



KEDIA ADVISORY

DAILY COTTON REPORT

7 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	57640.00	57640.00	57260.00	57480.00	-0.17
COCUDAKL	20-May-24	2,585.00	2,625.00	2,584.00	2,622.00	1.90
COCUDAKL	20-Jun-24	2,605.00	2,666.00	2,601.00	2,647.00	2.16
KAPAS	30-Apr-25	1,584.00	1,585.50	1,577.50	1,582.50	0.67

International Rates

Commodity	Price	Open	High	Low	% Chg
US COTTON	77.08	79.60	79.71	76.52	-1.14
ZCE COTTON	15465.00	15510.00	15560.00	15390.00	0.00
ZCE COTTON YARN	20565.00	20655.00	20710.00	20285.00	0.00
USDINR	83.53	83.62	83.48	83.60	0.09

Cotton candy prices experienced a slight decline of -0.17% in yesterday's trading session, settling at 57480, primarily influenced by prospects of a better crop in countries such as Australia. However, the downside was limited as demand for Indian cotton remains robust, particularly from buyers in countries like Bangladesh and Vietnam. The International Cotton Advisory Committee (ICAC) has projected increases in cotton-producing area, production, consumption, and trade for the next season, 2024-25, indicating optimism in the market. In India, cotton stocks are expected to decrease by nearly 31% in the 2023/24 marketing year, reaching their lowest level in more than three decades due to lower production and rising consumption. This reduction in stockpiles is anticipated to limit exports from the world's second-largest producer, supporting global prices and potentially lifting domestic prices. Additionally, India's cotton exports for the current season are expected to rise to 2.20 million bales, a significant increase from the previous year. Looking ahead to the 2024/25 marketing year, India's cotton production is estimated to decrease by two percent to 25.4 million 480 lb. bales, primarily due to farmers shifting acreage to higher return crops. However, mill consumption is projected to increase by two percent, driven by improving yarn and textile demand in major international markets. With the recent recension of import duties on extra-long staple (ELS) cotton, imports are expected to rise by 20 percent. Technically, the cotton candy market witnessed long liquidation, with a drop in open interest by -0.52% and prices declining by -100 rupees. Support levels are identified at 57280 and 57080, with resistance expected at 57660 and 57840. These technical indicators suggest a cautious stance among traders amidst the complex supply-demand dynamics and evolving market conditions in the cotton candy market.

