



KEDIA ADVISORY

DAILY COTTON REPORT

21 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	56100.00	56300.00	55900.00	56100.00	0.04
COCUDA KL	20-Jun-24	2,648.00	2,709.00	2,644.00	2,698.00	2.00
COCUDA KL	19-Jul-24	2,705.00	2,759.00	2,698.00	2,748.00	1.89
KAPAS	30-Apr-25	1,564.00	1,577.00	1,564.00	1,574.50	0.51

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	76.04	75.93	76.05	75.86	0.17
ZCE COTTON	14995.00	14905.00	15045.00	14905.00	0.00
ZCE COTTON YARN	19745.00	19790.00	19790.00	19700.00	0.00
USDINR	83.53	83.53	83.34	83.39	-0.17

Yesterday, cotton candy prices settled with a marginal increase of 0.04% at 56100, driven by continued strong demand for Indian cotton from buyers in countries like Bangladesh and Vietnam. However, upside potential remained limited due to sluggish milling demand amid muted yarn demand in the global market. Prospects of a better crop in countries such as Australia also weighed on prices. The International Cotton Advisory Committee projected increases in the cotton-producing area, production, consumption, and trade for the next season, 2024-25. India's cotton stocks are expected to decline by nearly 31% in 2023/24, reaching their lowest level in over three decades, due to lower production and rising consumption. For MY 2024/25, India's cotton production is estimated to decrease by two percent to 25.4 million 480 lb. bales, with a shift in acreage to higher return crops. However, mill consumption is expected to increase by two percent as yarn and textile demand improve in major international markets. Additionally, with the recent recension of import duties on extra-long staple (ELS) cotton, imports are forecasted to rise by 20 percent. In China, cotton imports for MY 2024/25 are forecasted at 2.4 million metric tons, driven by higher domestic and international demand for textile and apparel products. Production is expected to remain stable in Xinjiang but decline in other regions. From a technical perspective, the market is experiencing short covering, with a 1.4% drop in open interest while prices increased by 20 rupees. Currently, cotton candy has support at 55900, with potential testing at 55700 if it falls below this level. Resistance is expected at 56300, with a move above possibly pushing prices to 56500.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,201.55	-0.1
29 mm Cotton	कादी	27,249.70	-0.13

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	0.04	-1.40	Short Covering

Technical Chart



BUY COTTONCANDY MAY @ 55800 SL 55500 TGT 56200-56600. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	56100.00	56500.00	56300.00	56100.00	55900.00	55700.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,767.55	0.85
Cotton Seed Oilcake	कादी	2,836.00	0.05

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	2.00	-0.26	Short Covering
COCUDAKL	19-Jul-24	1.89	3.34	Fresh Buying

Technical Chart



BUY COCUDAKL JUN @ 2660 SL 2620 TGT 2710-2750. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Jun-24	2,698.00	2749.00	2684.00	2684.00	2659.00	2619.00
COCUDAKL	19-Jul-24	2,748.00	2796.00	2735.00	2735.00	2711.00	2674.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,455.50	0.14
Kapas	कादी	1,455.05	-0.63

