



COMMODITY Research

SMC Global - Daily Report (Commodities)

7th November, 2017

CONTRACT	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Spices						
Cardamom (Nov)	15-Nov-17	922.20	Down	18.09.17	1171.90	980.00
Cardamom (Dec)	15-Dec-17	927.60	Down	18.09.17	1125.00	970.00
Coriander (Nov)	20-Nov-17	5014.00	Up	02.11.17	5070.00	4850.00
Coriander (Dec)	20-Dec-17	5114.00	Up	02.11.17	5172.00	4950.00
Jeera (Nov)	20-Nov-17	18710.00	Down	25.09.17	19120.00	19200.00
Jeera (Dec)	20-Dec-17	19035.00	Down	25.09.17	19170.00	19400.00
Turmeric (Nov)	20-Nov-17	7258.00	Down	19.09.17	7538.00	7400.00
Turmeric (Dec)	20-Dec-17	7220.00	Down	19.09.17	7598.00	7350.00
Oilseeds						
CPO (Nov)	30-Nov-17	550.60	Up	27.10.17	542.50	545.00
CPO (Dec)	29-Dec-17	550.90	Up	01.11.17	549.80	545.00
Ref. Soy Oil (Nov)	20-Nov-17	690.90	Up	01.11.17	685.95	684.00
Ref. Soy Oil (Dec)	20-Dec-17	702.20	Up	01.11.17	696.20	695.00
RM seeds (Nov)	20-Nov-17	3937.00	Up	19.10.17	3903.00	3810.00
RM seeds (Dec)	20-Dec-17	3966.00	Up	19.10.17	3937.00	3860.00
Soy Bean (Nov)	20-Nov-17	2785.00	Down	06.09.17	3108.00	2910.00
Soy Bean (Dec)	20-Dec-17	2833.00	Down	06.09.17	3171.00	2940.00
Other Commodities						
Castor seed (Nov)	20-Nov-17	4365.00	Down	18.09.17	4726.00	4520.00
Castor seed (Dec)	20-Dec-17	4411.00	Down	18.09.17	4788.00	4560.00
Cocud (Dec)	20-Dec-17	1512.00	Down	30.10.17	1484.00	1555.00
Cocud (Jan)	19-Jan-18	1525.00	Down	30.10.17	1498.00	1570.00
Guar seed (Nov)	20-Nov-17	3579.50	Down	24.10.17	3650.50	3650.00
Guar seed (Dec)	20-Dec-17	3669.00	Down	24.10.17	3738.00	3700.00
Mentha Oil (Nov)	30-Nov-17	1525.90	Up	11.10.17	1268.60	1460.00
Mentha Oil (Dec)	29-Dec-17	1543.50	Up	11.10.17	1253.60	1480.00



Market Update (Agri)

Spices: Turmeric futures (Dec) is likely to witness a consolidation in the range of 7150-7310 levels. The overall sentiments are bearish as there is anticipation that the demand is likely to be hand to mouth across the country as there is no major festival in coming months. The buyers are not in mood to make any bulk purchases as new crop is said to be in satisfactory conditions with production expected slightly higher than last year. Further, there are sufficient stocks of turmeric in the country to cater demand up to new crop supply, expected from February-March. Further the new crop prospects seem better than last year due to good weather in key growing regions. It is estimated that turmeric new crop could be between 70-75 lakh bags against 65 lakh bags a year ago. Jeera futures (Dec) is likely to trade sideways in the range of 18950-19350 levels. Spot Jeera traded mix in the major markets of Gujarat as the prices rose by Rs.25/20Kg at Rajkot market, eased by Rs.10/20Kg at Unjha market and remained stable at Gondal market. Jeera spot prices rose by Rs.25/20Kg in Rajkot market due to good demand witnessed by domestic buyers. Jeera outlook is not very promising as the major market participants are avoiding any bulk deals and waiting for the sowing to complete. Cardamom futures (Dec) is expected to break the support near 920 levels & fall further towards 900 levels. Small cardamom prices declined as supply outstripped demand at auctions in Kerala and Tamil Nadu. Anticipation of a comparatively good crop due to favourable weather conditions coupled with a likely decline in the prices has slowed buying.

