



KEDIA ADVISORY

DAILY COTTON REPORT

15 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	57000.00	57000.00	56200.00	56600.00	-0.95
COCUDA KL	20-Jun-24	2,649.00	2,651.00	2,610.00	2,614.00	-1.10
COCUDA KL	19-Jul-24	2,709.00	2,709.00	2,664.00	2,670.00	-1.22
KAPAS	30-Apr-25	1,562.00	1,562.00	1,559.00	1,562.00	-0.48

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	74.13	74.56	74.67	73.77	-0.67
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	83.56	83.54	83.56	0.00

Cottoncandy faced downward pressure yesterday, settling down by -0.95% at 56600, primarily due to concerns surrounding sluggish milling demand amidst muted global demand for yarn. Additionally, prospects of a better crop in countries like Australia added to the bearish sentiment. However, the downside was somewhat mitigated by robust demand for Indian cotton from key importing countries such as Bangladesh and Vietnam. The International Cotton Advisory Committee (ICAC) has projected an increase in cotton-producing areas, production, consumption, and trade for the upcoming season, 2024-25. India, the world's second-largest cotton producer, is expected to witness a significant decline in cotton stocks by nearly 31% in 2023/24, reaching their lowest level in over three decades. This reduction in stockpiles is attributed to lower production and rising domestic consumption. Consequently, lower stock levels are anticipated to constrain exports, supporting global prices while potentially impacting the margins of local textile companies. Looking ahead to the 2024/25 marketing year, India's cotton production is estimated to decrease by two percent, with farmers potentially shifting acreage to higher-return crops. However, mill consumption is projected to rise by two percent, driven by improving yarn and textile demand in major international markets. Moreover, the recent notification of import duty recension on extra-long staple (ELS) cotton is expected to boost imports by 20 percent. In China, cotton imports for the 2024/25 marketing year are forecasted to increase to meet higher domestic and international demand for textile and apparel products. Despite stable planted areas in Xinjiang, China's production is expected to decline due to a shift in planting preferences. Technically, the cotton market witnessed long liquidation, indicated by a drop in open interest by -0.8% alongside a decline in prices by -540 rupees. Currently, Cottoncandy finds support at 56200, with potential downside towards 55800, while resistance is anticipated at 57000.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,438.60	-0.19
29 mm Cotton	कादी	27,727.80	0.61

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	-0.95	-0.80	Long Liquidation

Technical Chart



BUY COTTONCANDY MAY @ 56000 SL 55700 TGT 56500-56800. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	56600.00	57400.00	57000.00	56600.00	56200.00	55800.00

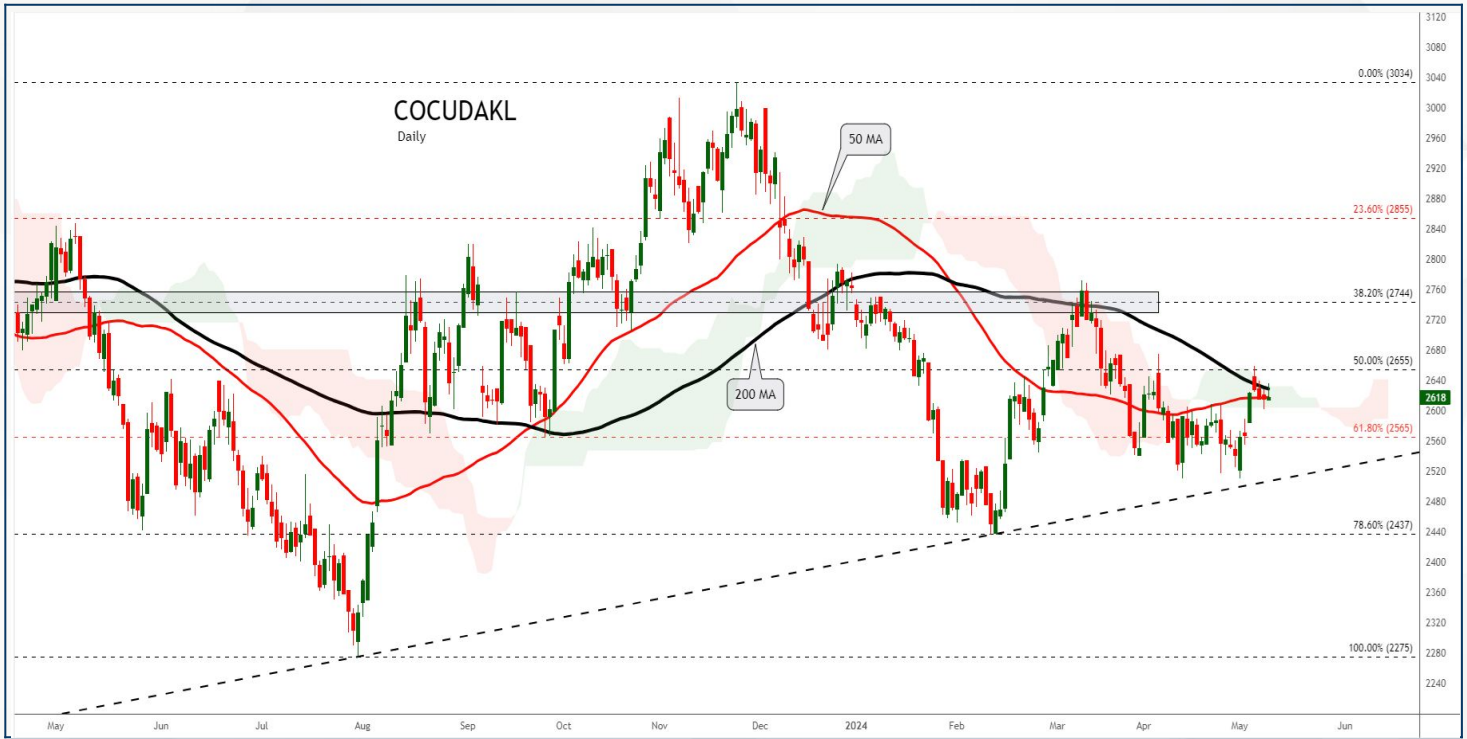
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,737.25	-0.32
Cotton Seed Oilcake	कादी	2,813.50	-0.8

