPORT

29 Feb 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

Research Advisory | White Labelling | Digital Marketing



Cotton Complex

| Commodity | Expiry | Open | High | Low | Close | % Change |
|-------------|-----------|----------|----------|----------|----------|----------|
| COTTONCANDY | 28-Mar-24 | 63100.00 | 63500.00 | 62700.00 | 62820.00 | 1.88 |
| COCUDA KL | 20-Mar-24 | 2,656.00 | 2,687.00 | 2,645.00 | 2,660.00 | 1.14 |
| COCUDA KL | 19-Apr-24 | 2,698.00 | 2,722.00 | 2,679.00 | 2,696.00 | 1.16 |
| KAPAS | 30-Apr-24 | 1,633.00 | 1,655.00 | 1,633.00 | 1,643.50 | 1.89 |

International Rates

| Commodity | Price | Open | High | Low | % Chg |
|-----------------|----------|----------|----------|----------|-------|
| US COTTON | 98.83 | 99.08 | 99.58 | 98.01 | -2.28 |
| ZCE COTTON | 16315.00 | 16300.00 | 16385.00 | 16220.00 | 0.00 |
| ZCE COTTON YARN | 21400.00 | 21400.00 | 21400.00 | 21400.00 | 0.00 |
| USDINR | 82.96 | 83.02 | 82.96 | 82.97 | 0.02 |

Cotton Candy demonstrated strength in the market, settling up by 1.88% at 62820, buoyed by the prospect of tight supplies against relatively stable demand. The USDA's February WASDE report projected a reduction of 355,000 bales in the 2023/24 world cotton production, primarily due to cuts in Australia and Benin, partly offset by smaller increases elsewhere. Lower beginning stocks and production contributed to a nearly 700,000 bales reduction in world cotton ending stocks for 2023/24. Despite variations in consumption across countries, global consumption is expected to remain virtually unchanged. India's cotton exports in February are anticipated to reach the highest level in two years, driven by attractive prices making Indian cotton competitive for Asian buyers. Contracts for exporting 400,000 bales were signed in February, mainly to China, Bangladesh, and Vietnam. The rally in global prices has made Indian cotton the cheapest in the world, resulting in a surge in exports. The Cotton Association of India (CAI) predicts India's cotton production to fall by 7.7% in 2023/24, reaching the lowest level since 2007/08 at 29.41 million bales. Despite the decline in production, CAI retained its cotton pressing estimate and highlighted the potential for India to export 2 million bales in the 2023/24 marketing year, surpassing earlier expectations. Technically, the cotton candy market is undergoing short covering, with unchanged open interest settling at 477 and a price increase of 1160 rupees. Key support levels are identified at 62520 and 62210, while resistance is expected at 63320, with a potential breakthrough leading to a test of 63810.

