

COMMODITY DAILY REPORT (AGRI)

6th August, 2020

NCDEX AGRIDEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
NCDEX AGRIDEX	31-Aug-20	1071.75	Up	26.05.20	1,012.00	1030.00

SPICES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (Aug)	14-Aug-20	1538.00	Sideways	24.04.20	1650.00	-
Cardamom (Sept)	15-Sept-20	1338.00	Sideways	15.05.20	1512.00	-
Coriander (Aug)	20-Aug-20	6446.00	Up	22.06.20	6147.00	6300.00
Coriander (Sept)	18-Sept-20	6516.00	Up	22.06.20	6160.00	6350.00
Jeera (Aug)	20-Aug-20	13935.00	Up	26.05.20	13590.00	13800.00
Jeera (Sept)	18-Sept-20	13915.00	Up	26.05.20	13310.00	13800.00
Turmeric (Aug)	20-Aug-20	5810.00	Up	24.07.20	5862.00	5630.00
Turmeric (Sept)	18-Sept-20	5908.00	Up	03.08.20	5932.00	5700.00

OILSEEDS

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (Aug)	31-Aug-20	740.90	Up	31.07.20	735.10	710.00
CPO (Sept)	30-Sept-20	735.90	Up	14.07.20	694.20	705.00
Ref. soy oil (Aug)	20-Aug-20	874.50	Up	14.07.20	833.50	855.00
Ref. soy oil (Sept)	18-Sept-20	880.20	Up	14.07.20	831.80	860.00
RM Seed (Aug)	20-Aug-20	5138.00	Up	28.04.20	4132.00	4900.00
RM Seed (Sept)	18-Sept-20	5099.00	Up	28.04.20	4145.00	4855.00
Soybean (Aug)	20-Aug-20	3826.00	Up	04.08.20	3846.00	3765.00
Soybean (Sept)	18-Sept-20	3794.00	Up	04.08.20	3804.00	3720.00

OTHER COMMODITIES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Chana (Aug)	20-Aug-20	4137.00	Down	09.07.20	4140.00	4175.00
Chana (Sept)	18-Sept-20	4169.00	Down	09.07.20	4106.00	4220.00
Cocud (Aug)	20-Aug-20	1707.00	Down	24.06.20	2119.00	1905.00
Cocud (Sept)	18-Sept-20	1728.00	Down	24.06.20	2057.00	1890.00
Guar seed (Aug)	20-Aug-20	3960.00	Up	17.07.20	3842.00	3720.00
Guar seed (Sept)	18-Sept-20	4016.00	Up	17.07.20	3859.00	3740.00
Mentha oil (Aug)	31-Aug-20	954.60	Sideways	03.08.20	940.00	-
Mentha oil (Sept)	30-Sept-20	957.00	Sideways	03.08.20	937.00	-

**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	1528.30	1476.70	3.49
Coriander	Kota	6446.30	6446.30	0.00
Jeera	Unjha	13973.10	14033.40	-0.43
Turmeric	Nizamabad	5478.35	5478.35	0.00

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	747.10	753.80	-0.89
RM Seed	Jaipur	5162.35	5173.40	-0.21
Refined Soy oil	Mumbai	869.00	863.00	0.70
Soybean	Indore	3825.00	3844.00	-0.49

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	1902.95	1927.50	-1.27
Cotton	Kadi	16158.60	16015.20	0.90
Sugar M	Kolkata	3485.70	3485.70	0.00
Wheat	Delhi	1889.05	1880.20	0.47