Oilseeds: Soybean futures (Dec) is likely to trade sideways in the range of 2780-2860 levels. At the spot markets, arrivals have majorly increased in Madhya Pradesh due to Bhavantar Bugtan Yojana Scheme. Under this scheme, if farmer sells soybean below the MSP price i.e. Rs 3,050/100kg in the market yard then the farmer will get the difference of MSP and model rate. Farmers are willing to sell soybean at current level so that they can take the benefit of the scheme. As per the latest statement by the CM of Madhya Pradesh, the model price of soybean is 2580/quintal and the government will pay the remaining difference of 470/quintal to the registered farmers. Another hand, demand of soybean from millers is as per requirement due to steady sales of Soymeal. Refined soy oil futures (Dec) is expected to trade with a downside bias in the range of 699-704 levels. Spot refined soy oil at the benchmark Indore market declined by Rs 2 to trade at Rs 690/10kg. As per traders, retail demand is fragile so wholesale traders are procuring soy oil in less quantity which has weighed on soy oil price. Further, market men are anticipating that demand for soy oil is likely to remain weak in November and December as there is no major festival. CPO futures (Nov) is likely to face resistance near 560 levels. India spot refined palm oil price declined by Rs 5 to trade at Rs 600/10kg in benchmark Kandla market amid sluggish demand. Secondly, the stock of the commodity at ports and in pipeline is sufficient to meet the near term demand so importers have sidelined themselves from trading activity. Mustard futures (Dec) is likely to trade in the range of 3940-3990 levels. The millers are having sufficient stock in their inventory which can meet their short term crushing demand so they opted to stay away from bulk buying.

Other Commodities: Kapas futures (April) may trade higher & test 895-900 levels. It is reported that the Cotton Corporation of India (CCI) has begun procurement operations at select places in Gujarat and Telangana. The agency will procure at important cotton growing locations as and when the prices go below the Minimum Support Price (MSP) level once the arrivals gather pace, most likely after November 15. Guar seed futures (Dec) is likely to face resistance near 3760 levels. The fundamentals have turned bearish due to decent supply of new crop followed by some concern about export of Guargum due to recent negative U.S oil rigs count data. In the month of October, the rig count fell by 13, the biggest decline since May 2016. Though stockiest and crushers demand is said to be good, but they are slightly hesitant to procure in bulk quantity due to recent bearish U.S rigs count. Mentha oil futures (Nov) is likely to maintain its Bull Run & test 1575 levels. It is estimated that the ending stocks at the season end 2017-18 is expected to drop sharply at 5,000 tons compared with 15,000 tons last year. Cotton oil seed cake futures (Dec) is expected to face resistance near 1540 levels. Spot cotton oil cake ruled steady at Rs 1,600/100kg for in benchmark Kadi market of Gujarat amid limited demand from cattle feed manufacturer. As per traders, in coming months, supply is likely to exceed, hence, the upside may remain capped. On the other hand, cotton seed supply has been increased, due to which, cotton oil cake produced was trading lower by Rs 20 to trade at Rs 1,850/100kg.



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Spot prices	Location	Close	Previous close	% Diff
Spices				
Cardamom	Vandanmendu	977.90	992.50	-1.47
Coriander	Kota	4887.15	4937.55	-1.02
Jeera	Unjha	18968.80	18950.00	0.10
Turmeric	Nizamabad	7350.00	7333.35	0.23
Oilseeds				
CPO	Kandla	605.00	602.00	0.50
RM Seed	Jaipur	3989.45	3986.30	0.08
Refined Soy oil	Mumbai	676.90	677.50	-0.09
Soybean	Indore	2771.00	2816.00	-1.60
Other Commodities				
Guar gum	Jodhpur	8050.70	7930.45	1.52
Cotton seed oil cake	Akola	1530.00	1477.85	3.53
Cotton	Kadi	18046.95	18046.95	0.00
Guar seed	Jodhpur	3743.65	3675.00	1.87
Sugar M	Kolkata	3895.25	3904.75	-0.24
Wheat	Delhi	1829.15	1858.75	-1.59

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