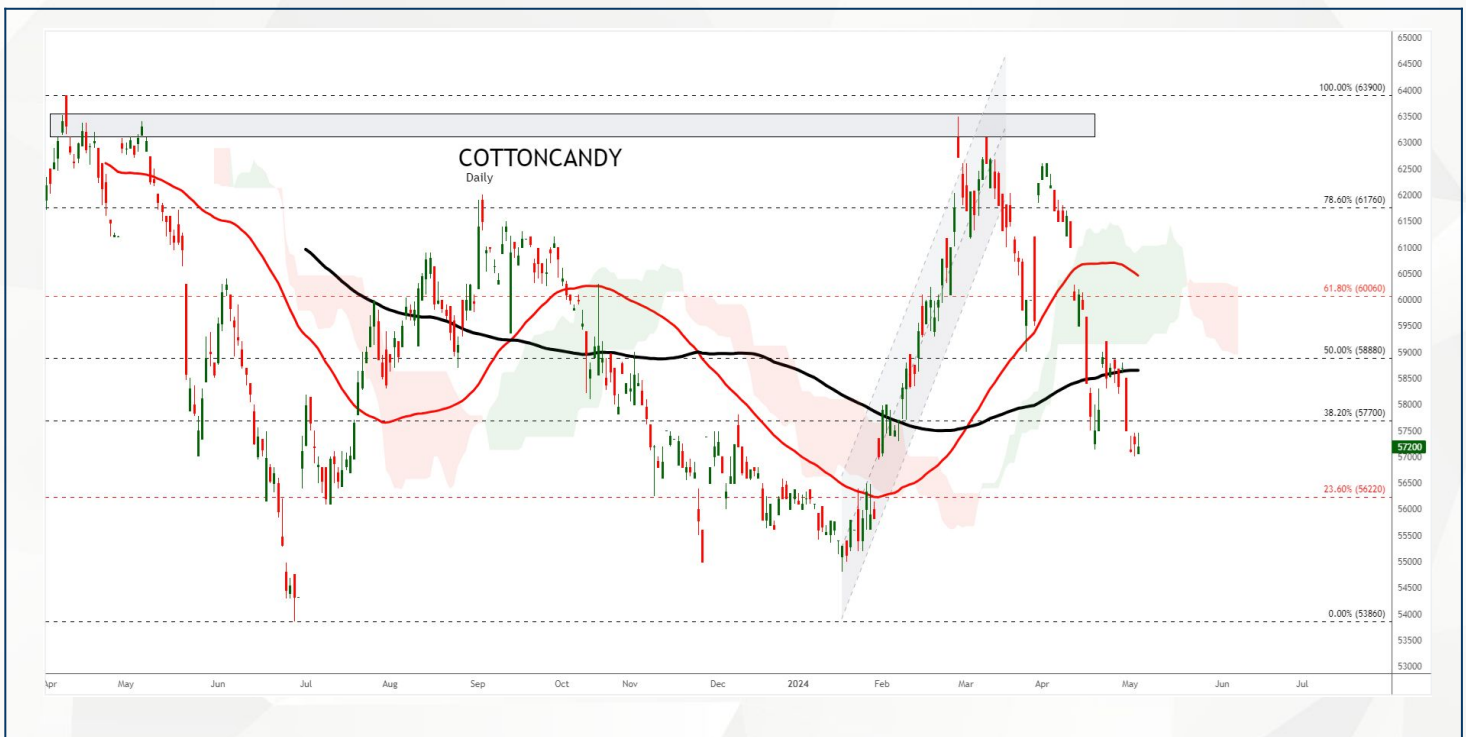
Spot Rates

Commodity	Location	Price	% Chg
29 mm Cotton	राजकोट	27,539.15	-0.27
29 mm Cotton	कादी	27,727.80	0.83

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COTTONCANDY	31-May-24	-0.17	-0.52	Long Liquidation

Technical Chart



BUY COTTONCANDY MAY @ 57000 SL 56700 TGT 57400-57700. MCX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COTTONCANDY	31-May-24	57480.00	57840.00	57660.00	57460.00	57280.00	57080.00

