



KEDIA ADVISORY

DAILY COTTON REPORT

10 Jan 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 | 31-Jan-24 | 56060.00 | 56060.00 | 55560.00 | 55700.00 | 0.22 |
| COTTONCANDY | 28-Mar-24 | 57300.00 | 57360.00 | 57000.00 | 57200.00 | -0.24 |
| COCUDAKL | 20-Feb-24 | 2,722.00 | 2,737.00 | 2,713.00 | 2,733.00 | 0.33 |
| COCUDAKL | 20-Mar-24 | 2,751.00 | 2,768.00 | 2,749.00 | 2,766.00 | 0.40 |
| KAPAS | 30-Apr-24 | 1,537.50 | 1,537.50 | 1,482.00 | 1,530.50 | -0.07 |

International Rates

| Commodity | Price | Open | High | Low | % Chg |
|-----------------|----------|----------|----------|----------|-------|
| US COTTON | 80.83 | 80.67 | 80.85 | 80.67 | 0.12 |
| ZCE COTTON | 15395.00 | 15435.00 | 15500.00 | 15315.00 | -0.81 |
| ZCE COTTON YARN | 20595.00 | 20740.00 | 20740.00 | 20515.00 | -0.96 |
| USDINR | 83.14 | 83.21 | 83.10 | 83.20 | -0.01 |

Cotton prices, represented by Cottoncandy, edged up by 0.22% to settle at 55700, supported by low-level buying. The Cotton Association of India (CAI) maintained its pressing estimate for the 2023-24 season at 294.10 lakh bales, contributing to market sentiment. CAI President Atul S Ganatra noted that total supply till the end of November was estimated at 92.05 lakh bales. This includes market arrivals of 60.15 lakh bales, imports of 3 lakh bales, and opening stocks of 28.90 lakh bales. The steady estimate from CAI provided some stability to the market. Brazil's historic high cotton production in the 2022-23 season, driven by increased cultivation and productivity, led to a rise in global supply. However, sluggish demand amid unfavorable economic conditions resulted in bloated inventories and reduced cotton prices worldwide. Reports of a decline in pink bollworm infestation in the cotton crop were noted. The infestation reduced from 30.62% during 2017-18 to 10.80% in 2022-23, impacting cotton production in various zones across the country. Global cotton dynamics also played a role, with Brazilian cotton shipments increasing in November. However, the International Cotton Advisory Committee (ICAC) projected that global cotton production would surpass consumption for the second consecutive year. The 2023/24 U.S. cotton balance sheet reflected slightly lower consumption but higher production and ending stocks, influencing the global balance sheet. In the major spot market of Rajkot, Cottoncandy prices ended at 26438.85 Rupees, marking a decline of -0.25%. On the technical front, the market is under short-covering pressure, with a -0.99% drop in open interest, settling at 200. Cottoncandy is finding support at 55480, with a potential test of 55270. Resistance is anticipated at 55980, and a breakthrough could lead to testing 56270.

Spot Rates

| Commodity | Location | Price | % Chg |
|--------------|----------|-----------|-------|
| 29 mm Cotton | राजकोट | 26,438.85 | -0.25 |
| 29 mm Cotton | कादी | 26,484.80 | -0.18 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-------------|-----------|----------|-------------|----------------|
| COTTONCANDY | 31-Jan-24 | 0.22 | -0.99 | Short Covering |

Technical Chart



BUY COTTONCANDY JAN @ 55500 SL 55300 TGT 55800-56000. MCX

Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-------------|-----------|----------|----------|----------|----------|----------|----------|
| COTTONCANDY | 31-Jan-24 | 55700.00 | 56270.00 | 55980.00 | 55770.00 | 55480.00 | 55270.00 |
| COTTONCANDY | 28-Mar-24 | 57200.00 | 57550.00 | 57380.00 | 57190.00 | 57020.00 | 56830.00 |

