

COMMODITY DAILY REPORT (AGRI)

15th May, 2020

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (May)	15-May-20	1700.10	Down	05.02.20	3687.50	1730.00
Cardamom (June)	15-Jun-20	1725.00	Sideways	24.04.20	1650.00	-
Coriander (May)	20-May-20	5795.00	Sideways	09.04.20	6280.00	-
Coriander (June)	19-Jun-20	5613.00	Sideways	08.04.20	6361.00	-
Jeera (May)	20-May-20	13615.00	Sideways	20.04.20	13765.00	-
Jeera (June)	19-Jun-20	13420.00	Sideways	24.04.20	13655.00	-
Turmeric (May)	20-May-20	5214.00	Down	12.05.20	5242.00	5450.00
Turmeric (June)	19-Jun-20	5178.00	Down	12.05.20	5234.00	5445.00

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (May)	29-May-20	602.70	Sideways	11.05.20	600.90	-
CPO (June)	30-Jun-20	584.50	Sideways	11.05.20	584.80	-
Ref. soy oil (May)	20-May-20	795.20	Sideways	13.05.20	794.80	-
Ref. soy oil (June)	19-Jun-20	764.00	Sideways	13.05.20	764.60	-
RM Seed (May)	20-May-20	4230.00	Up	28.04.20	4145.00	4040.00
RM Seed (June)	19-Jun-20	4188.00	Up	28.04.20	4132.00	4040.00
Soybean (May)	20-May-20	3864.00	Sideways	08.05.20	3880.00	-
Soybean (June)	19-Jun-20	3780.00	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	4087.00	Sideways	12.05.20	4087.00	-
Chana (June)	19-Jun-20	4145.00	Sideways	12.05.20	4118.00	-
Cocud (May)	20-May-20	1972.00	Up	11.05.20	1983.00	1900.00
Cocud (June)	19-Jun-20	1981.00	Up	11.05.20	2008.00	1930.00
Guar seed (May)	20-May-20	3540.00	Up	28.04.20	3444.00	3400.00
Guar seed (June)	19-Jun-20	3490.00	Up	28.04.20	3444.00	3400.00
Mentha oil (May)	29-May-20	1138.90	Up	13.04.20	1132.30	1120.00
Mentha oil (June)	30-Jun-20	1060.40	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	13900.00	13916.70	-0.12
Turmeric	Nizamabad	5228.95	5212.50	0.32

Spices

Turmeric futures on the national bourse has made a new fresh 4 year low at 5160 and this bearish trend is likely to persist as it is likely to test 5100 levels. No Mysore turmeric was brought for sale by the turmeric growers and only local turmeric came for sale. The buyer traders are purchasing only for their local demand, as they are still waiting for fresh upcountry demand. Regarding the price of the turmeric, At the Erode Turmeric Merchants Association Salesyard, finger turmeric was sold at RS. 5,155-6,369 a quintal and root variety at Rs. 4,819-5,806. 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. Jeera futures (June) may plunge towards 13200 as the fundamentals are bearish. 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. The short covering in Dhaniya futures (June) is likely to face resistance near 5675-5705 levels. The masala companies are buying only on a limited scale and often by approaching farmers directly. Demand for coriander is steady.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	632.30	629.50	0.44
RM Seed	Jaipur	4361.30	4361.30	0.00
Refined Soy oil	Mumbai	778.35	778.35	0.00
Soybean	Indore	3973.00	3984.00	-0.28

Oilseeds

Soybean futures (June) is expected to trade with a downside bias facing resistance near 3735 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. Secondly, the monthly USDA report cited that the 2020/21 outlook for U.S. soybeans is for higher supplies, crush, exports, and lower ending stocks compared to 2019/20. The soybean crop is projected at 4.125 billion bushels, up 568 million from last year on increased harvested area and trend yields. Despite lower beginning stocks, soybean supplies are projected up 5 percent from 2019/20 to 4.720 billion bushels. Mustard futures (June) is likely to trade sideways in the range of 4150-4225 levels. 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 sideways in the range of 760-770, while CPO futures (May) is expected to consolidate in the range of 595-612 levels. Still, bearish supply outlooks continue to hang over the futures market. Traders were unmoved by the USDA's confirmation that private exporters sold 198,000 tonnes of U.S. soybeans to China along with 20,000 tonnes of soyoil, marking China's first U.S. purchase of the vegetable oil in nearly two years. The sale was the first soyoil deal with China since August 2018 and its biggest purchase of U.S. supplies since November 2016, according to USDA data. In the 2016/17 marketing year, before the trade war began, U.S. exporters shipped 133,318 tonnes of soyoil to China.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2088.65	2100.00	-0.54
Cotton	Kadi	15537.10	15537.10	0.00
Sugar M	Kolkata	3380.95	3380.95	0.00
Wheat	Delhi	1966.55	1960.00	0.33

Other Commodities

Cotton futures (May) may take support near 15000 the downside may remain capped. 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. Secondly, ICE cotton futures rose more than 1% on Thursday, supported by export sales data that showed purchases of the natural fiber by top consumer China. The United States Department of Agriculture's weekly export sales report showed net sales of 238,100 running bales for 2019/2020, down 36% from the previous week, but up 50% from the prior four-week average, primarily driven by China and Vietnam. Chana futures (June) may trade sideways in the range of 4120-4160 levels. Amidst rising temperature and weak physical demand, sluggish trend in chana continued on the spot markets. Chana dal also quoted lower on weak demand. 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 3600-3550 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.

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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