

COMMODITY DAILY REPORT (AGRI)

4th May, 2020

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (May)	15-May-20	1669.10	Down	05.02.20	3687.50	1900.00
Cardamom (June)	15-Jun-20	1517.90	Sideways	24.04.20	1650.00	-
Coriander (May)	20-May-20	5904.00	Sideways	09.04.20	6280.00	-
Coriander (June)	19-Jun-20	5888.00	Sideways	08.04.20	6361.00	-
Jeera (May)	20-May-20	13735.00	Sideways	20.04.20	13765.00	-
Jeera (June)	19-Jun-20	13455.00	Sideways	24.04.20	13655.00	-
Turmeric (May)	20-May-20	5498.00	Sideways	20.04.20	5556.00	-
Turmeric (June)	19-Jun-20	5534.00	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	609.00	Down	21.04.20	631.90	630.00
CPO (June)	30-Jun-20	600.40	Down	21.04.20	637.90	620.00
Ref. soy oil (May)	20-May-20	796.60	Down	21.04.20	765.60	800.00
Ref. soy oil (June)	19-Jun-20	763.40	Down	21.04.20	799.40	785.00
RM Seed (May)	20-May-20	4174.00	Up	28.04.20	4145.00	4040.00
RM Seed (June)	19-Jun-20	4166.00	Up	28.04.20	4132.00	4040.00
Soybean (May)	20-May-20	3826.00	Down	21.04.20	3614.00	3850.00
Soybean (June)	19-Jun-20	3786.00	Down	21.04.20	3758.00	3860.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND STOP LOSS	CLOSING
Chana (May)	20-May-20	4196.00	Up	23.03.20	4062.00	4110.00
Chana (June)	19-Jun-20	4231.00	Up	24.04.20	4263.00	4135.00
Cocud (May)	20-May-20	1882.00	Down	21.04.20	1836.00	1950.00
Cocud (June)	19-Jun-20	1903.00	Sideways	21.04.20	1872.00	-
Guar seed (May)	20-May-20	3524.00	Up	28.04.20	3444.00	3250.00
Guar seed (June)	19-Jun-20	3506.00	Up	28.04.20	3444.00	3280.00
Mentha oil (May)	29-May-20	1178.90	Up	13.04.20	1132.30	1120.00
Mentha oil (June)	30-Jun-20	1084.50	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	6230.00	0.44
Jeera	Unjha	14022.00	14050.00	-0.20
Turmeric	Nizamabad	5359.40	5368.75	-0.17

Spices

Turmeric futures (May) is unlikely to recover as it is facing resistance near 5550 taking negative cues from the spot markets. The sales of the yellow spice is falling in Erode as the traders are mainly buying turmeric in Erode and not placing any bulk order as the exports have slowed down. It is also being observed that many buyers are expecting the arrival of more quantity only in the first week of May and also waiting for best quality arrival. Saying this, it is expected that if the counter breaks the previous support near 5400, then it may plunge towards 5300 levels. The Covid-19 pandemic seems to have taken a toll on cardamom, the reason being it is making fresh yearly lows on the national bourse. This year the exports also did not commence during the peak season of demand particularly from Gulf countries at the time of holy Ramadan month, which begins on April 21 and runs up to May 20. Most of the stocks are lying with farmers and traders. Only if the stocks are cleared, planters can invest in new crop, for which the first picking season begins by the end of May or early June. Analyzing the bearish fundamental factors, the price outlook of cardamom futures is bleak and in days to come it may go down further to test 1650 levels. Jeera futures (May) is likely to consolidate & trade with a downside bias in the range of 13600-13800 owing to slump in demand. On the spot, the physical trading is not happening since auctions are still suspended as farmers are not allowed to bring their produce to the market.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	634.00	629.90	0.65
RM Seed	Jaipur	4350.00	4326.65	0.54
Refined Soy oil	Mumbai	778.35	778.35	0.00
Soybean	Indore	3999.00	3983.00	0.40

Oilseeds

The upside momentum shall continue to remain intact in soybean futures (May) and it may rally forward to test 3900-3920 taking support near 3780-3765 levels. This phenomenon will be possibly due to a rise in demand from crushing plants amid subdued arrivals due to the lockdown. In the international market, U.S soybean may take support near \$8.20 a bushel on hopes that demand may rise as there are plans being chalked out by countries to ease lockdown measures. But on the contrary, the market participants are also keeping a close watch on the export sales data, the past record of which is showing low US soybean sales to China keeping the upside capped. Mustard futures (May) is expected to rally further towards 4230-4250 levels supported by rising demand from the millers. This is the peak crushing season in Rajasthan and it is reported that many plants in Alwar are operating at full capacity. These mustard oil manufacturing plants are mostly located in green zones have they have got clearance from the state authorities before starting operations. Also maintaining standard operating procedure laid out by the government at factories. Despite of strength in oilseeds complex owing to recovery in oil, the gains of edible oils may remain capped as the rupee may move higher against dollar, making imports cheaper. Moreover, the demand side is facing challenges due to the lockdown. Malaysian palm oil is also entering the phase of seasonal higher months of production. Recently, many of jetties were also opened after the movement control order was lifted. Back at home, soy oil futures (May) is expected to trade sideways in the range of 790-800, while CPO futures (May) may consolidate in the range of 600-615 levels.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2000.00	2000.00	0.00
Cotton	Kadi	16254.20	16373.75	-0.73
Sugar M	Kolkata	3380.95	3380.95	0.00
Wheat	Delhi	1983.75	1985.00	-0.06

Other Commodities

Cotton futures (May) facing resistance near 16400 is likely to witness sell on rise and descend towards 16100-16000 levels. It is estimated that cotton consumption may fall by about 25-30 lakh bales in the current year. Since the outbreak of the pandemic, the demand for cotton has reduced with the closure of textiles mills due to the lockdown. Usually, traders procure cotton from farmers and send it to spinning mills but, currently the produce is either stocked at home by farmers or at godowns by traders, as the clothing supply chain that have been disillusioned into crisis by the Covid-19 across the globe. The supply is much heavier because the farmers have no option, but to sell the produce for any rate that the traders offer, as they need money to meet their everyday expenses. The price outlook of chana futures (May) seems to be bullish and hence buying on dips would be suggested near 4155, eyeing a target of 4250-4250 levels in days to come. The demand is on rise and with the major mandis in Madhya Pradesh remaining closed, millers of Indore are procuring pulse seeds either directly from the farmers or from dedicated godowns in the State. Last week, it was correctly suggested that guar gum futures (May) would show a bullish momentum owing to recovery in international oil prices. Fundamentally, the data suggests the U.S. may not run out of space to store its glut of crude as quickly as previously feared. Moreover the demand is also expected to catch pace on the hopes that economies will re-open sooner-than-expected. Going ahead, we maintain the same view as the counter has a potential to test 5400-5500 taking support near 5125 levels.

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

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd.) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities/commodities market.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject commodity.

DISCLAIMER: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions.

Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the commodity thereof, mentioned here in or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodities discussed herein(c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.