Spices

Turmeric futures (Aug) is likely to trade sideways to up in the range of 5750-5900 taking positive cues from the spot markets. The price of the root turmeric was improved. After few days, the price of the spot root variety turmeric has increased on Wednesday. This is due to quality, but the overall sale of turmeric was decreased to 55 per cent. At the Erode Turmeric Merchants Association sales yard the finger turmeric was sold at Rs.5,289-6,517 a quintal, the root variety was sold at Rs.4,861-5,819 a quintal. Jeera futures (Aug) is expected to witness a sideways to down movement in the range of 13800-14000. In the present scenario, the commodity is taking negative cues from the rise in warehouse stock and weak demand from bulk buyers. Gujarat's Unjha mandi has opened this week. At the Rajkot mandi fewer amounts of arrivals are being seen as the overseas demand is sluggish the market is dependent on local demand only. Dhaniya futures (Aug) is expected to hold on the support near 6400, while the upside may remain capped near 6550 levels. The spot prices are steady due to improvement in demand from domestic stockists and fall in arrivals in spot markets. Supply in the key trading centres is seen falling as the peak arrival season has come to an end. Cardamom futures (Aug) is likely to consolidate in the range of 1500-1550. There is weakness in demand to closure of many markets across the country and also there is pressure of new crop arrivals. It is to be noted that as a preventive measure to contain rising cases of virus infections, auctions are held only twice a week.

Oilseeds

Soybean futures (Aug) may continue to consolidate in the range of 3785-3840. The counter is already reeling under the pressure of anticipated higher supply this season and going ahead demand may also take a hit as DGFT (Directorate General of Foreign Trade) has blocked the online registration of MEIS claims on its portal from exports undertaken Apr 1, onwards. This will result in total stoppage of soybean exports. Chicago Board of Trade soybean futures dropped to their lowest level since July 14 on Wednesday as forecasts for rain that will shepherd the Midwest crop through critical development phases bolstered expectations for a bumper harvest. The outlook for ample supplies outweighed support from signs of good export demand. The benchmark CBOT November soybean futures contract dropped below its 50-day moving average. CBOT September soybean hit a new contract low. Mustard futures are on a bull-run and making a new three year high every week due to short supply and demand for mustard oil shot up due to sudden increase in household consumption. With no stock left with farmers and new season crop arrivals 6-8 months away, mustard prices are likely to remain firm in days to come. Going ahead, every dip can be taken as an opportunity to accumulate this oilseed, eyeing targets of 5180-5210. Soy oil (Aug) will probably trade sideways to up in the range of 870-880, and CPO (Aug) in the range of 735-745 levels. Malaysian palm oil futures ended nearly 2% lower on Wednesday, snapping a four-day winning streak tracking weaker rival soyoil, but losses were limited by expectations of a plunge in July inventories. Managed funds are reducing their net long in soyoil on better soybean crop quality in the U.S. and a record-breaking crop in Brazil.

Other Commodities

Cotton futures (Aug) is expected to trade higher towards 16500-16550. Cotton Corporation of India (CCI) said the prices of the fibre crop have bottomed out and expects the demand from the spinning mills to pick up gradually on easing of lockdown. The easing of lockdown norms and return of migrant labour are helping mills to restart operations. Mills need cotton and they have started covering. By first week of August, they are expecting more sales in the domestic market. CCI is pushing for cotton exports to major consuming countries such as Bangladesh and Vietnam through the government channel. However, we may not see a major upside as the country is still reeling under huge inventories. The closing stock as on September 30, 2020 is estimated by the committee at 55.50 lakh bales of 170 kgs each. On the international market, ICE cotton futures rose on Wednesday, trading just below a 4-month peak hit in July, as continued hot weather concerns along with a sliding dollar supported the virus-hit natural fiber market. Severe hot and dry weather in Texas, the largest cotton producing state in the U.S., and the Carolinas has sparked fears of crop damage among producers. Chana futures (Aug) would possibly hover sideways in the range of 4120-4170. The current levels of chana are attractive for millers traders due to cheaper pulses and reducing arrivals. Even consumption is likely to increase in coming days as festive period begins next month till Diwali. Meanwhile, prices in spot markets traded much below MSP of Rs 4,875. Mentha oil futures (Aug) is likely to trade sideways in the range of 945-960. The overall sentiment remains bearish due to concern over demand and increased arrivals in key trading centres. The inventories on the MCX warehouses are rising week on week, creating a downside pressure on the commodity.

Vandana Bharti (AVP - Commodity Research)
Subhranil Dey Sr. Research Analyst (Agro)

Boardline : 011-30111000 Extn: 625
Boardline : 011-30111000 Extn: 674

vandanabharti@smcindiaonline.com
subhranildey@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



Moneywise. Be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata-700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

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