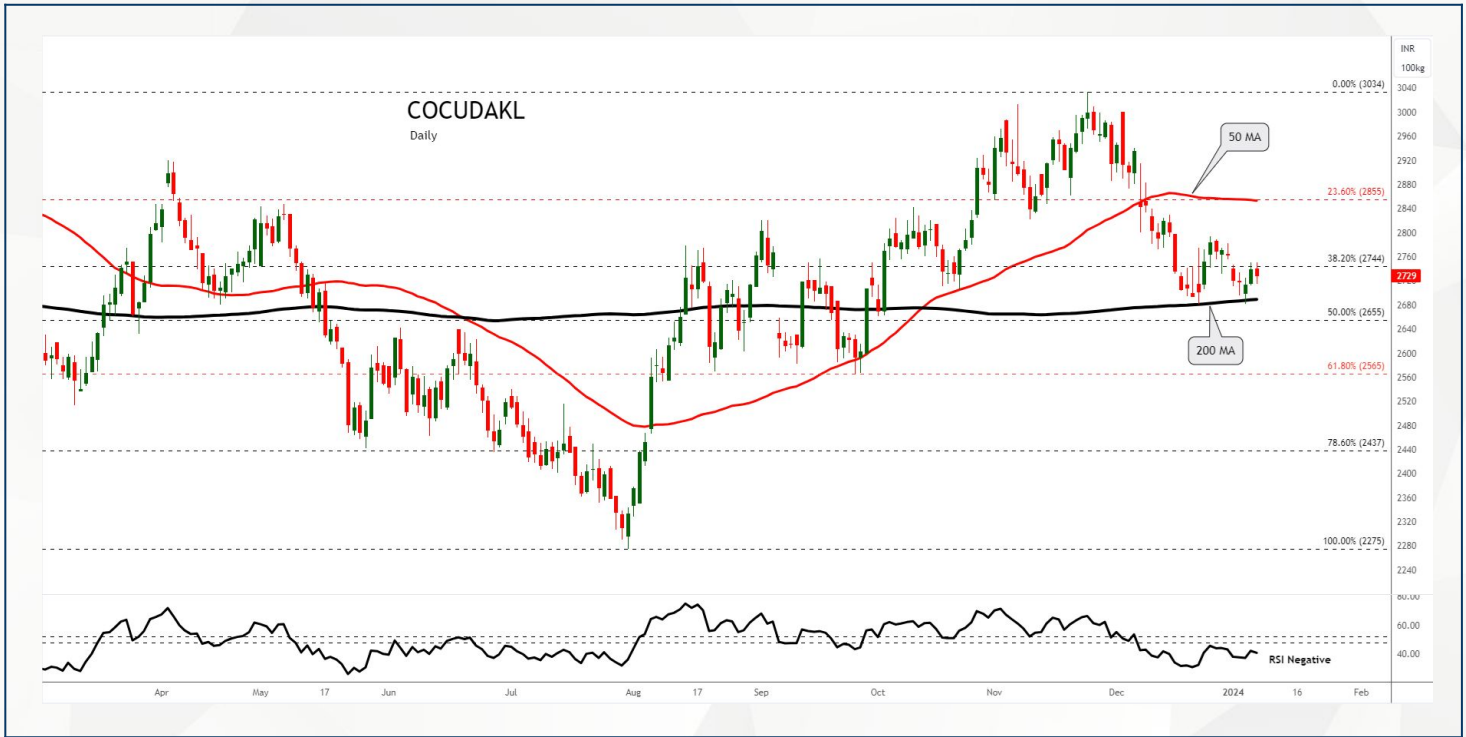
Spot Rates

| Commodity | Location | Price | % Chg |
|---------------------|----------|----------|-------|
| Cotton Seed Oilcake | आकोला | 2,717.95 | -0.54 |
| Cotton Seed Oilcake | कादी | 2,684.20 | -0.11 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-----------|-----------|----------|-------------|--------------|
| COCUDAKL | 20-Feb-24 | 0.33 | 6.86 | Fresh Buying |
| COCUDAKL | 20-Mar-24 | 0.40 | 2.20 | Fresh Buying |

Technical Chart



SELL COCUDAKL FEB @ 2750 SL 2800 TGT 2700-2660. NCDEX

Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-----------|-----------|----------|---------|---------|---------|---------|---------|
| COCUDAKL | 20-Feb-24 | 2,733.00 | 2752.00 | 2728.00 | 2728.00 | 2719.00 | 2704.00 |
| COCUDAKL | 20-Mar-24 | 2,766.00 | 2780.00 | 2761.00 | 2761.00 | 2754.00 | 2742.00 |

Spot Rates

| Commodity | Location | Price | % Chg |
|-----------|----------|----------|-------|
| Kapas | राजकोट | 1,388.55 | -0.55 |
| Kapas | कादी | 1,391.45 | -0.07 |

