

COMMODITY DAILY REPORT (AGRI)

22nd June, 2022

NCDEX AGRIDEX

COMMODITY	EXPIRY DATE	S1	S2	Pivot	R1	R2	Trend
NCDEX Guarex	30-Jun-22	6,680.00	6,780.00	6,930.00	7,030.00	7,170.00	Up

SPICES

COMMODITY	EXPIRY DATE	S1	S2	Pivot	R1	R2	Trend
Coriander (Jul)	20-Jul-22	10,550.00	10,800.00	11,020.00	11,270.00	11,490.00	Down
Coriander (Aug)	16-Aug-22	10,700.00	10,940.00	11,140.00	11,380.00	11,580.00	Down
Jeera (Jul)	20-Jul-22	20,380.00	20,580.00	20,760.00	20,960.00	21,140.00	Up
Jeera (Aug)	18-Aug-22	20,580.00	20,780.00	20,910.00	21,110.00	21,250.00	Up
Turmeric (Jul)	20-Jul-22	7,570.00	7,660.00	7,740.00	7,820.00	7,900.00	Down
Turmeric (Aug)	17-Aug-22	7,670.00	7,760.00	7,830.00	7,920.00	7,990.00	Sideways

OILSEEDS

COMMODITY	EXPIRY DATE	S1	S2	Pivot	R1	R2	Trend
Castor seed (Jul)	20-Jul-22	7,140.00	7,190.00	7,240.00	7,300.00	7,350.00	Up
Castor seed (Aug)	18-Aug-22	7,210.00	7,260.00	7,300.00	7,350.00	7,400.00	Up

OTHER COMMODITIES

COMMODITY	EXPIRY DATE	S1	S2	Pivot	R1	R2	Trend
Cotton (Jun)	30-Jun-22	46,380.00	46,560.00	46,780.00	46,960.00	47,180.00	Up
Cotton (Jul)	29-Jul-22	43,140.00	43,750.00	44,410.00	45,020.00	45,680.00	Down
Cocud (Jul)	20-Jul-22	2,570.00	2,610.00	2,670.00	2,700.00	2,760.00	Down
Cocud (Aug)	19-Aug-22	2,600.00	2,640.00	2,700.00	2,730.00	2,790.00	Down
Guar seed (Jul)	20-Jul-22	5,360.00	5,400.00	5,460.00	5,500.00	5,560.00	Down
Guar seed (Aug)	18-Aug-22	5,450.00	5,480.00	5,540.00	5,570.00	5,630.00	Down
Guar gum (Jul)	20-Jul-22	9,920.00	10,030.00	10,140.00	10,250.00	10,370.00	Down
Guar gum (Aug)	18-Aug-22	10,080.00	10,180.00	10,290.00	10,390.00	10,500.00	Down
Mentha Oil (Jun)	30-Jun-22	1,020.00	1,030.00	1,040.00	1,050.00	1,050.00	Up
Mentha Oil (Jul)	29-Jul-22	1,040.00	1,050.00	1,050.00	1,060.00	1,070.00	Sideways

**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	872.15	875.50	-0.38%
Coriander	Kota	11695.65	11477.95	1.90%
Jeera	Unjha	21272.00	21267.65	0.02%
Turmeric	Nizamabad	8103.20	8123.15	-0.25%

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	1215.70	1222.70	-0.57%
RM Seed	Jaipur	6899.60	6909.10	-0.14%
Refined Soy oil	Mumbai	1375.00	1410.00	-2.48%
Soybean	Indore	6523.55	6587.60	-0.97%

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2994.90	2984.50	0.35%
Cotton	Kadi	45894.25	46850.40	-2.04%
Guar Seed	Jodhpur	5537.50	5475.00	1.14%
Wheat	Delhi	2255.65	2258.80	-0.14%
Chana	Delhi	4803.10	4799.80	0.07%

