



KEDIA ADVISORY

DAILY COTTON REPORT

22 Feb 2024

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	28-Mar-24	59860.00	60100.00	59580.00	59960.00	0.71
COCUDAKL	20-Mar-24	2,600.00	2,645.00	2,600.00	2,622.00	0.46
COCUDAKL	19-Apr-24	2,645.00	2,681.00	2,639.00	2,655.00	0.49
KAPAS	30-Apr-24	1,560.00	1,572.00	1,557.00	1,560.50	0.13

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	92.95	92.77	93.20	92.75	-0.30
ZCE COTTON	16170.00	16210.00	16215.00	16095.00	0.00
ZCE COTTON YARN	20340.00	20340.00	20340.00	20340.00	0.00
USDINR	82.91	82.99	82.89	82.98	-0.01

The cotton market continues to exhibit resilience amidst a backdrop of supply concerns and sustained consumption, driving Cottoncandy prices up by 0.71% to settle at 59960. Factors such as lower ending stocks in the 2023/24 U.S. cotton balance sheet, coupled with higher exports and reduced mill use, have contributed to a bullish sentiment. With exports forecasted to increase by 200,000 bales to 12.3 million, and Indian cotton becoming increasingly competitive in global markets, the demand-supply dynamics remain robust. India's potential to export 2 million bales in the 2023/24 marketing year underscores its growing significance in the cotton trade, despite an expected production dip of 7.7%. The Cotton Association of India's retention of its pressing estimate further solidifies the market's current trajectory. Total cotton supply till the end of January 2024 stands at 210.05 lakh bales, with consumption estimated at 110.00 lakh bales and exports at 9.00 lakh bales. Looking ahead to the cotton season ending September 30, 2024, the total supply remains steady at 345 lakh bales, with domestic consumption mirroring last year's figures and exports remaining stable at 14 lakh bales. From a technical standpoint, the market is experiencing fresh buying momentum, evident from a 5.64% increase in open interest, settling at 506. This uptrend is complemented by a price increase of 420 rupees. Key support for Cottoncandy lies at 59660, with potential downside testing at 59360. Conversely, resistance is expected at 60180, with a breakthrough likely leading to prices testing 60400 levels. Overall, while supply concerns and demand dynamics continue to buoy prices, technical indicators suggest a bullish trend in the near term, supported by increasing open interest and positive price performance.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,634.10	-0.05
29 mm Cotton	कादी	27,727.80	0

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	28-Mar-24	0.71	5.64	Fresh Buying

Technical Chart



BUY COTTONCANDY MAR @ 59800 SL 59500 TGT 60300-60500. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	28-Mar-24	59960.00	60400.00	60180.00	59880.00	59660.00	59360.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,641.10	0.2
Cotton Seed Oilcake	कादी	2,619.50	-0.15

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Mar-24	0.46	-0.10	Short Covering
COCUDAKL	19-Apr-24	0.49	14.22	Fresh Buying

Technical Chart



BUY COCUDAKL MAR @ 2600 SL 2560 TGT 2650-2680. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Mar-24	2,622.00	2667.00	2622.00	2622.00	2599.00	2577.00
COCUDAKL	19-Apr-24	2,655.00	2700.00	2658.00	2658.00	2635.00	2616.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,420.00	-0.1
Kapas	कादी	1,440.05	0.06

