



KEDIA ADVISORY

DAILY COTTON REPORT

28 Nov 2023

- COTTON
- COCUDAKL
- KAPAS

Kedia Stock & Commodities Research Pvt. Ltd.

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Cotton Complex

Commodity	Expiry	Open	High	Low	Close	% Change
COTTONCANDY	31-Jan-24	57120.00	57120.00	57100.00	57100.00	-0.66
COTTONCANDY						#DIV/0!
COCUDAKL	20-Dec-23	3,001.00	3,009.00	2,962.00	2,969.00	-1.07
COCUDAKL	19-Jan-24	2,943.00	2,948.00	2,910.00	2,924.00	-0.65
KAPAS	30-Apr-24	1,580.00	1,590.50	1,570.00	1,572.50	-0.66

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	79.42	79.34	79.44	79.29	0.20
ZCE COTTON	15135.00	15205.00	15245.00	15035.00	-0.26
ZCE COTTON YARN	19940.00	19940.00	19940.00	19940.00	0.23
USDINR	83.36	83.39	83.34	83.38	0.03

Cottoncandy prices experienced a decline of -0.66%, settling at 57100, primarily driven by lingering demand concerns. The Cotton Association of India (CAI) forecasts a 7.5% reduction in India's cotton production for the 2023/24 season, reaching 29.5 million bales due to lower planted areas and productivity challenges from El Nino weather conditions. Import projections for the current marketing year suggest an increase to 2.2 million bales, up from the previous year's 1.25 million bales, indicating potential supply constraints. On the global front, the U.S. cotton balance sheet for 2023/24 shows a slight reduction in consumption but higher production and ending stocks. Despite a 273,000 bales increase in production, concerns about lower consumption and higher ending stocks, accounting for 22.5% of use, impact the market sentiment. In India, the CAI's final estimate for the 2022-23 cotton crop production is slightly higher at 31.8 million bales, contrasting with the government's estimate of 34.3 million bales and the industry's estimate of 29.9 million bales for the same season. However, cotton production in north Maharashtra is expected to decline by 25% due to insufficient rainfall, with estimates suggesting a reduction to 15 lakh tonnes from the normal annual production of 20 lakh tonnes. In the major spot market of Rajkot, prices ended at 26967.75 Rupees, reflecting a decline of -0.23%. Technically, the market is under fresh selling pressure, with a 4.1% gain in open interest to settle at 127. With prices down by -380 rupees, support is identified at 57100, and a breach below could test 57090. On the upside, resistance is expected at 57120, and a breakthrough could lead to prices testing 57130.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	26,967.75	-0.23
29 mm Cotton	कादी	26,998.75	-0.04

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-Jan-24	-0.66	4.10	Fresh Selling

Technical Chart



SELL COTTONCANDY JAN @ 57300 SL 57500 TGT 57000-56800. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-Jan-24	57100.00	57130.00	57120.00	57110.00	57100.00	57090.00
COTTONCANDY			0.00	0.00	0.00	0.00	0.00

Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,885.50	-1.85
Cotton Seed Oilcake	कादी	2,917.75	0.09

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Dec-23	-1.07	-0.93	Long Liquidation
COCUDAKL	19-Jan-24	-0.65	-0.30	Long Liquidation

Technical Chart



SELL COCUDAKL DEC @ 3000 SL 3040 TGT 2950-2910. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Dec-23	2,969.00	3027.00	2980.00	2980.00	2951.00	2933.00
COCUDAKL	19-Jan-24	2,924.00	2965.00	2927.00	2927.00	2906.00	2889.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,437.20	-0.83
Kapas	कादी	1,440.70	-0.11

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-24	-0.66	2.69	Long Liquidation