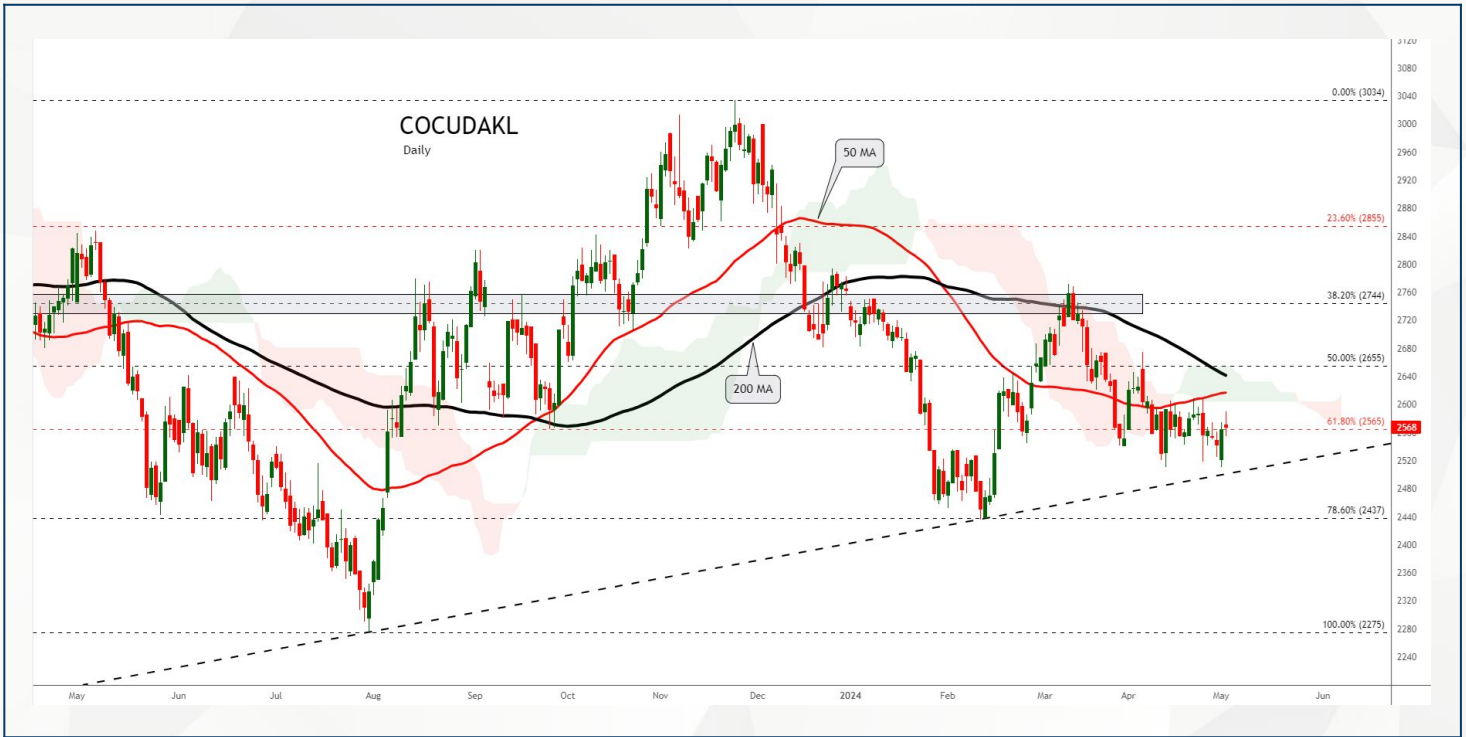
Spot Rates

Commodity	Location	Price	% Chg
Cotton Seed Oilcake	आकोला	2,721.30	0.75
Cotton Seed Oilcake	कादी	2,764.45	0.57

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
COCUDAKL	20-May-24	1.90	-15.32	Short Covering
COCUDAKL	20-Jun-24	2.16	31.58	Fresh Buying

Technical Chart



BUY COCUDAKL MAY @ 2600 SL 2570 TGT 2640-2670. NCDEX

Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COCUDAKL	20-May-24	2,622.00	2651.00	2610.00	2610.00	2595.00	2569.00
COCUDAKL	20-Jun-24	2,647.00	2703.00	2638.00	2638.00	2610.00	2573.00

Spot Rates

Commodity	Location	Price	% Chg
Kapas	राजकोट	1,460.80	0.33
Kapas	कादी	1,475.80	1.31

Open Interest Snapshot

Commodity	Expiry	% Change	% Oi Change	Oi Status
KAPAS	30-Apr-25	0.67	0.44	Fresh Buying

