



KEDIA ADVISORY

DAILY COTTON REPORT

22 Mar 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-May-24	62700.00	62820.00	61900.00	62040.00	-0.80
COCUDA KL	19-Apr-24	2,674.00	2,674.00	2,632.00	2,637.00	-1.01
COCUDA KL	20-May-24	2,698.00	2,702.00	2,665.00	2,669.00	-1.07
KAPAS	30-Apr-24	1,566.00	1,567.00	1,550.00	1,552.00	-0.93

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	92.20	92.44	93.46	91.84	0.02
ZCE COTTON	16010.00	15880.00	16120.00	15860.00	0.50
ZCE COTTON YARN	21480.00	21480.00	21480.00	21480.00	0.00
USDINR	83.12	83.16	83.05	83.13	-0.05

Cotton prices experienced a decline of -0.8% yesterday, settling at 62040 rupees per candy, driven by several factors impacting the global cotton market. The Cotton Association of India (CAI) revised its cotton production estimates upwards for the current season, projecting a higher production of 309.70 lakh bales compared to the previous estimate of 294.1 lakh bales. This upward revision, along with increased supply expectations globally, contributed to the downward pressure on prices. In addition to the higher production estimates in India, Cotton Australia raised its production forecast to "at least" 4.5 million bales, benefiting from widespread rainfall. However, U.S. cotton production forecasts for the current season were reduced, based on the March 8 Cotton Ginnings report, leading to lower ending stocks. Despite these adjustments, global cotton supply and demand estimates for 2023/24 showed higher production, consumption, and trade, but lower ending stocks. Furthermore, the Southern India Mills' Association (SIMA) urged textile mills in the southern States to refrain from panic buying, highlighting the recent hike in domestic cotton prices. The price of the widely-used Shankar - 6 variety of cotton surged from ₹55,300 to almost ₹62,000 a candy in the span of two weeks. Capacity utilization at mills increased to 80%-90%, with around 20 lakh bales already contracted for exports. From a technical perspective, the cotton market witnessed fresh selling, indicated by a notable increase in open interest by 11.04% alongside a significant price decline of -500 rupees. Presently, cotton finds support at 61680 rupees, with potential downside testing at 61330 rupees. Resistance levels are likely to be encountered at 62600 rupees, and a breakout above this level could lead to prices testing 63170 rupees.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	29,102.30	-0.14
29 mm Cotton	कादी	29,257.60	0.31

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	-0.80	11.04	Fresh Selling

Technical Chart



SELL COTTONCANDY MAY @ 60000 SL 60300 TGT 59600-59400. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	62040.00	63170.00	62600.00	62250.00	61680.00	61330.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,718.50	0.12
Cotton Seed Oilcake	कादी	2,719.65	-0.19

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	19-Apr-24	-1.01	-8.77	Long Liquidation
COCUDAKL	20-May-24	-1.07	86.55	Fresh Selling

Technical Chart



BUY COCUDAKL APR @ 2630 SL 2600 TGT 2670-2700. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	19-Apr-24	2,637.00	2690.00	2648.00	2648.00	2622.00	2606.00
COCUDAKL	20-May-24	2,669.00	2716.00	2679.00	2679.00	2656.00	2642.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,494.90	-0.37
Kapas	कादी	1,519.95	0.58

