

COMMODITY DAILY REPORT (AGRI)

12th February, 2018

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (Feb)	15-Feb-18	1150.70	Sideways	12.01.18	1098.00	-
Cardamom (Mar)	15-Mar-18	1149.50	Sideways	05.01.18	1058.50	-
Coriander (Apr)	20-Apr-18	5712.00	Down	29.12.17	6115.00	6000.00
Coriander (May)	18-May-18	5766.00	Sideways	18.01.18	5299.00	-
Jeera (Mar)	20-Mar-18	16420.00	Down	05.01.18	17330.00	17000.00
Jeera (Apr)	20-Apr-18	16725.00	Sideways	06.02.18	17110.00	-
Turmeric (Apr)	20-Apr-18	7278.00	Down	03.01.18	7594.00	7450.00
Turmeric (May)	18-May-18	7336.00	Down	03.01.18	7668.00	7550.00

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (Feb)	28-Feb-18	573.70	Sideways	31.01.18	564.90	-
CPO (Mar)	28-Mar-18	577.20	Up	07.12.17	570.20	566.00
Ref. Soy Oil (Feb)	20-Feb-18	737.85	Up	03.01.18	742.65	732.00
Ref. Soy Oil (Mar)	20-Mar-18	744.15	Up	03.01.18	735.15	735.00
RM seeds (Apr)	20-Apr-18	4123.00	Sideways	30.01.18	4159.00	-
RM seeds (May)	18-May-18	4163.00	Sideways	25.01.18	4156.00	-
Soy Bean (Feb)	20-Feb-18	3750.00	Up	09.02.18	3750.00	3580.00
Soy Bean (Mar)	20-Mar-18	3790.00	Up	09.02.18	3790.00	3630.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Castor seed (Feb)	20-Feb-18	4090.00	Up	29.01.18	4293.00	4100.00
Castor seed (Mar)	20-Mar-18	4177.00	Sideways	09.02.18	4177.00	-
Cocud (Feb)	20-Feb-18	1738.50	Down	06.02.18	1674.50	1750.00
Cocud (Mar)	20-Mar-18	1740.50	Down	19.01.18	1765.50	1770.00
Guar seed (Feb)	20-Feb-18	4459.50	Sideways	08.02.18	4403.00	-
Guar seed (Mar)	20-Mar-18	4497.00	Sideways	08.02.18	4450.00	-
Mentha Oil (Feb)	28-Feb-18	1436.50	Down	02.01.18	1604.70	1520.00
Mentha Oil (Mar)	28-Mar-18	1424.80	Down	02.01.18	1578.10	1500.00

**One has to follow the trend and see the price only at closing. This is not for Intra day trading.

Market Update

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cardamom	Vandanmendu	1112.90	1114.20	-0.12
Coriander	Kota	5377.40	5413.50	-0.67
Jeera	Unjha	19426.40	19531.30	-0.54
Turmeric	Nizamabad	7200.00	7140.00	0.84

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	626.75	627.50	-0.12
RM Seed	Jaipur	4050.00	4031.25	0.47
Refined Soy oil	Mumbai	728.90	727.80	0.15
Soybean	Indore	3800.00	3679.00	3.29

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Guar gum	Jodhpur	9844.60	9805.30	0.40
Cocud	Akola	1732.70	1700.00	1.92
Cotton	Kadi	19313.85	19266.05	0.25
Guar seed	Jodhpur	4505.30	4470.00	0.79
Sugar M	Kolkata	3519.05	3428.55	2.64
Wheat	Delhi	1788.80	1782.50	0.35

Spices

Turmeric futures (Apr) is likely to witness consolidation in the range of 7100-7400 levels, with downside getting capped. The prices of the yellow spice are stabilizing in Erode as the new crop is attracting good demand & the buyers are purchasing all produces that are arriving. Even the traders are optimistic of receiving upcountry demand. At present, they are getting only local demand from masala firms and grinding units. Last week, jeera futures (Mar) had witnessed a lower level buying taking support near 16300 levels & marked a high of 16980 levels, but, the gains reversed due to selling pressure and new crop arrivals. In days to come, the bearishness is likely to prevail & may even attempt to break 16300 levels to go down further towards 16000 levels as the market participants are expecting that the peak arrival season will start from Feb 15. Coriander futures (Apr) is expected to trade with a downside bias & may head towards 5600 levels. The sentiments are bearish amid limited domestic and international demand against decent old stock arrivals followed by new crop arrivals in small quantities. It is being anticipated that new crop arrivals will increase from mid February as the standing crop is almost ready for harvesting in major producing belts. Production of Coriander this year is pegged at 80 lakh bags (40kg each) due to lower sowing though the yield is expected to remain same as last year or decline upto maximum 10%. Cardamom futures (Mar) will probably remain stable consolidate in the range of 1135-1155 levels. There is a possibility of squeeze in supply in the coming days as 90% of the harvesting is expected to get completed by the end of this month.

Oilseeds

Soybean futures (Mar) is expected to consolidate in the range of 3750-3850 levels & trade with an upside bias. The counter is caught between it's demand & supply factors, as on one side the estimates by SOPA are showing that the Kharif 2017 soybean crop has been revised lower to 83.5 lakh tons from 91.46 lakh tons given in October 2017, whereas, on the contrary the demand for soy meal has reduced drastically from the poultry industry. After the recent rise in soybean price, the profit margin of poultry farmers in February has declined to 8-10% from 12-15% in January. Further the placements of chicks are likely to decline in February as consumption of chicken declines from March on wards due to onset of summers. Refined soy oil futures (Mar) is likely to trade with a downside bias & face resistance near 748-750 levels. This domestic edible oil counter is taking negative cues from the benchmark soy oil on the CBOT. Secondly, the buyers are shifting towards cotton oil as it is cheaper than soy oil by around Rs 40-50/10kg. CPO futures (Feb) may trade in the range of 571-577 levels & the downside may remain capped. The reason being, the temperatures in northern part of India are inching towards above normal which is suitable for the consumption of RBD palmolein so demand of the cooking oil is gradually improving. Mustard futures (Apr) will probably trade with a downside bias in the range of 4080-4170 levels. The new arrivals have started in many markets of Rajasthan and Madhya Pradesh and pace is improving day-by-day. Secondly, demand in mustard seed is not robust due to disparity to crushers of Rs.330 per tonne amid lackluster enquiry in mustard oil and cake.

Other Commodities

Cotton oil seed cake futures (Mar) is expected to trade in the range of 1725-1755 levels. Fundamentally, the buying side is fragile as the cattle feed manufacturer are not showing any interest to procure cotton oil cake at current price level as other feed substitutes are available at much cheaper rates. On the other hand stockiest of Gujarat wants to stock cotton oil cake but they are not getting vacant space because due to bumper production of Groundnut, most of the warehouses are filled with this commodity. The overall trend of Kapas futures (Apr) is down as it is giving a lower closing since past six weeks, but days ahead it may consolidate in the range of 975-990 levels & the downside may remain capped. There are talks among the market participants that the arrivals may slow down as the farmers are seen resorting to withhold their stocks after observing major downtrend in the world cotton market. Guar seed futures (March) may witness some correction & remain below 4600 levels, while Guar gum futures (March) is likely to trade with a downside bias in the range of 9700-10100 levels. Presently, concerns are hovering over the exports of guar gum after the crude oil prices are taking a correction. Infact, the latest figures show that India's Guargum export during the month of December 2017 rose at slower pace of 3.06% month-on-month at 43,881 metric tonnes compared with 42,574 metric tonnes during the same period a year ago, according to Agricultural & Processed Food Products Export Development Authority (APEDA).

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