



KEDIA ADVISORY

DAILY COTTON REPORT

16 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-May-24	56140.00	56500.00	55820.00	55980.00	-1.10
COCUDAKL	20-Jun-24	2,610.00	2,620.00	2,603.00	2,618.00	0.15
COCUDAKL	19-Jul-24	2,670.00	2,675.00	2,660.00	2,670.00	0.00
KAPAS	30-Apr-25	1,553.00	1,561.50	1,551.00	1,555.00	-0.45

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	75.71	75.61	75.90	75.60	0.36
ZCE COTTON	14965.00	15000.00	15085.00	14790.00	0.00
ZCE COTTON YARN	20135.00	20350.00	20350.00	20025.00	0.00
USDINR	83.54	83.55	83.51	83.54	-0.01

Cotton candy prices experienced a decline of -1.1% in yesterday's trading session, settling at 55980, primarily driven by sluggish milling demand amid muted global demand for yarn. Additionally, pressure mounted from prospects of a better crop in countries like Australia. However, downside potential was limited by strong demand for Indian cotton from countries such as Bangladesh and Vietnam. The International Cotton Advisory Committee (ICAC) projected increases in cotton-producing areas, production, consumption, and trade for the upcoming season, 2024-25. India's cotton stocks are anticipated to decline by nearly 31% in 2023/24, reaching their lowest level in more than three decades due to lower production and rising consumption. This reduction in stockpiles is expected to constrain exports from India, the world's second-largest cotton producer, supporting global prices but potentially impacting the margins of local textile companies. India's cotton production for the current season is forecasted to decrease slightly, with consumption expected to rise. Moreover, India's cotton exports are projected to increase compared to the previous year. Looking ahead to the 2024/25 marketing year, India's cotton production is estimated to decrease by two percent, while mill consumption is expected to rise by two percent as yarn and textile demand improves in major international markets. Meanwhile, China's cotton imports for the same period are forecasted to increase on higher domestic and international demand for textile and apparel products. From a technical perspective, the market witnessed fresh selling pressure, with a gain in open interest by 0.54% despite prices declining by -620 rupees. Presently, cotton candy finds support at 55700, with a potential downside test towards 55420 levels. Conversely, resistance is likely at 56380, with a breakout potentially leading to a test of 56780 levels.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,203.80	-0.24
29 mm Cotton	कादी	27,130.20	-0.44

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	-1.10	0.54	Fresh Selling

Technical Chart



BUY COTTONCANDY MAY @ 55700 SL 55300 TGT 56200-56600. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	55980.00	56780.00	56380.00	56100.00	55700.00	55420.00

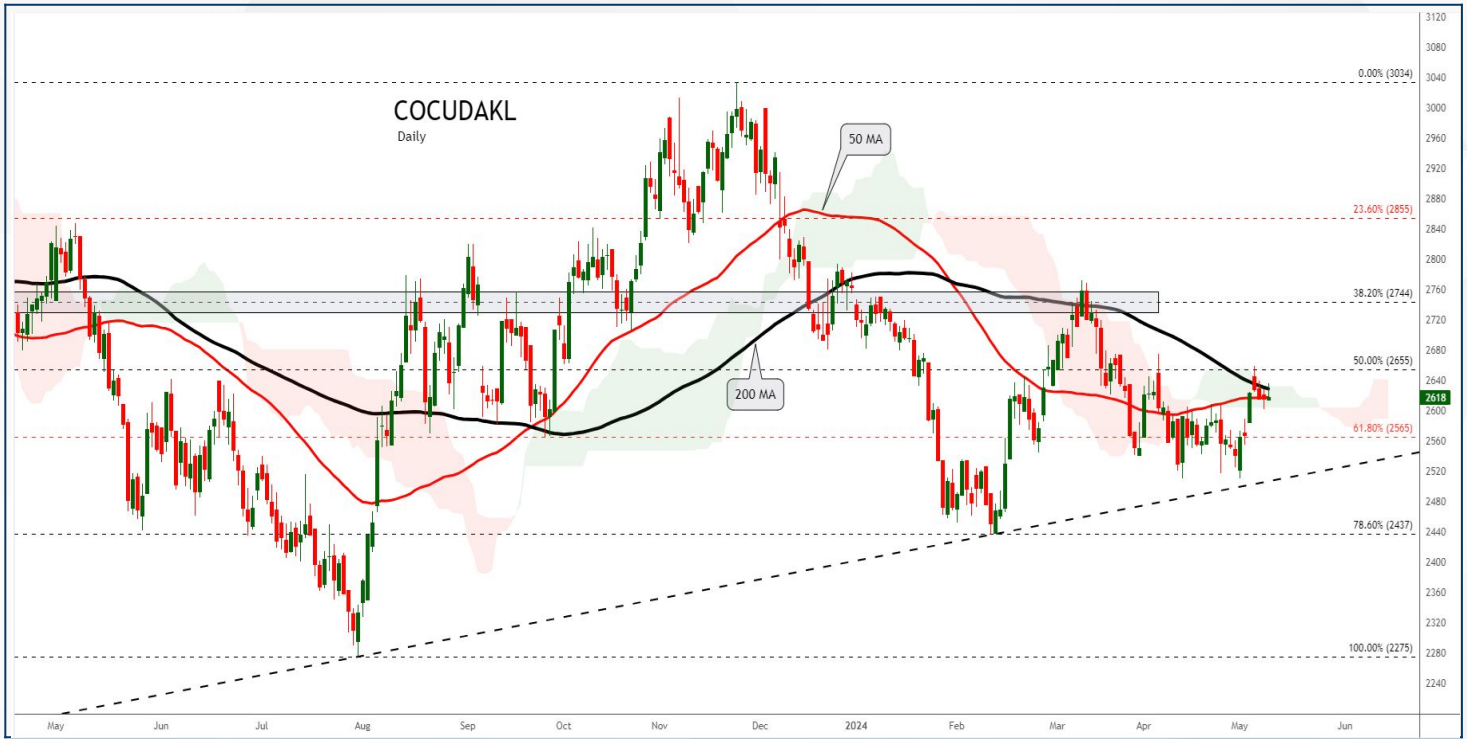
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,727.80	-0.23
Cotton Seed Oilcake	कादी	2,802.70	-0.12

