

COMMODITY DAILY REPORT (AGRI)

27th May, 2020

NCDEX AGRIDEX						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
NCDEX AGRIDEX	19-Jun-20	1,012.00	Up	26.05.20	1,012.00	960.00

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (June)	15-Jun-20	1600.90	Sideways	24.04.20	1650.00	-
Cardamom (July)	15-Jul-20	1549.50	Sideways	15.05.20	1512.00	-
Coriander (June)	19-Jun-20	5774.00	Up	26.05.20	5774.00	5600.00
Coriander (July)	17-Jul-20	5688.00	Up	26.05.20	5688.00	5500.00
Jeera (June)	19-Jun-20	13590.00	Up	26.05.20	13590.00	13300.00
Jeera (July)	20-Jul-20	13310.00	Up	26.05.20	13310.00	13000.00
Turmeric (June)	19-Jun-20	5430.00	Up	26.05.20	5430.00	5235.00
Turmeric (July)	17-Jul-20	5488.00	Up	26.05.20	5488.00	5235.00

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (May)	29-May-20	646.90	Up	18.05.20	616.40	630.00
CPO (June)	30-Jun-20	620.40	Up	18.05.20	599.80	600.00
Ref. soy oil (June)	19-Jun-20	775.60	Up	18.05.20	778.60	765.00
Ref. soy oil (July)	20-Jul-20	766.20	Up	18.05.20	803.00	750.00
RM Seed (June)	19-Jun-20	4458.00	Up	28.04.20	4132.00	4350.00
RM Seed (July)	20-Jul-20	4402.00	Up	28.04.20	4145.00	4280.00
Soybean (June)	19-Jun-20	3766.00	Down	21.04.20	3758.00	3835.00
Soybean (July)	20-Jul-20	3696.00	Down	19.05.20	3754.00	3835.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Chana (June)	19-Jun-20	4071.00	Down	19.05.20	4081.00	4145.00
Chana (July)	20-Jul-20	4100.00	Down	19.05.20	4113.00	4175.00
Cocud (June)	19-Jun-20	1965.00	Down	22.05.20	1964.00	2080.00
Cocud (July)	17-Jul-20	1994.00	Down	22.05.20	1992.00	2080.00
Guar seed (June)	19-Jun-20	3538.00	Up	28.04.20	3444.00	3490.00
Guar seed (July)	20-Jul-20	3536.00	Up	28.04.20	3444.00	3490.00
Mentha oil (May)	29-May-20	1137.70	Up	13.04.20	1132.30	1120.00
Mentha oil (June)	30-Jun-20	1070.20	Sideways	25.04.20	1013.00	-

**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	2525.00	2525.00	0.00
Coriander	Kota	5979.00	5975.00	0.07
Jeera	Unjha	13700.00	13616.70	0.61
Turmeric	Nizamabad	5241.65	5229.15	0.24

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	648.80	644.50	0.67
RM Seed	Jaipur	4621.05	4550.00	1.56
Refined Soy oil	Mumbai	778.35	778.35	0.00
Soybean	Indore	3898.00	3916.00	-0.46

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2062.50	2090.80	-1.35
Cotton	Kadi	15608.85	15776.15	-1.06
Sugar M	Kolkata	3380.95	3380.95	0.00
Wheat	Delhi	1980.00	1983.95	-0.20