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	0.13	0.31	Fresh Buying

Technical Chart

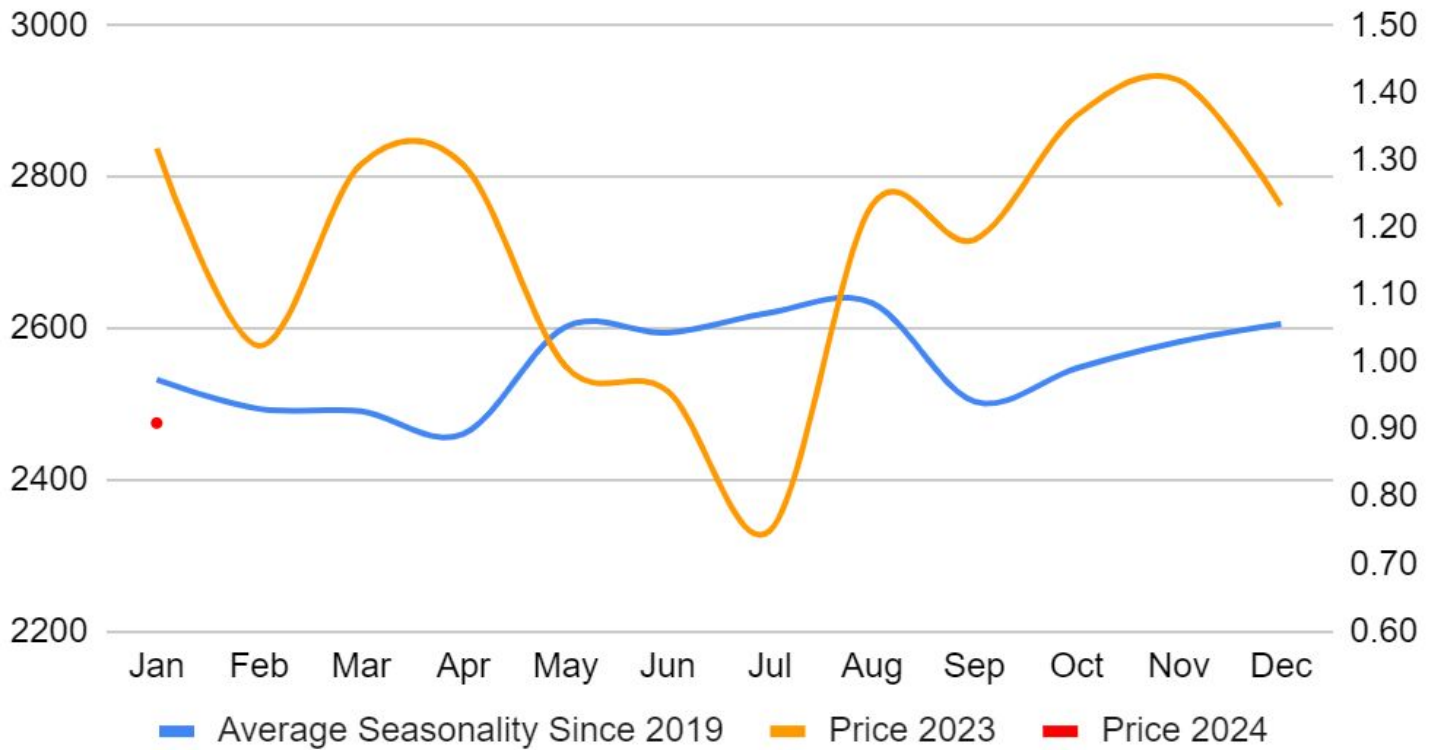


BUY KAPAS APR @ 1550 SL 1530 TGT 1575-1590. NCDEX

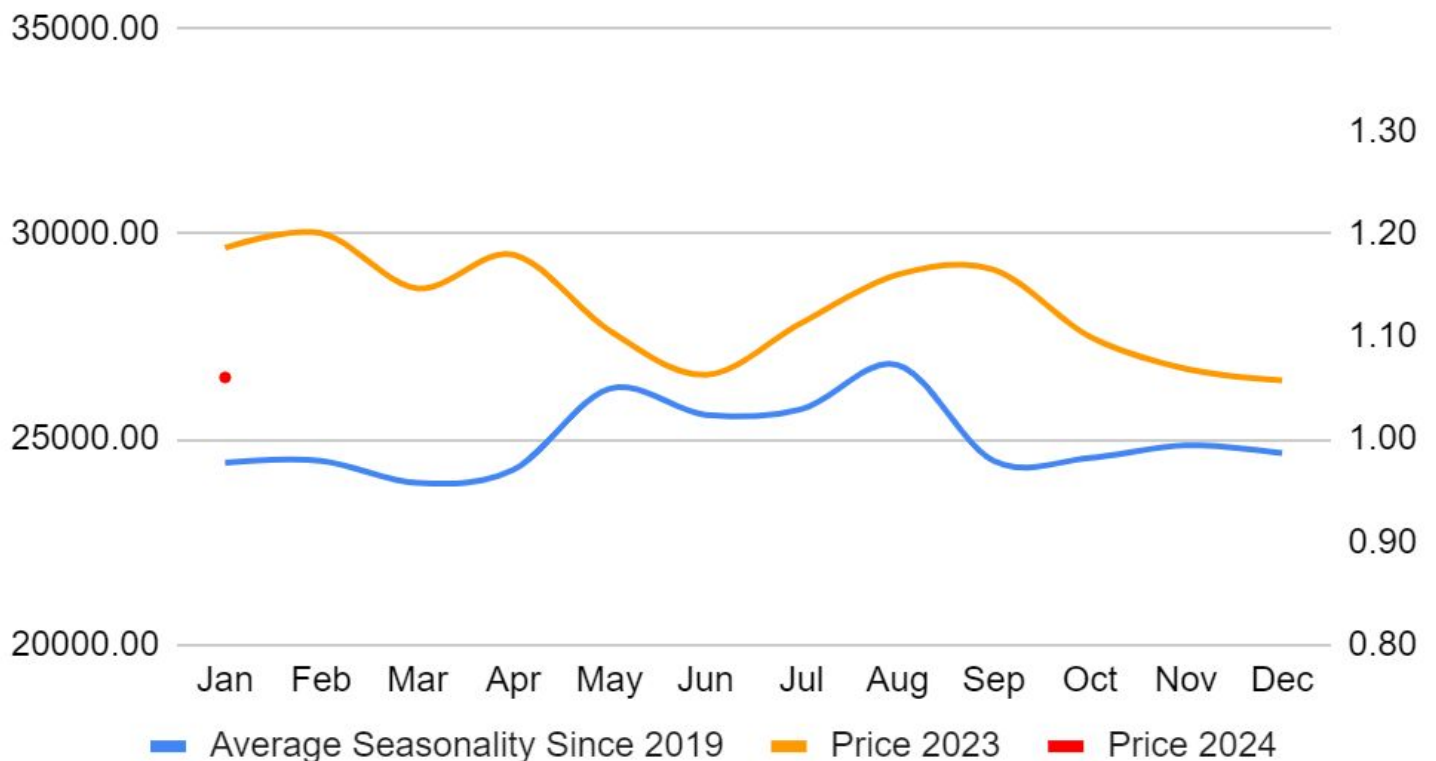
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,560.50	1578.00	1569.00	1563.00	1554.00	1548.00

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Cotton Seasonality





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