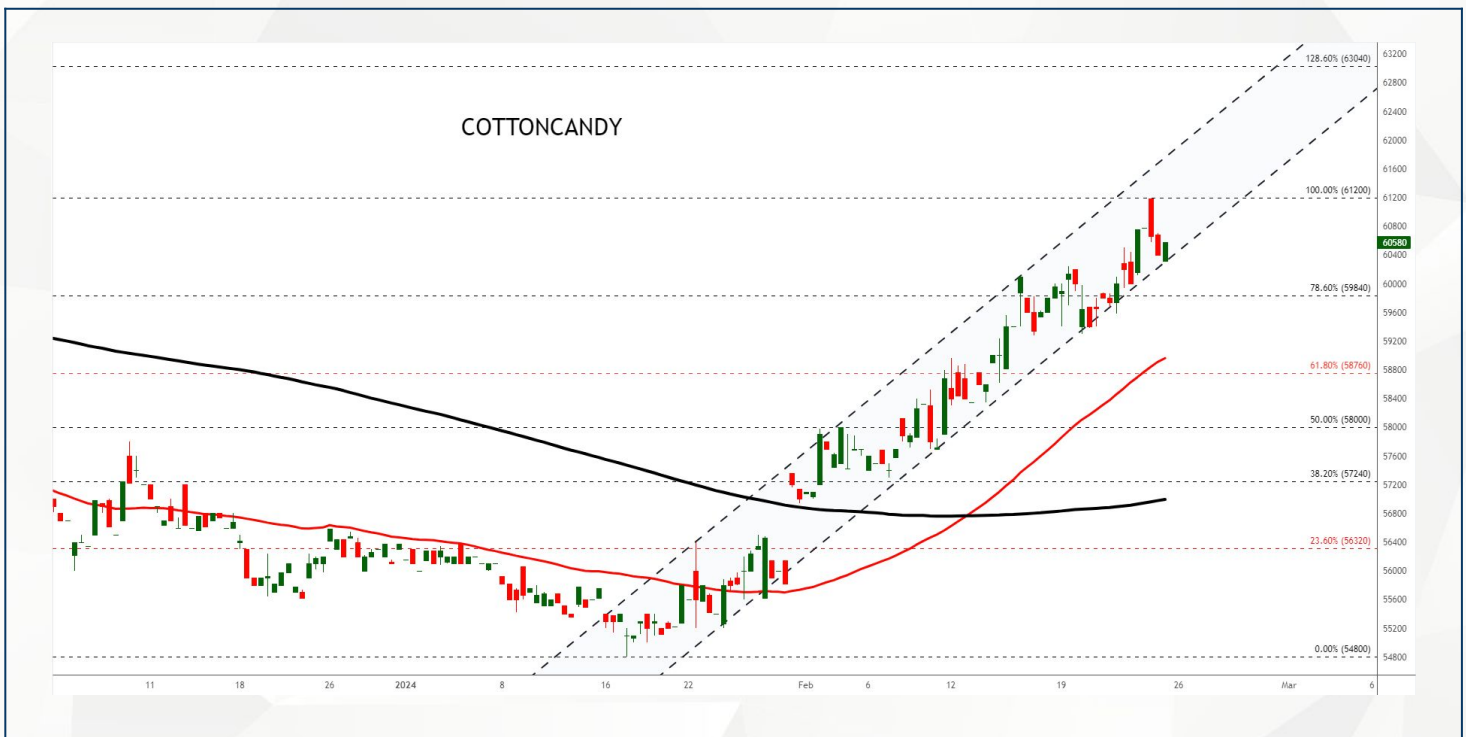
Spot Rates

| Commodity | Location | Price | % Chg |
|--------------|----------|-----------|-------|
| 29 mm Cotton | राजकोट | 29,125.50 | 0.97 |
| 29 mm Cotton | कादी | 29,162.00 | 1.24 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-------------|-----------|----------|-------------|----------------|
| COTTONCANDY | 28-Mar-24 | 1.88 | 0.00 | Short Covering |

Technical Chart



BUY COTTONCANDY MAR @ 62500 SL 62200 TGT 63000-63400. MCX

Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-------------|-----------|----------|----------|----------|----------|----------|----------|
| COTTONCANDY | 28-Mar-24 | 62820.00 | 63810.00 | 63320.00 | 63010.00 | 62520.00 | 62210.00 |

