



KEDIA ADVISORY

DAILY COTTON REPORT

23 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	55800.00	56100.00	55800.00	55980.00	0.39
COCUDA KL	20-Jun-24	2,706.00	2,754.00	2,688.00	2,739.00	0.92
COCUDA KL	19-Jul-24	2,760.00	2,805.00	2,741.00	2,793.00	0.83
KAPAS	30-Apr-25	1,588.00	1,602.50	1,581.00	1,601.00	0.85

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	79.01	79.16	79.16	78.39	-0.47
ZCE COTTON	15145.00	15085.00	15205.00	15070.00	0.00
ZCE COTTON YARN	19745.00	19790.00	19790.00	19700.00	0.00
USDINR	83.30	83.32	83.23	83.30	-0.04

Cotton candy prices edged up by 0.39% to settle at 55980, propelled by robust demand for Indian cotton from buyers in countries like Bangladesh and Vietnam. However, this uptrend was tempered by sluggish milling demand globally, exacerbated by prospects of a better crop in countries such as Australia. The International Cotton Advisory Committee (ICAC) projected increases in cotton-producing area, production, consumption, and trade for the upcoming season, 2024-25. Additionally, India's cotton stocks are expected to plummet by nearly 31% in 2023/24, reaching their lowest level in over three decades due to lower production and rising consumption. This decrease in stockpiles could limit exports from the world's second-largest producer, supporting global prices but potentially weighing on the margins of local textile companies. India's cotton production for the current season is estimated to be slightly lower at 30.97 million bales, with consumption expected to rise. However, exports are projected to increase to 2.20 million bales. Looking ahead to MY 2024/25, India's cotton production is estimated to decrease slightly to 25.4 million bales due to farmers shifting acreage to higher return crops. Meanwhile, China's cotton imports for MY 2024/25 are forecasted to increase to 2.4 million metric tons, driven by higher domestic and international demand for textile and apparel products. Technically, the cotton candy market is experiencing short covering, with a 13.4% drop in open interest and prices up by 220 rupees. Support is found at 55820, with potential downside to 55660 levels. Resistance is likely at 56120, with a possible move above leading to testing at 56260. This technical overview suggests a cautious sentiment amidst fluctuating demand dynamics and production forecasts, both domestically and internationally.

Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,082.75	-0.27
29 mm Cotton	कादी	27,178.00	-0.26

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	0.39	-13.40	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	55980.00	56260.00	56120.00	55960.00	55820.00	55660.00

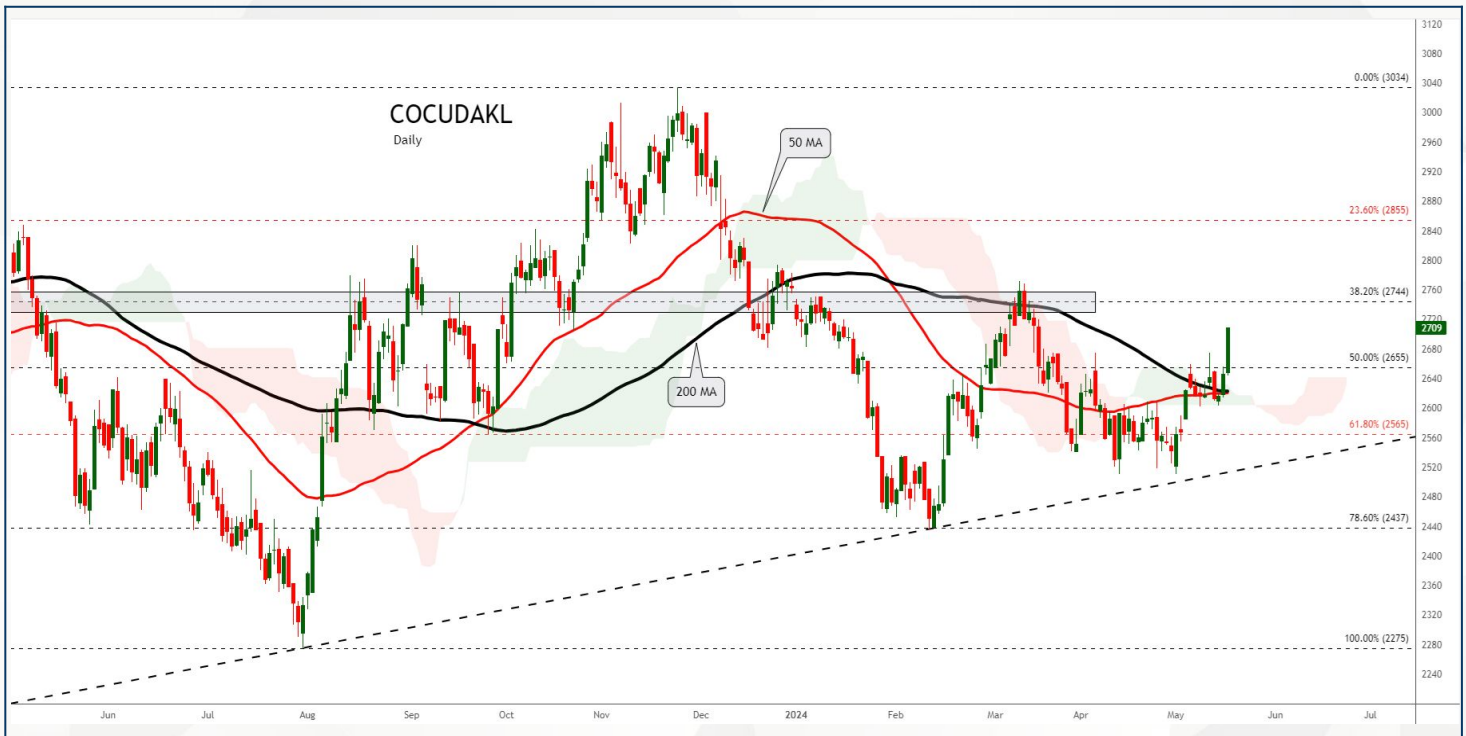
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,791.35	0.01
Cotton Seed Oilcake	कादी	2,899.05	0.01