Spices

Turmeric futures (June) is expected to trade on a positive note in the range of 5375-5550 levels. On the spot, higher demand is being witnessed which is boosting turmeric sales in Erode market. At the Erode Turmeric Merchants Association Salesyard, finger turmeric was sold at Rs.5,399-6,433 a quintal and root variety at Rs.4,875-5,899. At the Erode Cooperative Marketing Society, finger turmeric was sold at Rs.5,049-6,100 and root variety at Rs.4,829-5,769. The State Government is facilitating transport system and goods carrier system to improve more quantity of turmeric to be sold & be procured by the traders. In the present scenario, much of the yellow spice is being purchased by the turmeric powder grinding units. Jeera futures (June) is likely to face resistance near 13700-13750 levels. The market participants would closely watch the auctions that are going to take place from this weekend in a staggered manner and accordingly take cues from the process. Just when arrivals started peaking, the yard was closed since March 22 due to the outbreak of novel coronavirus. In days to come, we may see selling pressure over the counter as the farmers would try to offload their produce & on the contrary, the off-take will be limited with major wholesale consuming sectors such as restaurants and hotels remaining closed. Dhaniya futures (June) taking support near 5700, may gain higher towards 5880-5920 levels. The demand from bulk buyers such as spice companies increased following relaxation in some restrictions. In Ramganj, the key trading centre in Rajasthan, the badami variety was sold at 5,800 rupees per 100 kg and the eagle variety at 6,000 rupees.

Oilseeds

Soybean futures (June) is expected to witness correction towards 3700 facing resistance near 3815 levels. The counter is taking negative cues from the international market amid growing concerns that the U.S. government's rhetoric about China's response to the coronavirus pandemic will dampen Chinese demand for U.S. supplies. U.S.-China tensions have spiked in recent weeks, with Pompeo and President Donald Trump slamming Beijing's handling of the outbreak. Mustard futures (June) is witnessing a bull run, and this uptrend is likely to continue till 4500-4550. But, before taking fresh long positions we would advice to wait for some correction as the fundamentals of demand & supply are in tug-of-war. On demand side, it is estimated that India's exports of mustard meal are expected to halve in 2020-21 (Apr-Mar) from 961,312 tn exported last year due to waning demand from traditional buyers amid the COVID-19 pandemic. Demand for the Indian-origin meal in the global market has also softened because of lower buying from the livestock sector. However, the downside may get restricted & as the supply is lower than expected supply of fresh crop in spot markets due to restrictions to curb the spread of coronavirus in the country. Soy oil futures (June) may consolidate in the range of 770-780 with upside getting capped. In the international market, the upside movement of soy oil on CBOT is getting limited as the demand has shifted to palm oil. CPO futures (June) is looking bullish towards 625-630 levels. Recently, India & Malaysia have signed deal to come back into business of palm oil & Malaysian government expects this positive development to strengthen palm oil prices in the market.

Other Commodities

Cotton futures (June) is expected to take support near 15700 & trade with an upside bias towards 16000-16100 levels. India's cotton production has been revised downward to 330 lakh bales (each of 170 kg) for 2019-20, which is 24.5 lakh bales (lb) lower from the earlier estimate and about 18 lb higher than the output estimate of 2018-19. On the demand side, India's cotton exports could rise to 4.7 million bales in 2019/20, up 12 per cent from the previous estimate, as a fall in the value of the rupee to record low made shipments competitive. In the international market, ICE cotton futures rebounded from an over one-week low, as projections for lower rainfall in Texas, the largest cotton-producing state, eased concerns over increased supply. Speculators trimmed their net short position in cotton futures by 1,125 contracts to 7,264 contracts in the week to May 19, U.S. Commodity Futures Trading Commission (CFTC) said on Friday. In days to come, more correction can be seen in chana futures (June) as it can descend towards 4050-4035, hence sell on rise is recommended in this counter near the resistance of 4105. The peak arrival of good quality moong is on the way & is expected to peak till end of this month & this is likely to add selling pressure. Moreover, summer crop sowing well on track, impressive increase in area under pulses. About 10.35 lakh ha area coverage under pulses as compared to 5.92 lakh ha. during the corresponding period of last year. Mentha oil futures (June) will possibly go down further to test 1160-1150 levels. The oil from new mentha crop has started arriving at the key wholesale market of Barabanki in Uttar Pradesh, being harvested in Bareilly, Sitapur and Konch districts. Production is seen at a record high of 55,000-60,000 tn this year, up nearly 50% as it was more profitable than other crops such as bajra, urad or maize.

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