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.51	0.75	Fresh Buying

Technical Chart

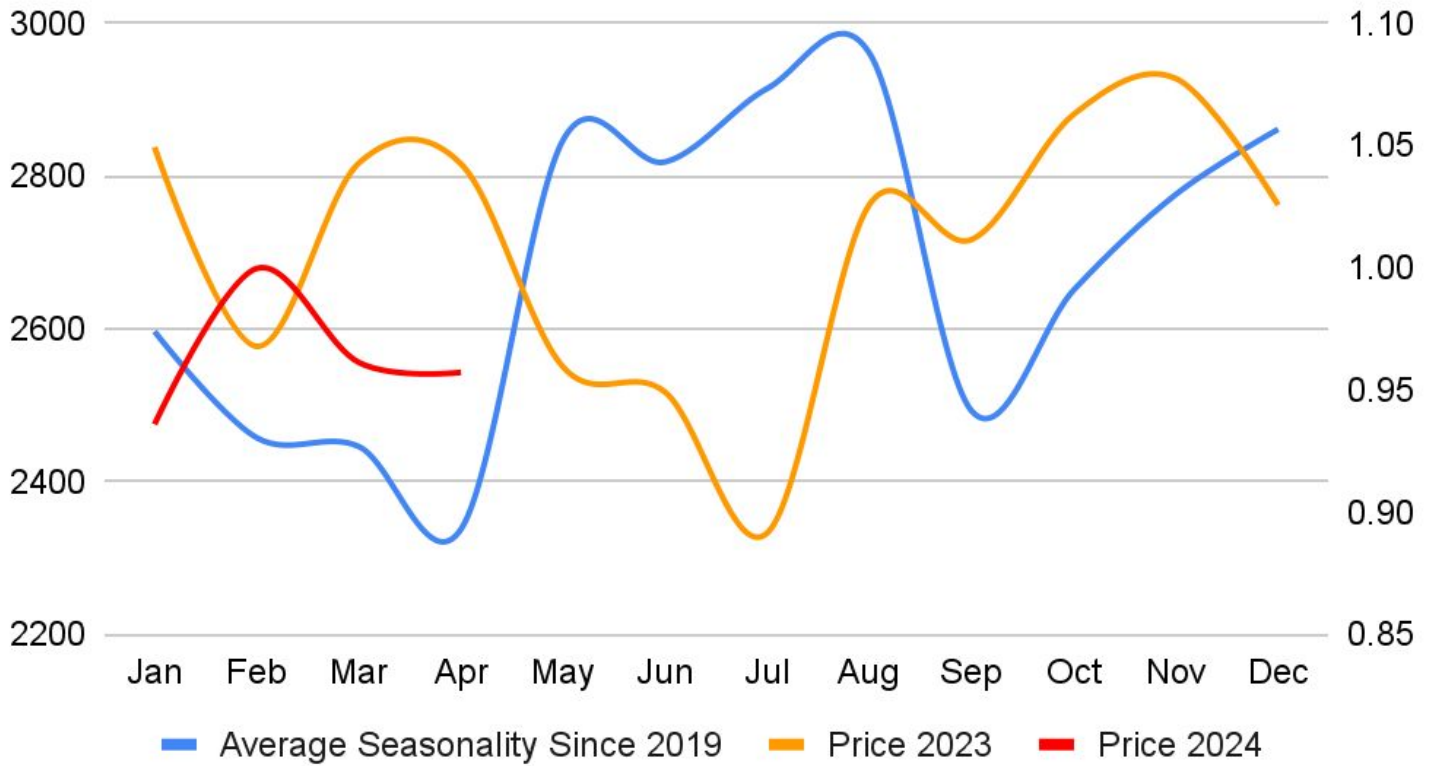


BUY KAPAS APR @ 1565 SL 1545 TGT 1585-1600. NCDEX

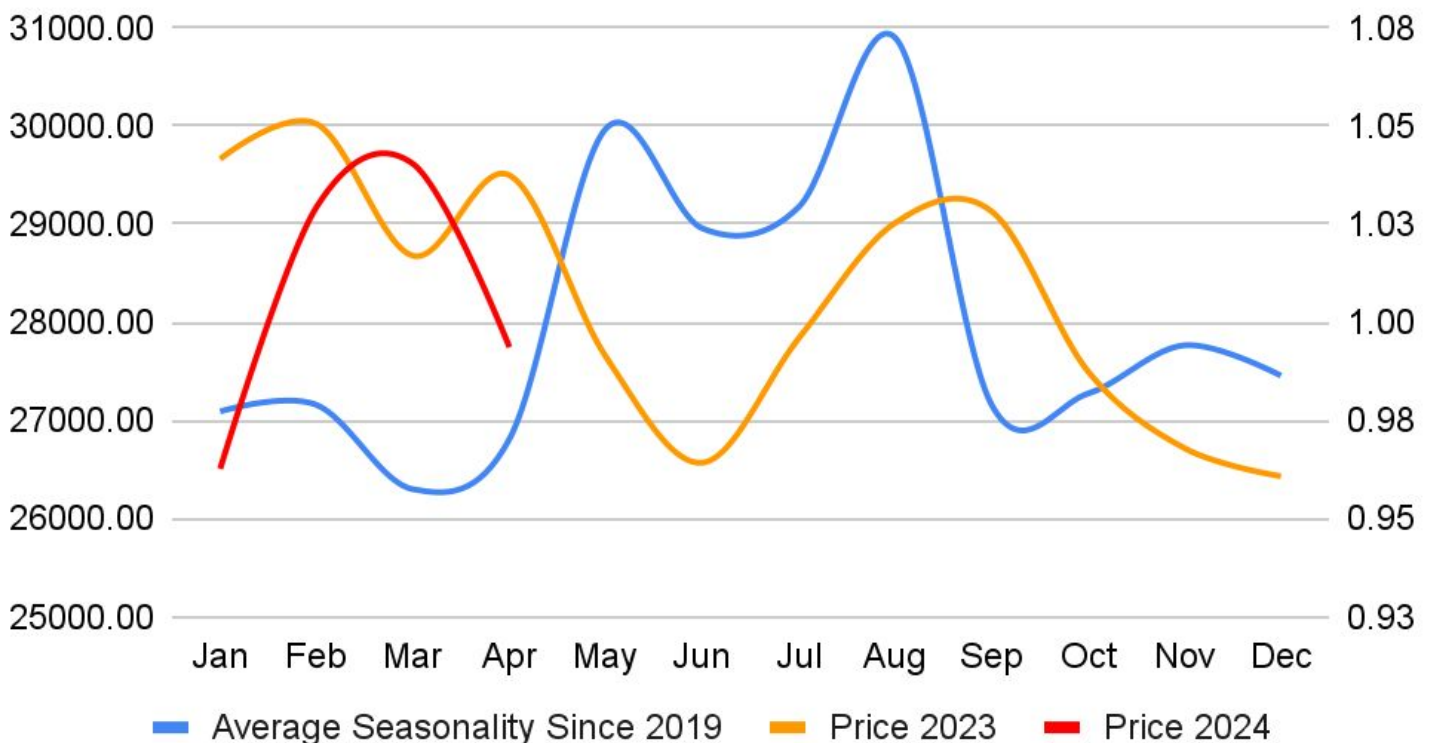
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,574.50	1585.00	1580.00	1572.00	1567.00	1559.00

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Cotton Seasonality





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