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	-1.10	1.22	Fresh Selling
COCUDAKL	19-Jul-24	-1.22	8.62	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	2,614.00	2666.00	2625.00	2625.00	2599.00	2584.00
COCUDAKL	19-Jul-24	2,670.00	2726.00	2681.00	2681.00	2653.00	2636.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,460.25	-0.08
Kapas	कादी	1,467.80	-0.54

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	-0.48	1.52	Fresh Selling

Technical Chart

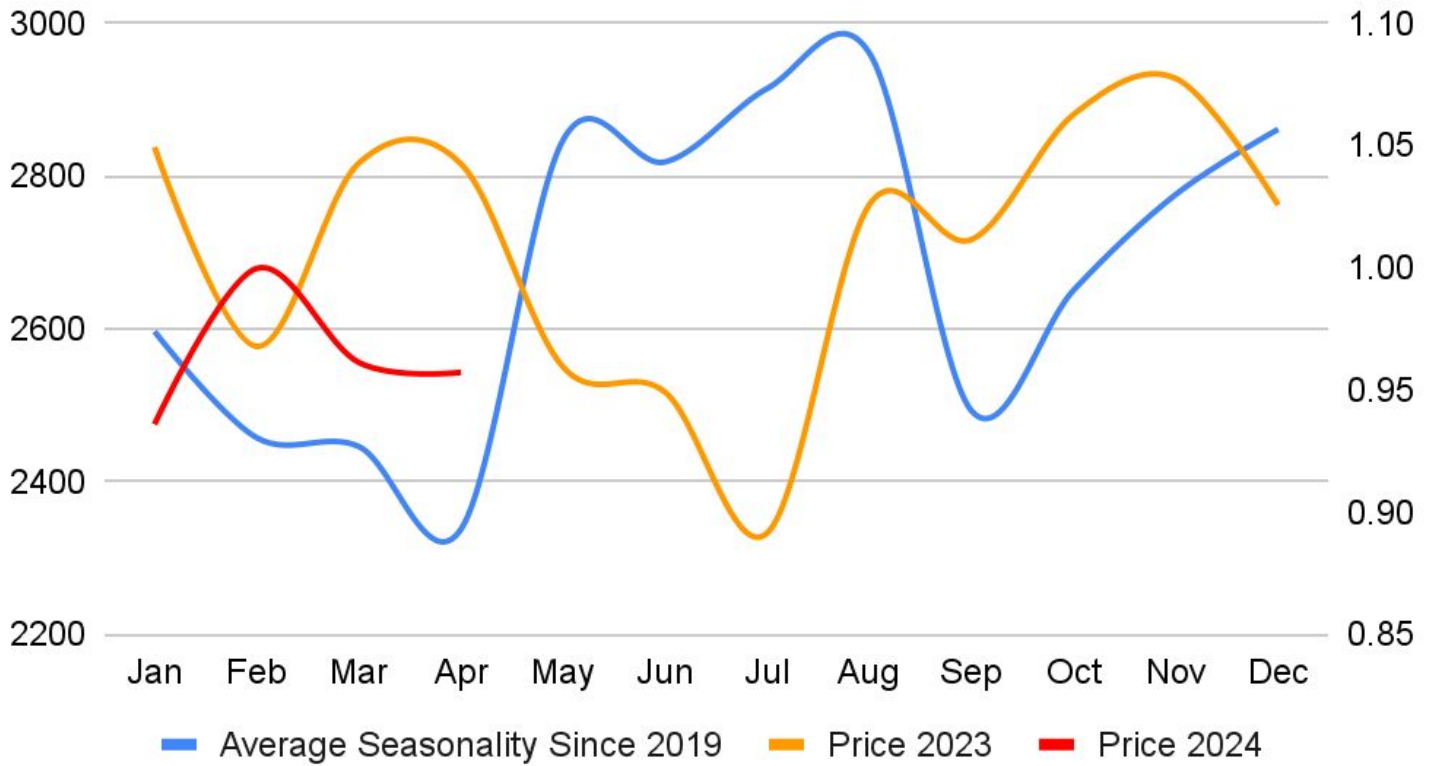


BUY KAPAS APR @ 1550 SL 1530 TGT 1570-1580. NCDEX

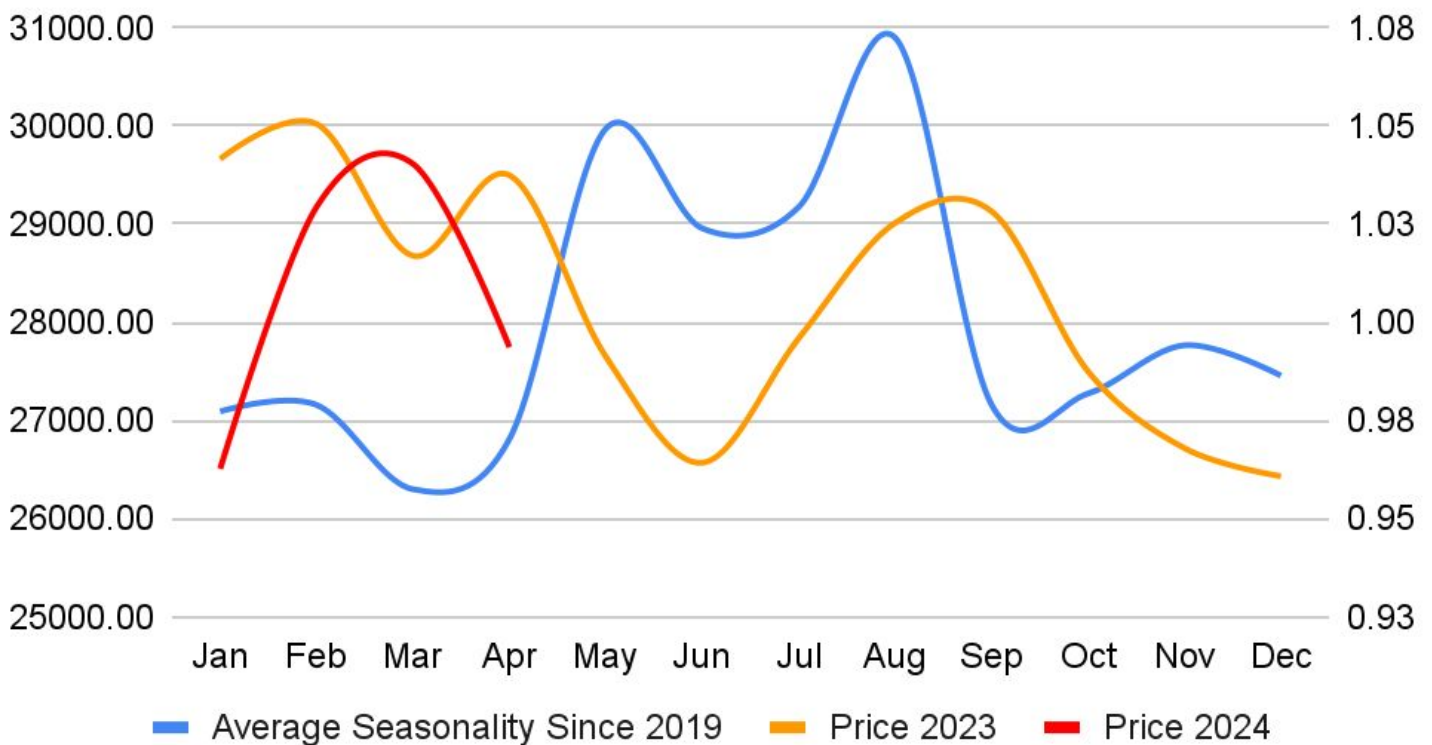
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,562.00	1,564.00	1,563.00	1,561.00	1,560.00	1,558.00

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Cotton Seasonality





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