

COMMODITY DAILY REPORT (AGRI)

12th May, 2020

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (May)	15-May-20	1710.00	Down	05.02.20	3687.50	1900.00
Cardamom (June)	15-Jun-20	1725.00	Sideways	24.04.20	1650.00	-
Coriander (May)	20-May-20	5901.00	Sideways	09.04.20	6280.00	-
Coriander (June)	19-Jun-20	5787.00	Sideways	08.04.20	6361.00	-
Jeera (May)	20-May-20	14130.00	Sideways	20.04.20	13765.00	-
Jeera (June)	19-Jun-20	13710.00	Sideways	24.04.20	13655.00	-
Turmeric (May)	20-May-20	5302.00	Sideways	20.04.20	5556.00	-
Turmeric (June)	19-Jun-20	5304.00	Sideways	21.04.20	5596.00	-

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (May)	29-May-20	600.90	Sideways	11.05.20	600.90	-
CPO (June)	30-Jun-20	584.80	Sideways	11.05.20	584.80	-
Ref. soy oil (May)	20-May-20	787.00	Down	21.04.20	765.60	790.00
Ref. soy oil (June)	19-Jun-20	756.80	Down	21.04.20	799.40	765.00
RM Seed (May)	20-May-20	4208.00	Up	28.04.20	4145.00	4040.00
RM Seed (June)	19-Jun-20	4180.00	Up	28.04.20	4132.00	4040.00
Soybean (May)	20-May-20	3886.00	Sideways	08.05.20	3880.00	-
Soybean (June)	19-Jun-20	3812.00	Down	21.04.20	3758.00	3835.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND STOP LOSS	CLOSING
Chana (May)	20-May-20	4102.00	Up	23.03.20	4062.00	4110.00
Chana (June)	19-Jun-20	4125.00	Up	24.04.20	4263.00	4135.00
Cocud (May)	20-May-20	1983.00	Up	11.05.20	1983.00	1900.00
Cocud (June)	19-Jun-20	2008.00	Up	11.05.20	2008.00	1930.00
Guar seed (May)	20-May-20	3520.00	Up	28.04.20	3444.00	3400.00
Guar seed (June)	19-Jun-20	3476.00	Up	28.04.20	3444.00	3400.00
Mentha oil (May)	29-May-20	1168.30	Up	13.04.20	1132.30	1120.00
Mentha oil (June)	30-Jun-20	1069.50	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	6257.25	6257.25	0.00
Jeera	Unjha	14042.90	13930.80	0.80
Turmeric	Nizamabad	5221.30	5278.50	-1.08

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	625.50	614.80	1.74
RM Seed	Jaipur	4361.30	4361.30	0.00
Refined Soy oil	Mumbai	778.35	778.35	0.00
Soybean	Indore	4012.00	4002.00	0.25

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2076.10	2047.50	1.40
Cotton	Kadi	15298.10	15357.85	-0.39
Sugar M	Kolkata	3380.95	3380.95	0.00
Wheat	Delhi	1960.20	1965.00	-0.24

Spices

Turmeric futures is trading near its 3 year low of 5280 and this bearish trend is likely to persist owing to decline in demand from exporters and bulk buyers such as spice manufacturers amid the ongoing lockdown. Usually demand for turmeric from spice manufacturers start coming in from April, but due to the lockdown demand has taken a hit. In days to come, the June contract may trade with a bearish bias in the range of 5250-5200 levels. Cardamom futures (June) may witness recovery till 1800-1830 levels. It is reported that the Spices Board, is looking at the option of online auction of cardamom to help mitigate the impact of Covid-19 crisis. The option of sale of cardamom through e-NAM platform under Union Ministry of Agriculture, is also being explored and the Board has is in the process of consulting with stakeholders. The Spices Board is also continuing with the operation of its laboratories in the country to facilitate exports. Starting from May 5, the cardamom to be exported to Saudi Arabia will be tested at Spices Board's quality evaluation labs. The short covering in jeera futures (June) may get limited till 13750-13800 as the fundamentals are not much supportive in the present scenario. Spot prices are down amid lower offtake, reduced processing. The off-take is limited with major wholesale consuming sectors such as restaurants and hotels remaining closed. They consume about 7-8 per cent of the overall cumin sales. In addition to that, export orders are not moving due to short-staffed processors. Dhaniya futures (June) may consolidate sideways in the range of 5715-5815 levels. The masala companies are buying only on a limited scale and often by approaching farmers directly. Demand for coriander is steady.

Oilseeds

The upside momentum in soybean futures (June) doesn't look sustainable as it may face resistance near 3850 levels. India's soymeal exports may fall due to subdued demand from traditional overseas buyers amid ongoing lockdowns. Shutdowns in several parts of the world have hit supply chains, with transport restrictions preventing soymeal from getting delivered to poultry farms and even demand for the livestock also fell on the scare of coronavirus. Chicago soybeans were little changed on Monday, consolidating below an earlier four-week high as attention turned to U.S. crop data that may provide more signals on the impact of Chinese imports and the coronavirus crisis on grain demand. The market participants are awaiting U.S. Department of Agriculture's May outlook on Tuesday, in which the USDA will update its U.S. and world estimates for the current 2019/20 season and give its first supply and demand projections for 2020/21. Mustard futures (June) is looking bullish for 4220-4250 levels, hence a dip towards 4130 levels can be considered as buying opportunity. In this peak crushing season, the availability of mustard seeds with the mills has eased a lot as arthiyas are supplying mustard seeds. Labour problem has also more or less eased. Trucks loaded with edible oils are now reaching interior areas to reach out to the dealers and distributors. Soy oil futures (June) may trade higher towards 765, while CPO futures (May) is expected to test 610-615 levels on the higher side. In breaking news, India has suspended 39 licenses to import refined palm oil after a surge in duty-free imports from neighbouring countries such as Nepal and Bangladesh which are not key producers of palm oil. All these 39 licences for import of refined palm oil will be immediately put under suspension. Moreover, Indian rupee ended weaker against the US dollar, on increased demand for the greenback from importers and banks. The Rupee traders are largely focusing on how markets will react to major economies opening their respective economies from the lockdown.

Other Commodities

Cotton futures (May) may witness a consolidation in the range of 15520-15820. The reasons being firstly, the Indian cotton is now cheaper than anywhere else in the world, trading at a 12-15 percent discount to prices globally. Hence, we may attract export orders from the countries that are slowly opening the lockdown. Secondly, the market participants have again turned optimistic about demand from China especially after the U.S. government export sales report that included higher sales to China. Chana futures (June) may trade sideways in the range of 4095-4150 levels. Trade related activities are minimum due to the lockdown situation and the difficulty in getting transport vehicles etc. has led to significant drop in the daily arrivals. Arrivals normally peak by May but this time peak arrival month seems to be June. Demand is also suffering due to closure of restaurants, small eatery joints, big retail chains etc. which is adversely affected overall demand. Castor seed futures is trading nearly just to its yearly low of 3608 and going ahead this bearish trend in June contract will possibly get extended to 3630-3600 levels. Manufacturing and trade curbs all over the world in the wake of the coronavirus pandemic hurt India's castor oil exports in the last leg of 2019-20 (Apr-Mar). Overseas shipments of the industry oil are seen at around 500,000 tn in 2019-20 (Apr-Mar), down from 570,000 tn in the previous last year. Manufacturing and sales are hit hugely during the lockdown. Lower-than-expected demand from China, Japan, the US, and Europe will likely keep the export figures depressed in the coming months. Domestic demand for castor oil has declined by 40-45% due to the lockdown as crushing of the oilseed and overall trade has been affected.

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