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-Jun-24	0.92	-1.60	Short Covering
COCUDAKL	19-Jul-24	0.83	5.96	Fresh Buying

Technical Chart



BUY COCUDAKL JUN @ 2720 SL 2680 TGT 2760-2800. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-Jun-24	2,739.00	2793.00	2727.00	2727.00	2700.00	2661.00
COCUDAKL	19-Jul-24	2,793.00	2844.00	2780.00	2780.00	2755.00	2716.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,453.85	-0.68
Kapas	कादी	1,477.30	0.52

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.85	-1.79	Fresh Buying

Technical Chart

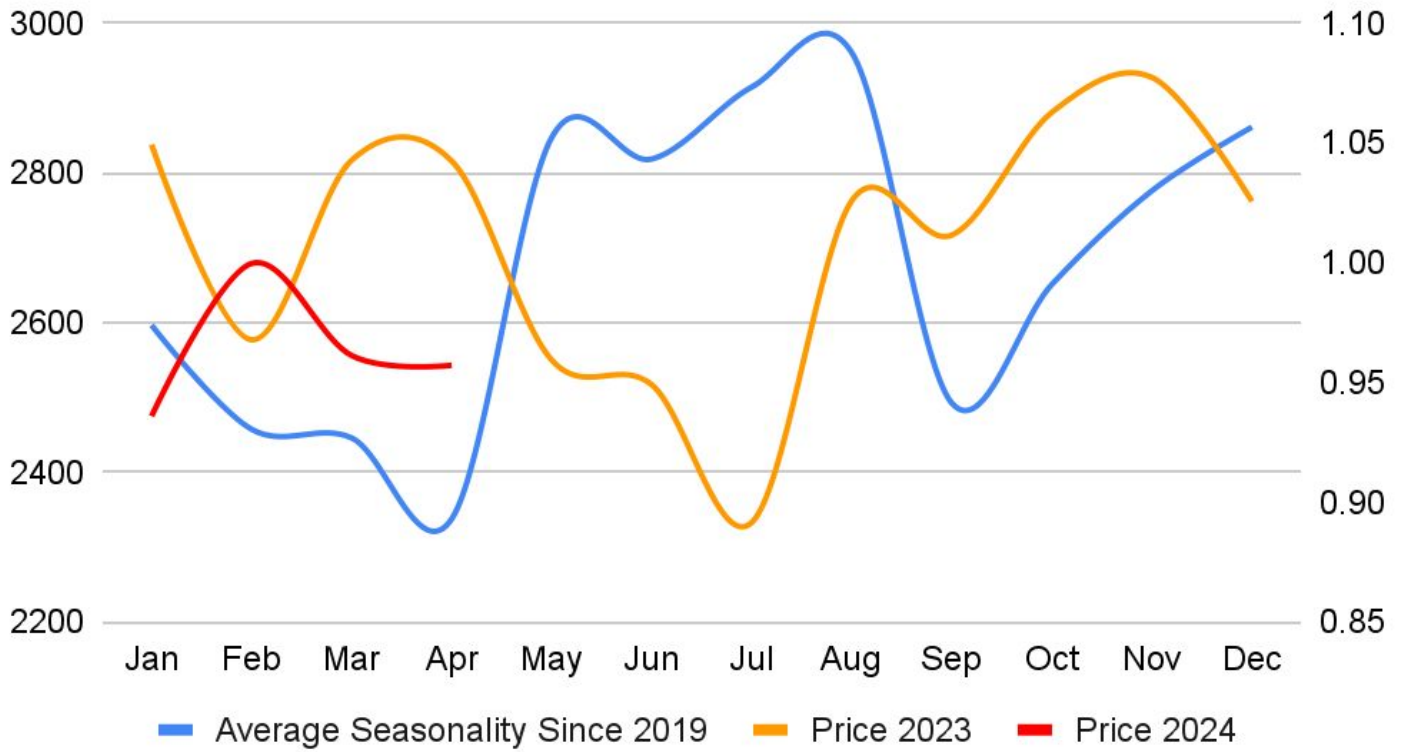


BUY KAPAS APR @ 1590 SL 1570 TGT 1610-1625. NCDEX

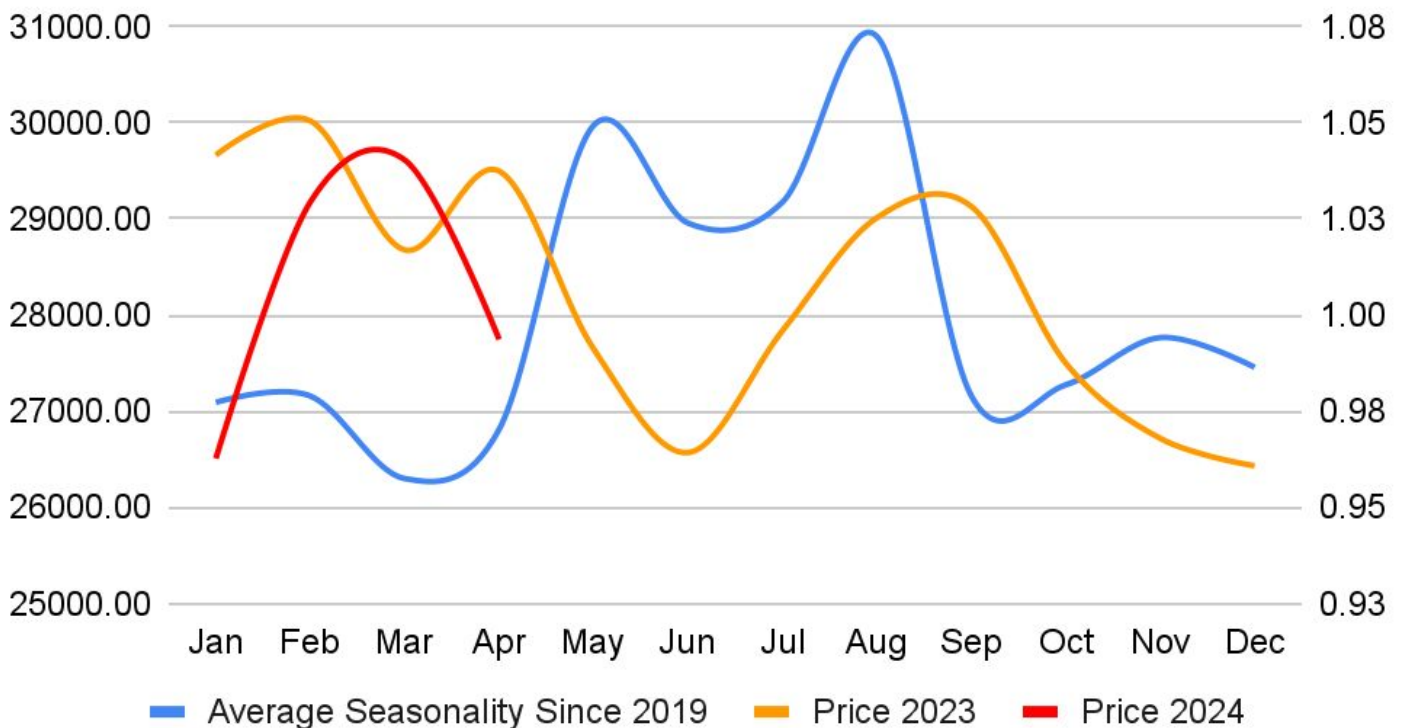
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,601.00	1616.00	1609.00	1595.00	1588.00	1574.00

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Cotton Seasonality





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