Technical Chart

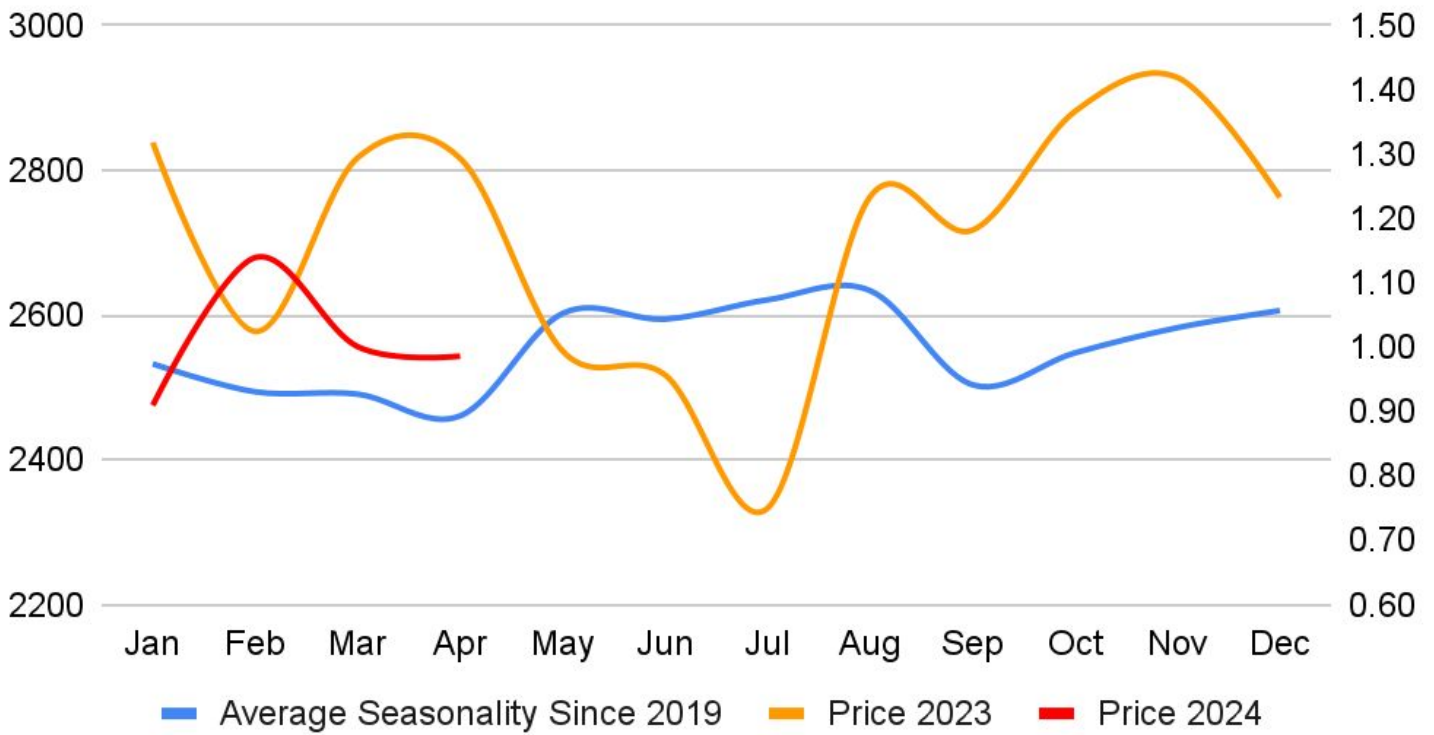


BUY KAPAS APR @ 1575 SL 1560 TGT 1595-1605. NCDEX

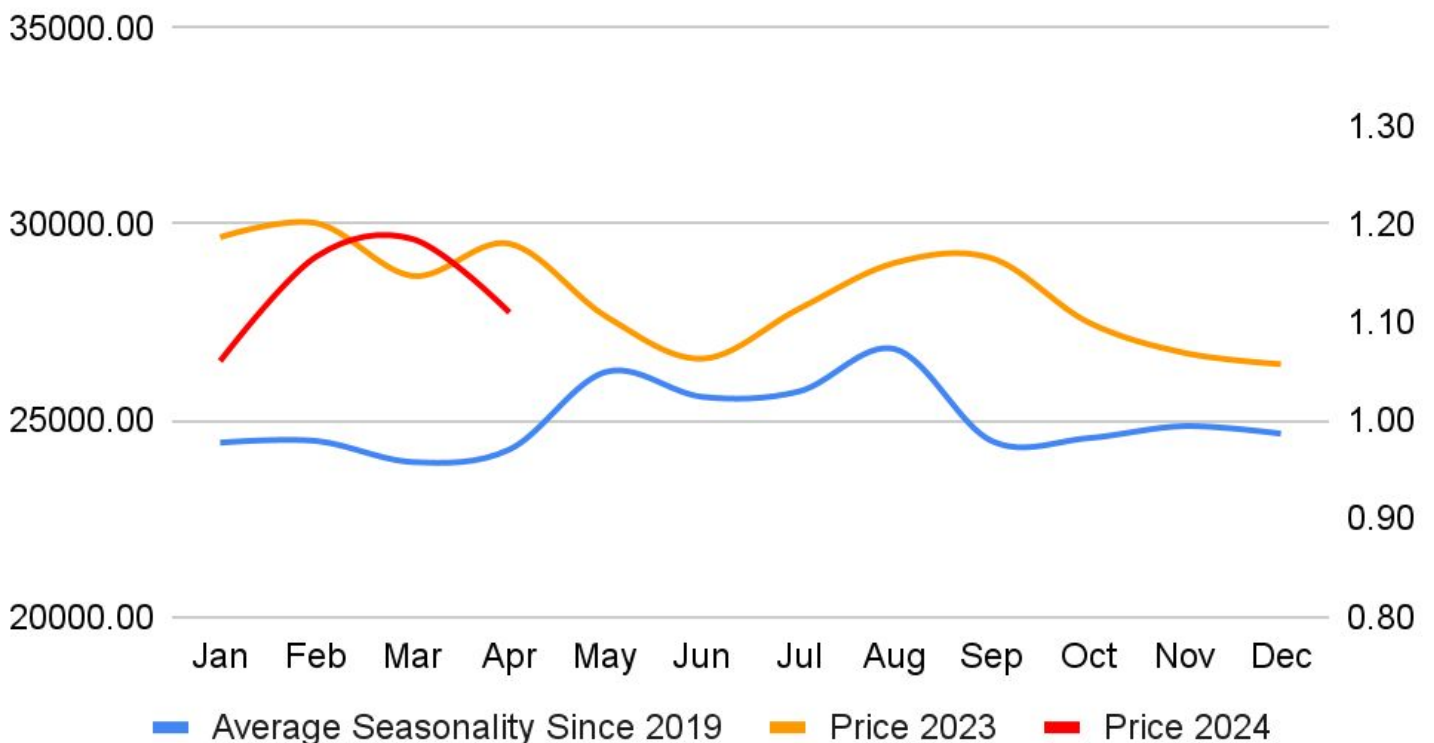
Trading Levels

Commodity	Expiry	Close	R2	R1	PP	S1	S2
KAPAS	30-Apr-25	1,582.50	1590.00	1587.00	1582.00	1579.00	1574.00

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Cotton Seasonality





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