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-0.93	-3.29	Fresh Selling

Technical Chart

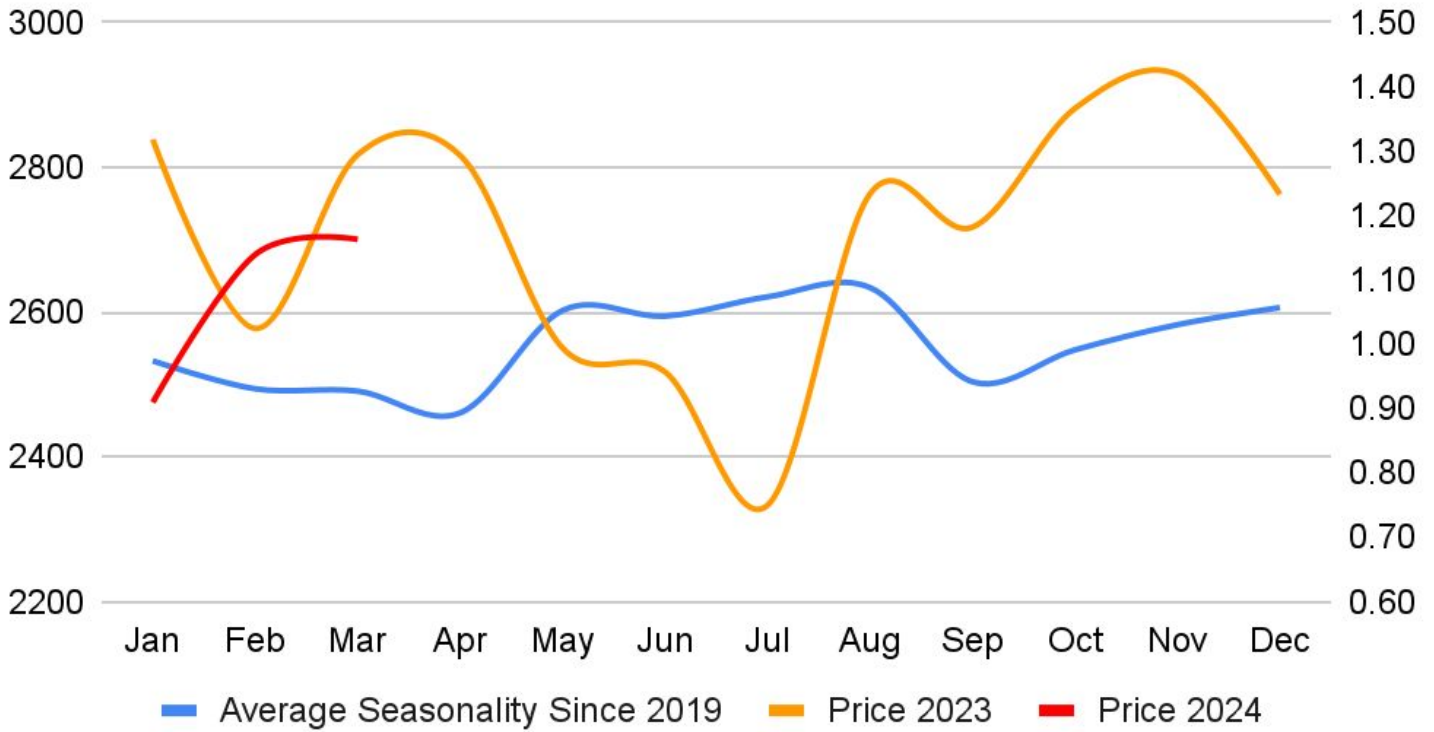


BUY KAPAS APR @ 1540 SL 1520 TGT 1560-1570. NCDEX

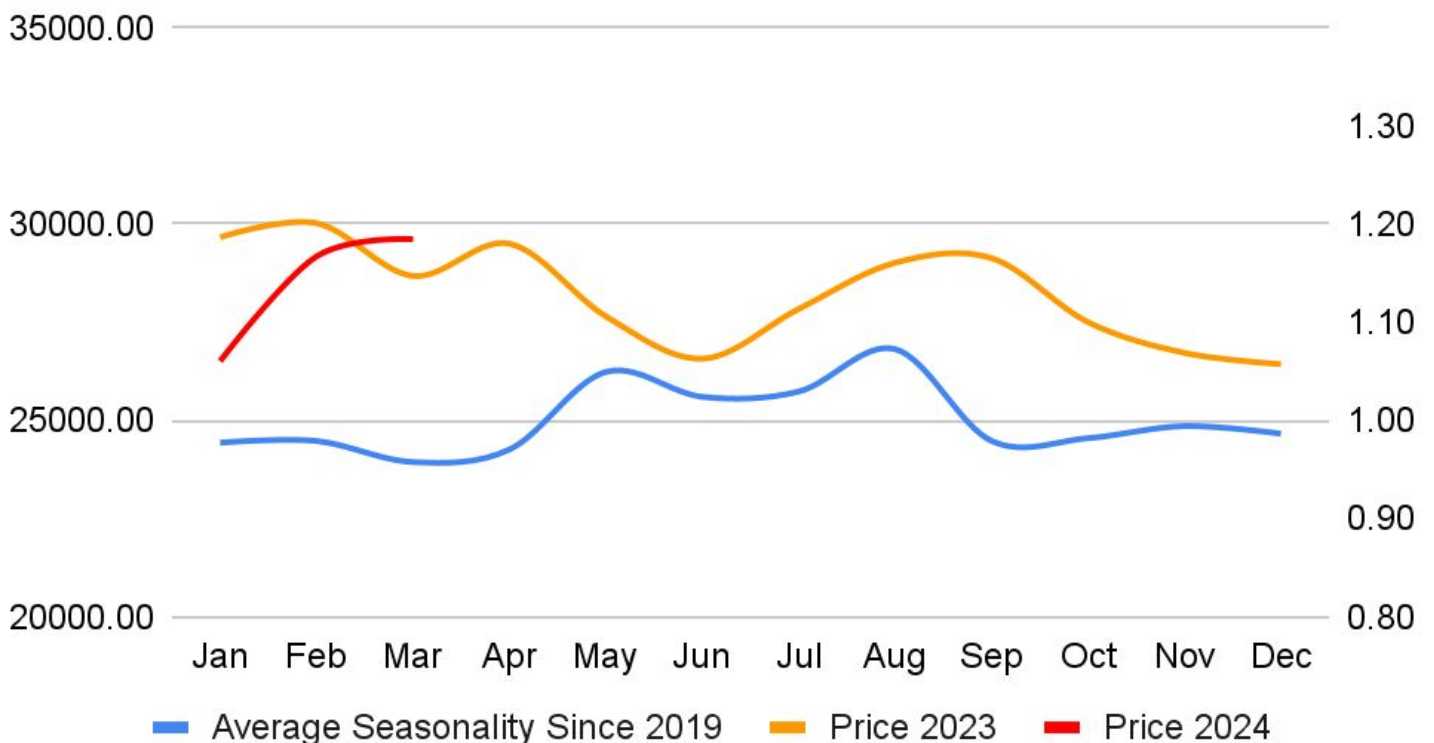
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,552.00	1573.00	1562.00	1556.00	1545.00	1539.00

Cocudaki Seasonlity



Cotton Seasonality





DISCLAIMER

KEDIA ADVISORY

This Report is prepared and distributed by Kedia Stocks & Commodities Research Pvt Ltd. Our SEBI REGISTRATION NUMBER - INH000006156. for information purposes only. The recommendations, if any, made herein are expressions of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale through KSCRPL nor any solicitation or offering of any investment /trading opportunity. These information/opinions/ views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by KSCRPL to be reliable. KSCRPL or its directors, employees, affiliates or representatives do not assume any responsibility for or warrant the accuracy, completeness, adequacy and reliability of such information/opinions/ views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of KSCRPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information/opinions/views contained in this Report. The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by KSCRPL in any jurisdiction (other than India), where any action for such purpose (s) is required. Accordingly, this Report shall not be possessed, circulated and/ or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. KSCRPL requires such a recipient to inform himself about and to observe any restrictions at his own expense, without any liability to KSCRPL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

KEDIA ADVISORY

KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD

Mumbai, India

SEBI REGISTRATION NUMBER - INH000006156

For more details, please contact: +91 93234 06035 / 96195 51022

Email: info@kediaadvisory.com

Regd.Off.: 1, 2, 3 & 4, 1st Floor, Tulip Bldg, Flower Valley Complex, Khadakpada Circle,
Kalyan-(W), Mumbai-421301