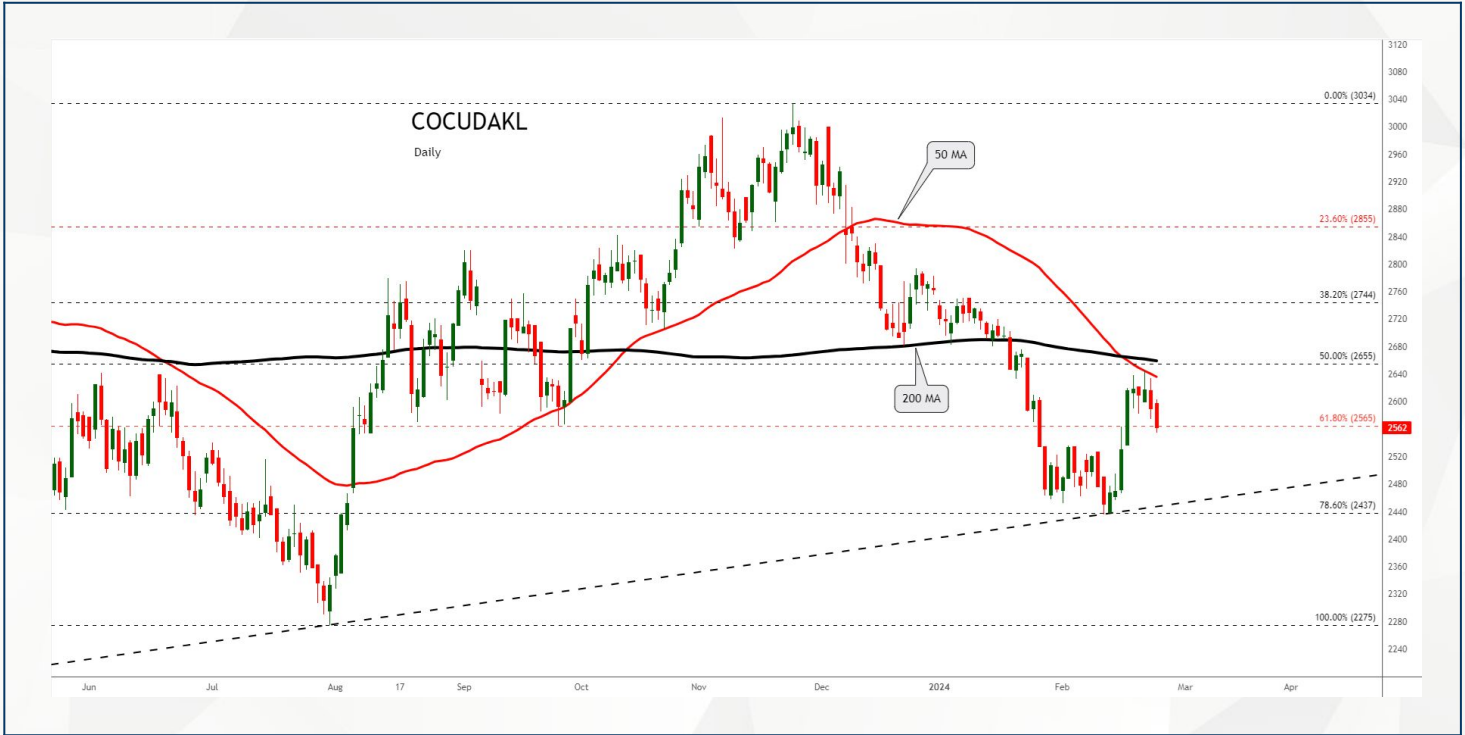
Spot Rates

| Commodity | Location | Price | % Chg |
|---------------------|----------|----------|-------|
| Cotton Seed Oilcake | आकोला | 2,682.95 | 0.07 |
| Cotton Seed Oilcake | कादी | 2,710.70 | 0.18 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-----------|-----------|----------|-------------|----------------|
| COCUDAKL | 20-Mar-24 | 1.14 | -10.30 | Short Covering |
| COCUDAKL | 19-Apr-24 | 1.16 | 37.04 | Fresh Buying |

Technical Chart



BUY COCUDAKL MAR @ 2625 SL 2585 TGT 2660-2700. NCDEX

Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-----------|-----------|----------|---------|---------|---------|---------|---------|
| COCUDAKL | 20-Mar-24 | 2,660.00 | 2706.00 | 2664.00 | 2664.00 | 2641.00 | 2622.00 |
| COCUDAKL | 19-Apr-24 | 2,696.00 | 2742.00 | 2699.00 | 2699.00 | 2676.00 | 2656.00 |

Spot Rates

| Commodity | Location | Price | % Chg |
|-----------|----------|----------|-------|
| Kapas | राजकोट | 1,514.05 | 0.16 |
| Kapas | कादी | 1,510.85 | 0.96 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-----------|-----------|----------|-------------|--------------|
| KAPAS | 30-Apr-24 | 1.89 | -4.86 | Fresh Buying |