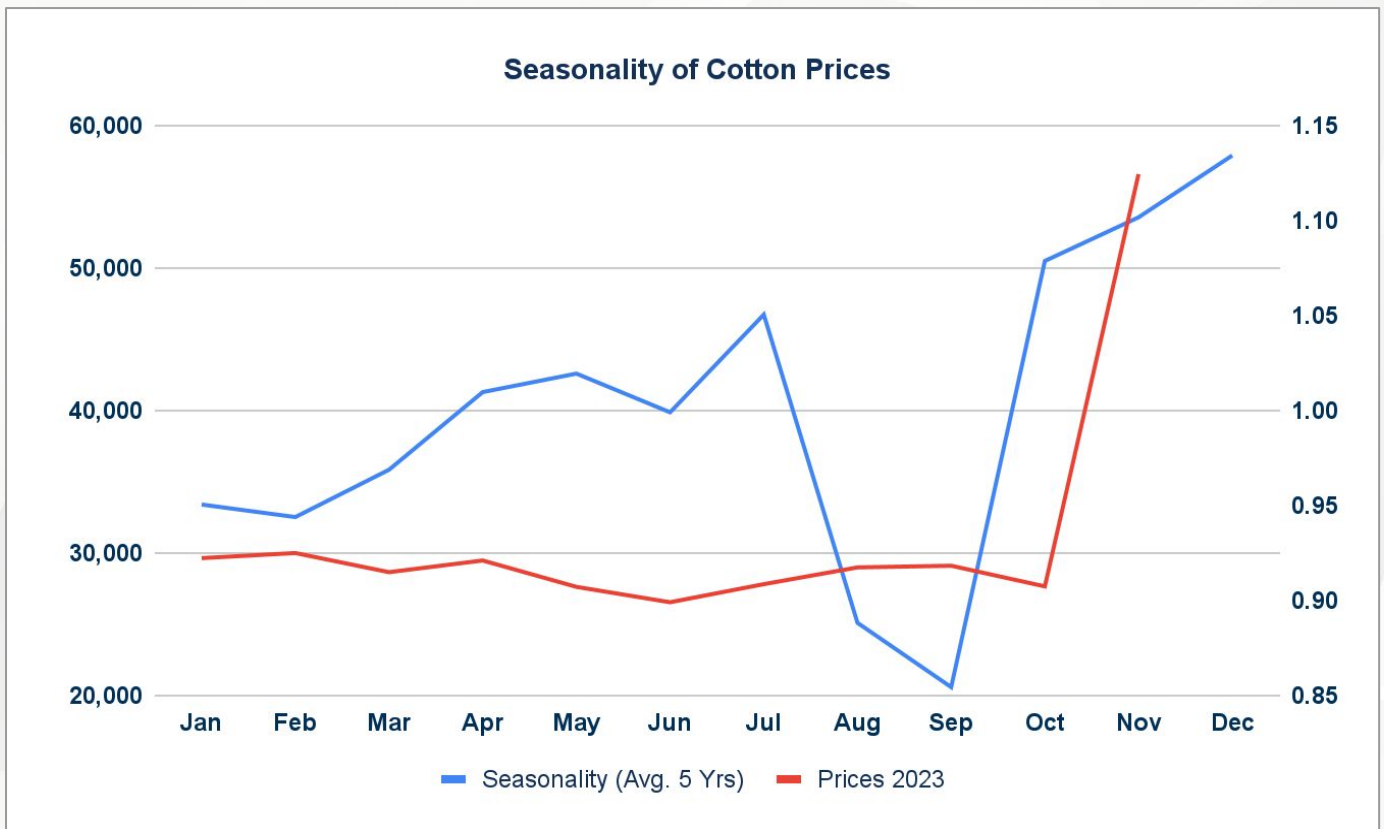
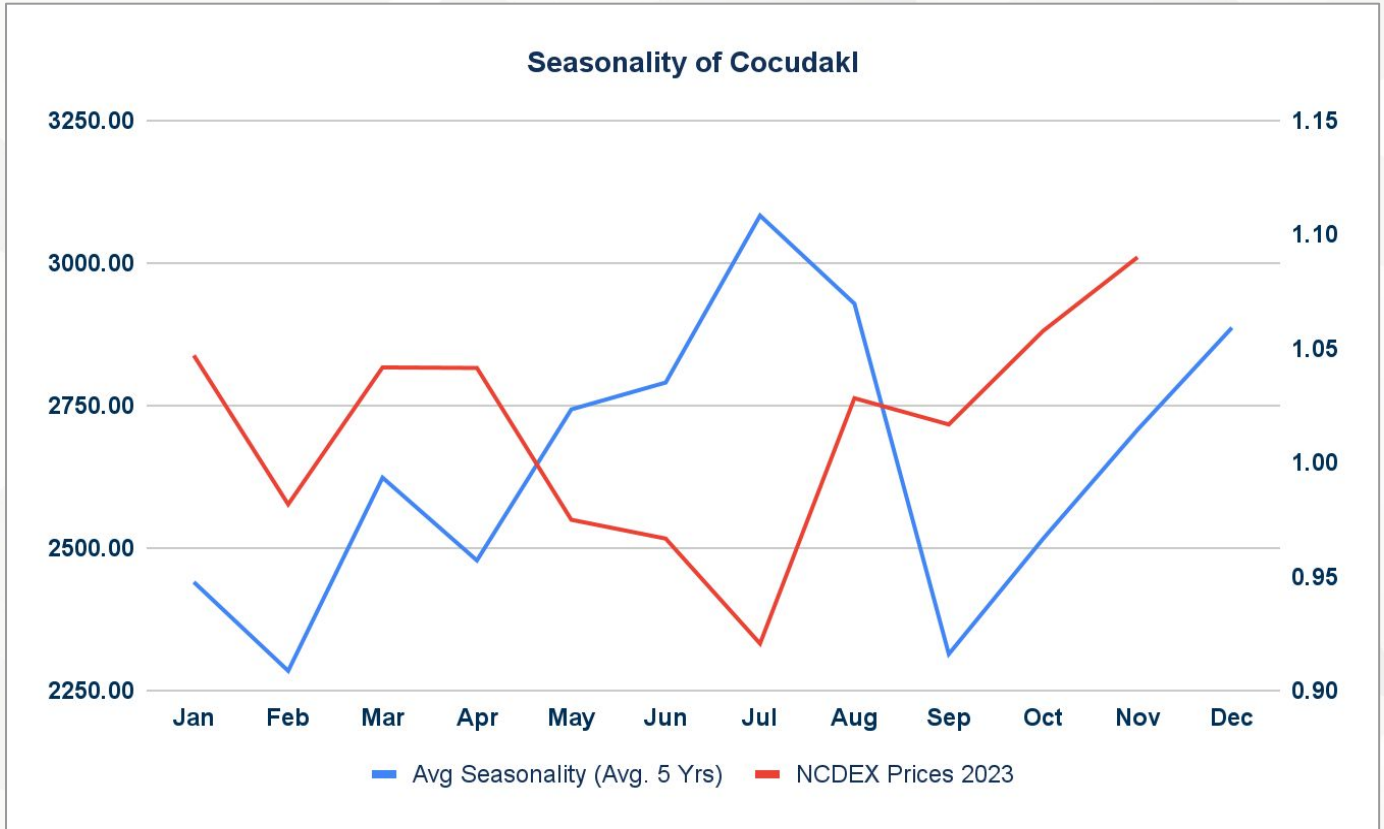
Technical Chart



SELL KAPAS APR @ 1580 SL 1600 TGT 1560-1545. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-24	1,572.50	1598.00	1586.00	1578.00	1566.00	1558.00





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