Open Interest Snapshot

| Commodity | Expiry | % Change | % Oi Change | Oi Status |
|-----------|-----------|----------|-------------|--------------|
| KAPAS | 30-Apr-24 | -0.07 | 3.08 | Fresh Buying |

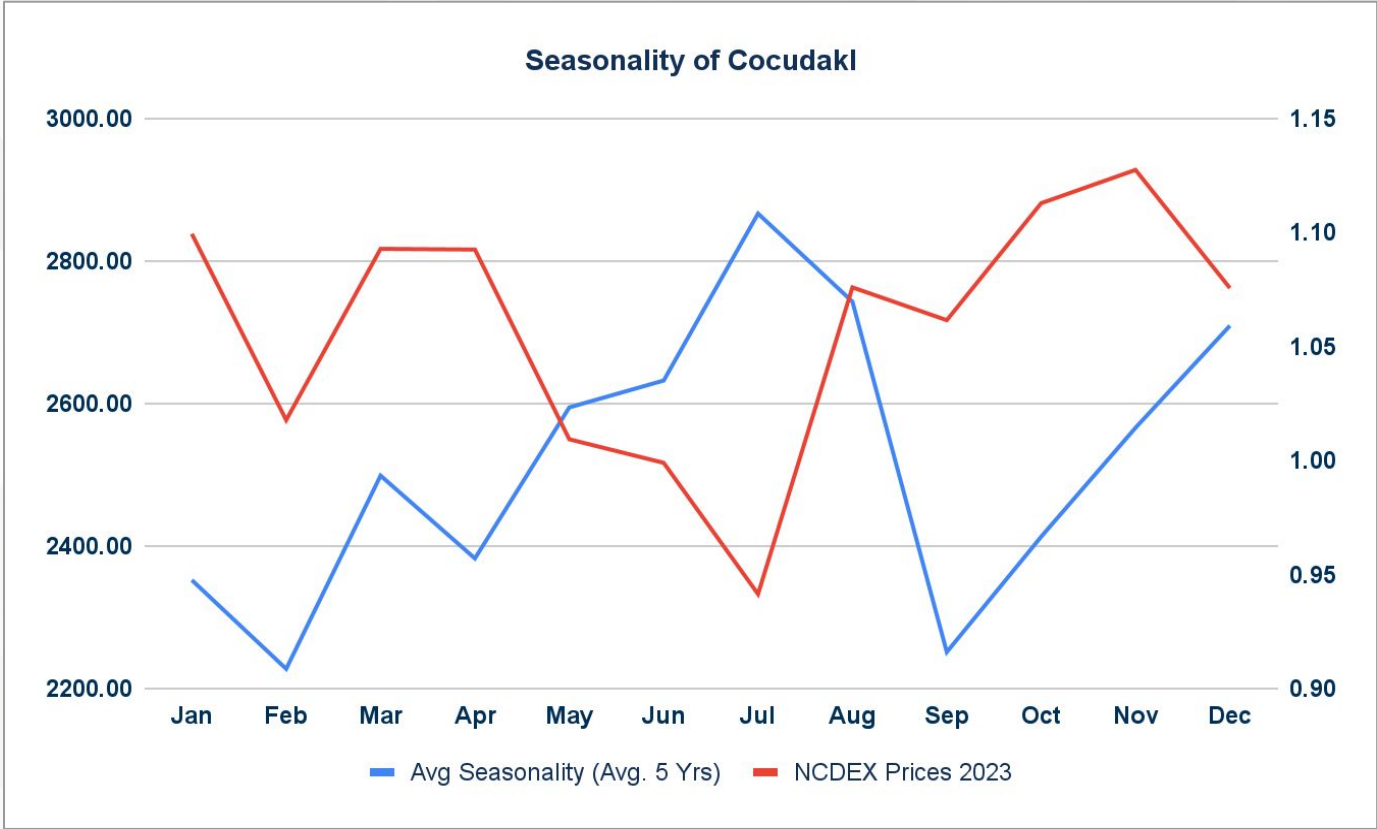
Technical Chart



BUY KAPAS APR @ 1525 SL 1510 TGT 1550-1560. NCDEX

Trading Levels

| Commodity | Expiry | Close | R2 | R1 | PP | S1 | S2 |
|-----------|-----------|----------|---------|---------|---------|---------|---------|
| KAPAS | 30-Apr-24 | 1,530.50 | 1572.00 | 1552.00 | 1517.00 | 1497.00 | 1462.00 |





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