Technical Chart

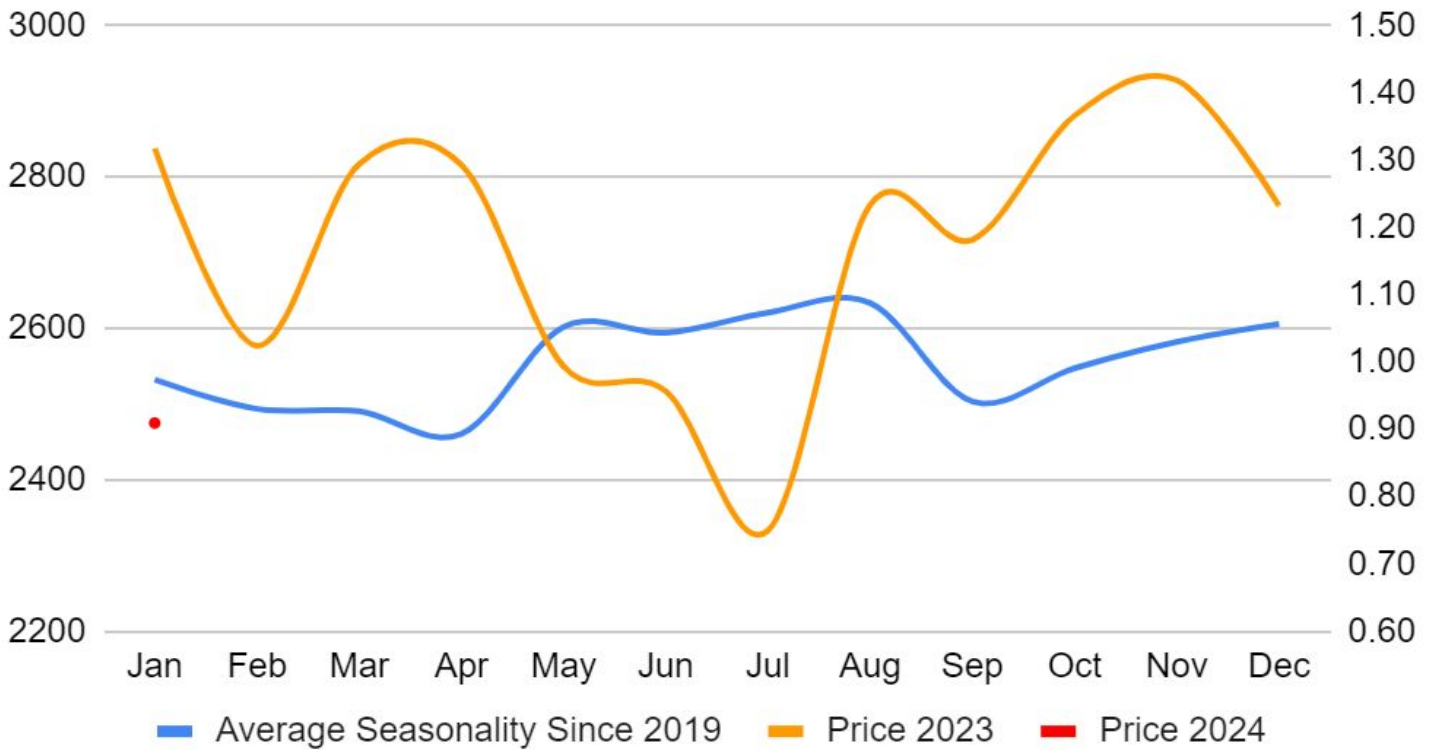


BUY KAPAS APR @ 1635 SL 1620 TGT 1645-1655. NCDEX

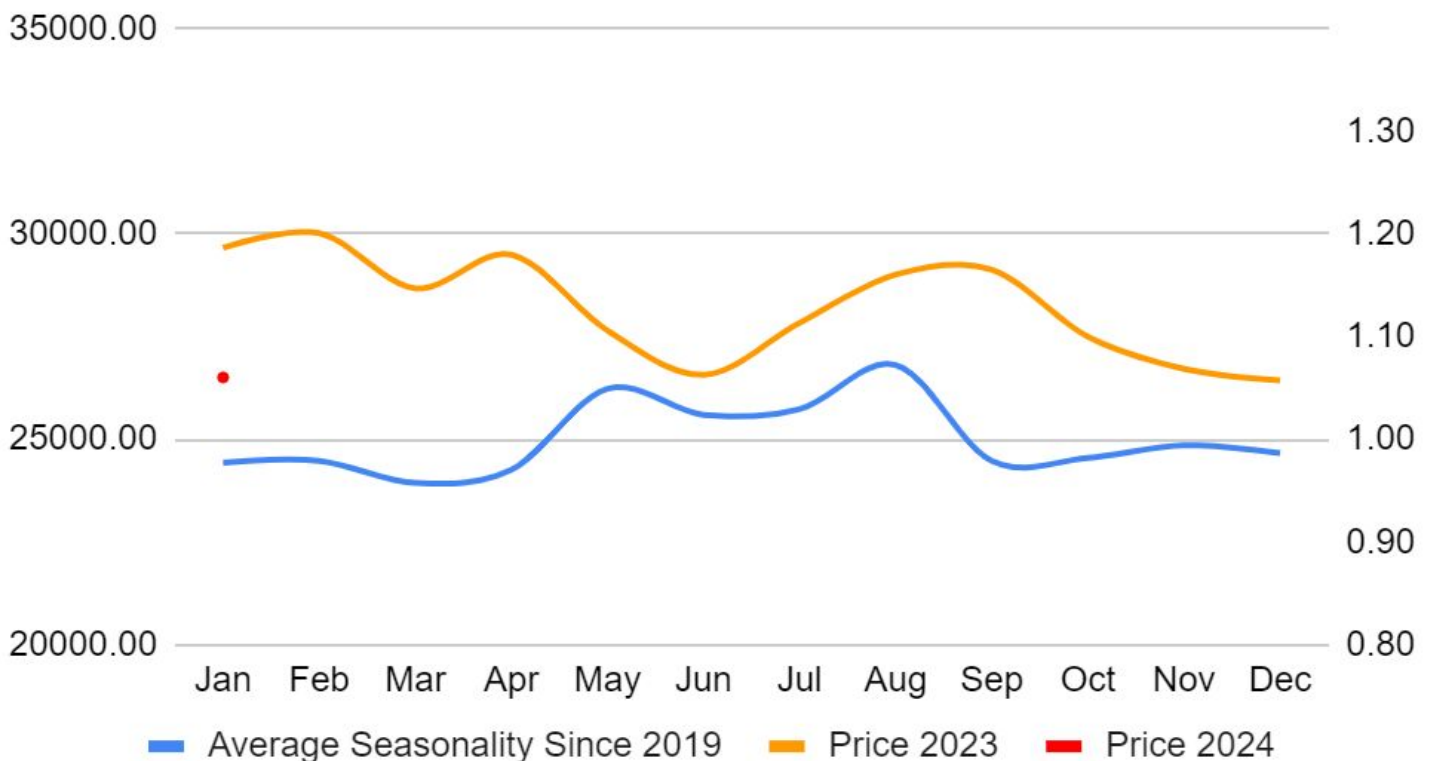
Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-----------|-----------|----------|---------|---------|---------|---------|---------|
| KAPAS | 30-Apr-24 | 1,643.50 | 1666.00 | 1655.00 | 1644.00 | 1633.00 | 1622.00 |

Cocudaki Seasonlity



Cotton Seasonality





DISCLAIMER

KEDIA ADVISORY

This Report is prepared and distributed by Kedia Stocks & Commodities Research Pvt Ltd. Our SEBI REGISTRATION NUMBER - INH000006156. for information purposes only. The recommendations, if any, made herein are expressions of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale through KSCRPL nor any solicitation or offering of any investment /trading opportunity. These information/opinions/ views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by KSCRPL to be reliable. KSCRPL or its directors, employees, affiliates or representatives do not assume any responsibility for or warrant the accuracy, completeness, adequacy and reliability of such information/opinions/ views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of KSCRPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information/opinions/views contained in this Report. The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by KSCRPL in any jurisdiction (other than India), where any action for such purpose (s) is required. Accordingly, this Report shall not be possessed, circulated and/ or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. KSCRPL requires such a recipient to inform himself about and to observe any restrictions at his own expense, without any liability to KSCRPL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

KEDIA ADVISORY

KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD

Mumbai, India

SEBI REGISTRATION NUMBER - INH000006156

For more details, please contact: +91 93234 06035 / 96195 51022

Email: info@kediaadvisory.com

Regd.Off.: 1, 2, 3 & 4, 1st Floor, Tulip Bldg, Flower Valley Complex, Khadakpada Circle,
Kalyan-(W), Mumbai-421301