Spices

Turmeric futures (Jul) witnessed recovery on Tuesday after it slipped to 7-month low in the previous session. It traded within the previous day range to close positive by 0.75%. It took support at 7660 while the resistance is seen at 7950. We expect it to trade sideways to lower towards 7500 if it sustains below support levels. The reports of good sowing progress in south India coupled with sufficient stock positions with farmers is keeping prices in control. Moreover, exports demands have been improving while the arrivals are matching the demand. Turmeric exports in Apr 2022 is higher 3.61% y/y at 13,760 tonnes vs 13,280 tonnes while for the period of Jan-Apr 2022, exports are at par compared to last year figures of 50,500 tonnes. In FY 2021/22, exports were down 16.7% y/y at 1.53 lakh tons but higher by 10% compared with 5-year average. Jeera futures (Jul) closed in 0.5% higher mainly of short covering after it slipped to 3-month low mainly in their prior session. It took support at 20550 while the resistance is seen at 20950. We expect it to trade in the range of support and resistance in coming sessions. The demand for cumin seed usually lower during the rainy season in domestic market while the exports remains steady. On Tuesday, arrivals were pegged at 5,000 bags, compared with 9,000 bags. Currently, prices are higher by 54% y/y on lower availability due to expectation of jeera production in 2021/22 sharply lower at 5.0-6.0 mln bags (1 bag = 55 kg) from 8.0-8.5 mln bags the previous year. As per govt data, jeera exports in Apr 2022 down by 66% Y/Y at 10,700 tonnes, the lowest April month export volume in last 6 years while exports in first 4-months of 2022 down by 46% Y/Y to 54000 compared to 1 lakh tonnes last year. Dhaniya futures (Jul) closed 1.2% higher due to technical buying after it slipped more than 4% in the previous session. Now the support is at 10750 and resistance at 11250. We expect to trade mostly sideways to lower towards 10500 levels if it slips below 10940 levels. The demand and arrivals remains steady in the physical market. Since the beginning of the season, the processors and traders have bought as per their requirements due to higher market prices. Currently also the prices are higher by 64% y/y due to lower crop estimates but it also corrected about 17% from the 2022 highs due to lower exports. As per govt data, coriander exports in Apr 2022 down 27.1% y/y at 4020 tonnes Vs 5500 tonnes last year while the export volumes are down by 23.5% during Jan-Apr at 15,100 tonnes Vs 19,770 tonnes last year but 12% higher compared to 5-year average for same period.

Other Commodities

Cotton futures (Jun) closed 0.4% lower and traded within the previous day range after it opened gap down. It has taken support at 46600 levels and resistance at 47000. We expect it to trade lower towards 46300 if it sustains below its support levels. Currently, Cotton prices are 90% higher y/y due to lower stocks in the country amid lower production. CAI further lowers cotton crop estimate by more than 8 lakh bales this month to 315.32 lakh bales for 2021-22 season. The MSP for cotton was raised by 6.2% y/y in 2022-23 to Rs 6,080 per quintal. Cotton area in ongoing kharif season is lower by 6% Y/Y at 19.06 lakh ha Vs 20.27 last year as on 17th Jun. In Jun, USDA cut global cotton production by 1.5 million bales and cut 1.0 million bales from India for 2021/22 for the second consecutive month to 24.5 million bales. For 2022/23, the production estimates are at 27.5 million bales higher by 12% y/y. The demand for cotton is limited from textile sector in South has taken decision to close 100% mills and stop buying of cotton. Guar seed futures (Jul) traded within the range of previous day range and closed 0.4% lower. It took support at 5420 levels while resistance is near 5530 levels. We expect it to trade sideways to lower towards 5250 levels if it sustains below its support levels. Prices are currently trading near 10-month lows on good monsoon expectations. Guar area in Rajasthan as on 21st Jun is 37,600 ha compared to 104,000 ha last year. The current prices are higher by about 35% y/y due to lower production, lower stocks and good export demand. Prices have corrected almost 19% from the 2022 peak despite good exports numbers. Guar gum exports in Apr 2022 higher by 7% y/y at 29,132 tonnes while exports during Jan-Apr 2022 is up by 22% y/y at 79,650 tonnes compared 65275 tonnes last FY. Guar gum exports were down about 20% in last FY compared to previous five-year average of 4 lt exports. Castor Seed (Jul) closed mostly unchanged after volatile trading session in the previous session. It took support is at 7190 levels and resistance is seen at 7350 levels. We expect the prices to trade sideways to higher towards 7400 levels if it sustains above 7300 levels. Gujarat kharif area under castor is 16 ha Vs 155 ha last year as per data released by the state agriculture dept. Currently, prices are about 43% higher y/y due to lower production estimates while prices have increased 23% since the start of 2022. SEA estimates, India's castor seed crop in 2021-22 at 16.94 lakh tonnes — lower by 62,000 tonnes from last year's estimated output of 17.56 lakh tonnes (lt). On the export front, castor meal exports in May 2022 up by 49.5% y/y to 31,150 tonnes, while overall exports in first 5-months in 2022 also up by 3% at 1.57 lt vs 1.52 lt. despite higher export prices by 97% y/y at \$143 per ton compared to \$73 last year. Similarly, castor oil exports in May 2022 were higher by 3.3% y/y at 76300 tonnes despite 43% increase in export prices this season. Exports are down 11.3% y/y to 2.77 lt during Jan-May Period.

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