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	0.15	0.79	Fresh Buying
COCUDAKL	19-Jul-24	0.00	2.46	Fresh Selling

Technical Chart



BUY COCUDAKL JUN @ 2600 SL 2560 TGT 2650-2690. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Jun-24	2,618.00	2631.00	2614.00	2614.00	2608.00	2597.00
COCUDAKL	19-Jul-24	2,670.00	2683.00	2668.00	2668.00	2661.00	2653.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,449.90	-0.09
Kapas	कादी	1,451.90	-0.6

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	-0.45	0.37	Fresh Selling

Technical Chart

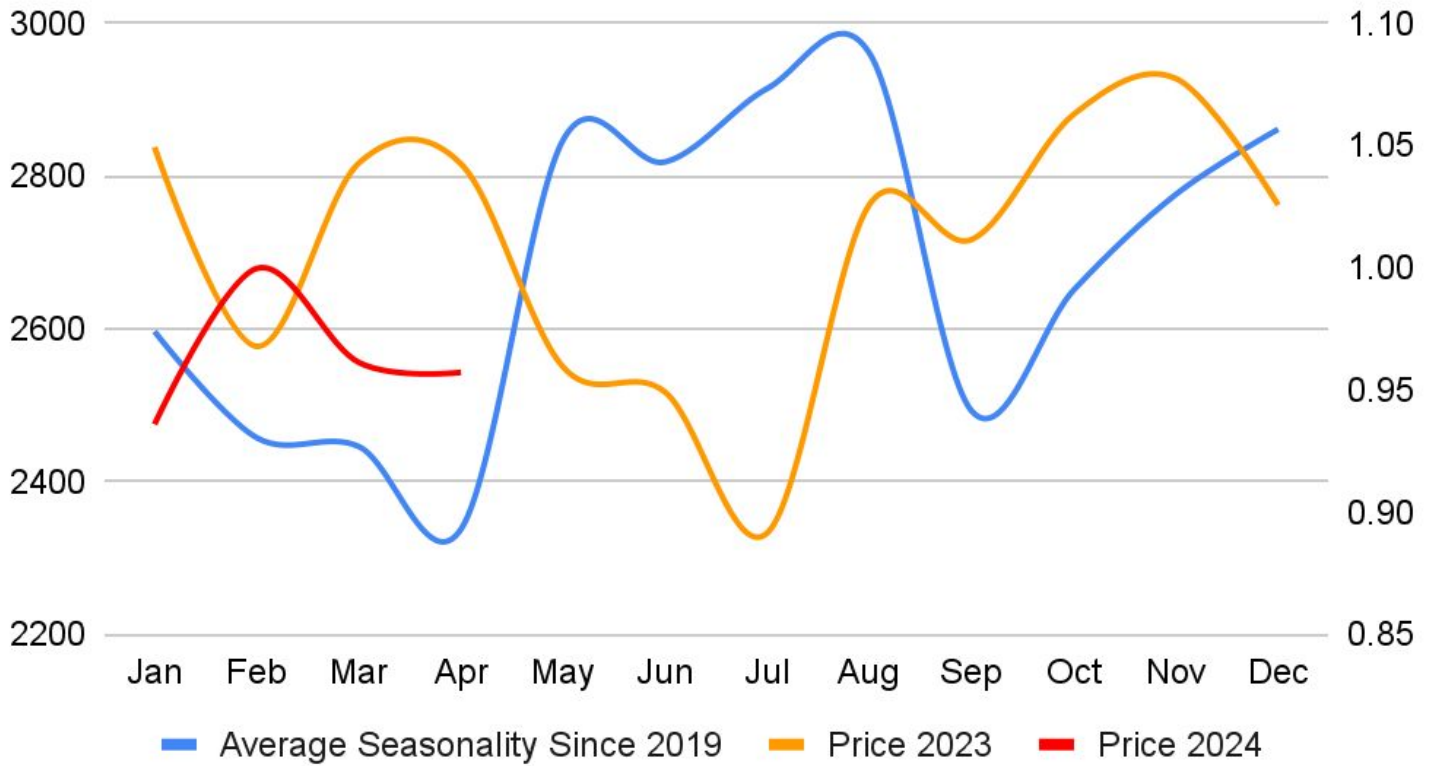


BUY KAPAS APR @ 1550 SL 1530 TGT 1570-1580. NCDEX

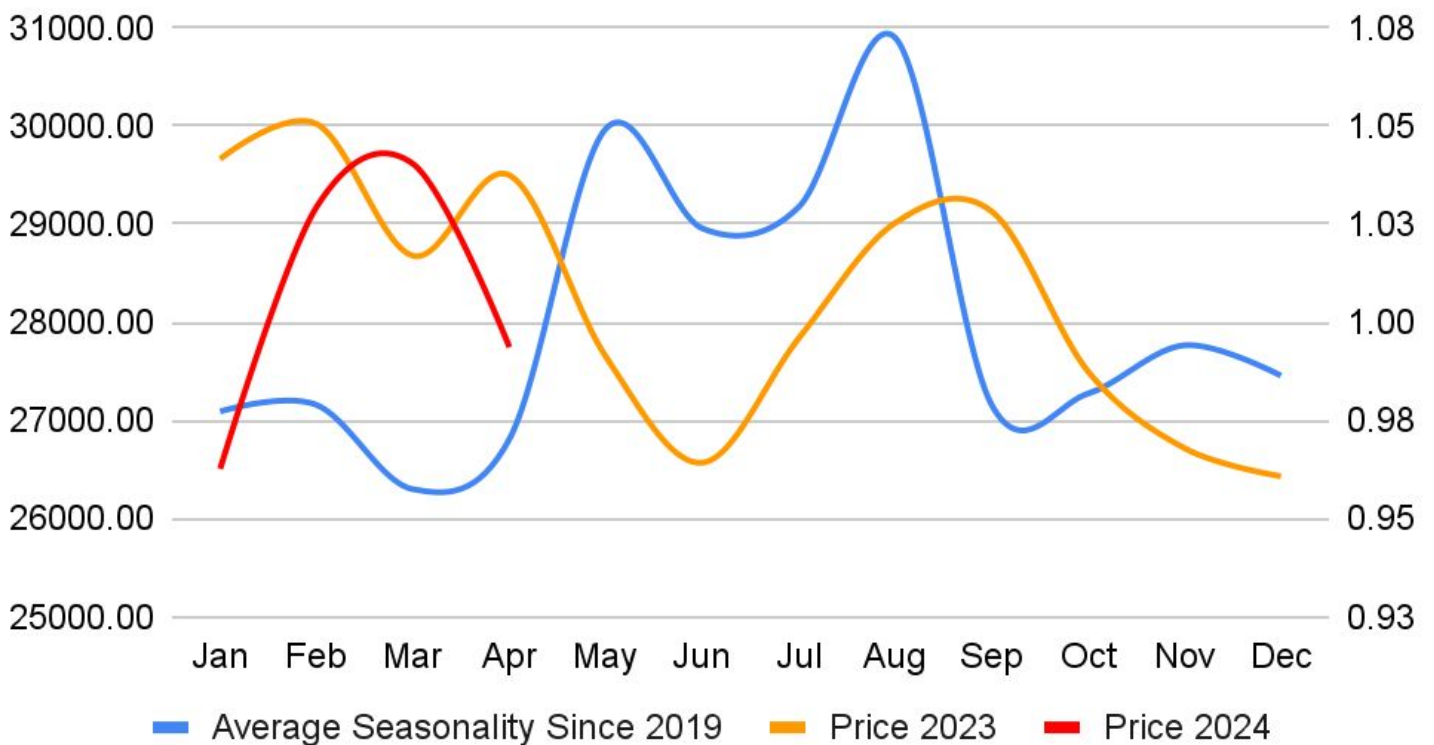
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,555.00	1566.00	1561.00	1556.00	1551.00	1546.00

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Cotton Seasonality





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