

COMMODITY DAILY REPORT (AGRI)

29th January, 2018

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (Feb)	15-Feb-18	1117.50	Sideways	12.01.18	1098.00	-
Cardamom (Mar)	15-Mar-18	1132.10	Sideways	05.01.18	1058.50	-
Coriander (Apr)	20-Apr-18	5926.00	Down	29.12.17	6115.00	6000.00
Coriander (May)	18-May-18	6019.00	Sideways	18.01.18	5299.00	-
Jeera (Mar)	20-Mar-18	16430.00	Down	05.01.18	17330.00	17200.00
Jeera (Apr)	20-Apr-18	16715.00	Down	19.01.18	16735.00	17100.00
Turmeric (Apr)	20-Apr-18	7356.00	Down	03.01.18	7594.00	7650.00
Turmeric (May)	18-May-18	7382.00	Down	03.01.18	7668.00	7650.00

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (Jan)	31-Jan-18	562.40	Down	07.12.17	570.20	565.00
CPO (Feb)	28-Feb-18	574.40	Up	24.01.18	571.80	560.00
Ref. Soy Oil (Feb)	20-Feb-18	747.00	Up	03.01.18	742.65	730.00
Ref. Soy Oil (Mar)	20-Mar-18	745.70	Up	03.01.18	735.15	725.00
RM seeds (Apr)	20-Apr-18	4121.00	Down	09.01.18	4053.00	4140.00
RM seeds (May)	18-May-18	4156.00	Sideways	25.01.18	4156.00	-
Soy Bean (Feb)	20-Feb-18	3665.00	Up	20.12.17	3149.00	3500.00
Soy Bean (Mar)	20-Mar-18	3701.00	Up	19.12.17	3077.00	3550.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Castor seed (Feb)	20-Feb-18	4128.00	Down	27.12.17	4413.00	4250.00
Castor seed (Mar)	20-Mar-18	4187.00	Down	07.12.17	4491.00	4200.00
Cocud (Feb)	20-Feb-18	1672.50	Down	29.12.17	1791.50	1750.00
Cocud (Mar)	20-Mar-18	1691.50	Down	19.01.18	1765.50	1770.00
Guar seed (Feb)	20-Feb-18	4620.50	Up	10.11.17	3705.00	4430.00
Guar seed (Mar)	20-Mar-18	4679.50	Up	21.11.17	3784.00	4500.00
Mentha Oil (Jan)	31-Jan-18	1505.20	Down	02.01.18	1578.10	1600.00
Mentha Oil (Feb)	28-Feb-18	1504.50	Down	02.01.18	1604.70	1600.00

\*\*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	1067.30	1056.70	1.00
Coriander	Kota	5571.75	5475.50	1.76
Jeera	Unjha	19966.70	19850.00	0.59
Turmeric	Nizamabad	7550.00	7560.00	-0.13

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	626.25	619.50	1.09
RM Seed	Jaipur	4062.35	4032.65	0.74
Refined Soy oil	Mumbai	723.85	723.45	0.06
Soybean	Indore	3685.00	3615.00	1.94

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Guar gum	Jodhpur	9874.80	9671.00	2.11
Cocud	Akola	1711.05	1737.90	-1.54
Cotton	Kadi	19768.00	19863.60	-0.48
Guar seed	Jodhpur	4608.35	4518.75	1.98
Sugar M	Kolkata	3342.85	3376.20	-0.99
Wheat	Delhi	1795.90	1790.00	0.33

Spices

Turmeric futures (Apr) is expected to trade with a downside bias in the range of 7200-7450 levels. The sentiments of the market participants at the spot markets as the turmeric prices are showing a mixed trend as arrivals from the new turmeric crop have started in the markets of Nizamabad in Telangana and Erode in Tamil Nadu. Due to cold weather, moisture content is high at 5-19% & 12-14% in new arrivals of Erode & Nizamabad respectively. On the demand side, all the traders are awaiting North Indian orders when the full-fledged turmeric buying season will commence from February. Jeera futures (Mar) may witness some short covering owing to lower level buying taking, taking support near 16300 levels. If we take a close look, the open interest is not getting built up as it was in previous weeks, and this is giving an indication that the downside may remain capped. Fundamentally, the demand side is expected to remain steady due to growing demand for Indian Jeera in global market & lower carryover stock, despite of higher production. Coriander futures (Apr) is likely to face resistance near 6050 levels & the upside may remain capped owing to rising pressure of fresh supplies. The arrivals of the new coriander crop have started in the spot markets of Rajkot & are expected to rise to 15,000-20,000 bags per day by the end of February. The demand for the new crop is low as the moisture content is around 20-25% as compared to the ideal level of 7-8%. Regarding price, at the spot markets the new crop is being quoted at Rs.4,000-5,000 per quintal, against Rs.5,000-6,000 per quintal last year.

Oilseeds

The bull-run of soybean futures (Feb) is not yet over & at this stage buying on dips is recommended as it has potential to test 3700-3750 levels. The main factor that is acting as a catalyst is the assumption that the crop of the current year 2017-18 (Oct-Sept) could be around 72-75 lakh tons, much lower against the earlier estimates of 92 lakh tons. Refined soy oil futures (Feb) may trade with an upside bias towards 750 levels. The cooking oil is taking positive cues the U.S soy oil, which is seen taking support near 32.50 cents per pound & bouncing back from lower levels. CPO futures (Feb) is expected to take support near 570 levels & trade with an upside bias. The factor that is supporting is the assumption that Malaysian palm oil output is expected to see seasonal declines in the first quarter of the year before picking up and heading towards peak production in the third quarter. Moreover, India's palm oil stock levels are low and China's buying window is coming up soon ahead of the Lunar New Year. The gains witnessed by mustard futures (Apr) may not sustain in days to come & will possibly trade in the range of 4085-4150 levels, with a downside bias. The reason being, arrivals of mustard seed from the new crop have commenced in the key market of Kota in Rajasthan & are likely to rise to around 15,000 bags per day next this week onwards. It is reported that the new arrivals, which contain 18-20% moisture, are priced at Rs.3,100-3,200 per quintal, down by Rs.100 from last year.

Other Commodities

Cotton oil seed cake futures (Feb) is likely to descend towards 1650-1630 levels. At the spot markets, the demand has taken a back seat as the buyers have switched to other cheaper feed substitutes such as tur churi, bajara churi, chana churi & maize which are trading in the range of Rs 1100-1425/100kg. Kapas futures (April) is expected to trade sideways in the range of 965-985 levels. The downside may remain capped as the domestic cotton market is not trending on fundamentals but only influenced by the trend on the US cotton futures. International cotton prices have continued to move upward from the season low of 77 cents per pound at the start of season & now trading near 82 cents per pound. Back at home, major traders have adopted a wait and watch approach amid volatility in spot prices in the past few weeks. The New Year has brought rejoice to the farmers cultivating guar as both the seed & gum, are at two year high, thanks to the bull run of crude oil prices in the international market. The sharp rally in crude oil prices in the last one month has raised optimism among Guar industry that Guargum export this season will be much better. Guargum is mainly used in extraction of oil and natural gas and rising crude oil prices will surely enhance its consumption. At present, both crushers and stockists are active in the spot market and buying Guarseed due to expectations of better return ahead amid positive fundamentals. Saying this, guar seed futures (Feb) is likely to witness 4700-4720 levels, while guar gum futures (Feb) may test 10100-10200 levels.

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