

COMMODITY DAILY REPORT (AGRI)

30th December, 2020

NCDEX AGRIDEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
NCDEX AGRIDEX	31-Dec-20	1153.50	Sideways	27.11.20	1183.25	-

SPICES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Coriander (Jan)	20-Jan-21	5896.00	Down	02.11.20	6686.00	6020.00
Coriander (Apr)	20-Apr-21	6272.00	Down	02.11.20	6752.00	6400.00
Jeera (Jan)	20-Jan-21	12755.00	Down	26.11.20	13995.00	13500.00
Jeera (Mar)	19-Mar-21	13170.00	Down	26.11.20	13785.00	13700.00
Turmeric (Apr)	20-Apr-21	5914.00	Down	02.11.20	5756.00	5970.00
Turmeric (May)	20-May-21	5960.00	Sideways	18.11.20	5840.00	-

OILSEEDS

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (Dec)	31-Dec-20	969.40	Up	10.12.20	914.10	950.00
CPO (Jan)	29-Jan-20	969.90	Up	10.12.20	909.30	950.00
Ref. soy oil (Jan)	20-Jan-21	1168.70	Up	10.12.20	1065.50	1140.00
Ref. soy oil (Feb)	19-Feb-21	1157.50	Up	10.12.20	1072.30	1130.00
RM Seed (Jan)	20-Jan-21	5801.00	Up	23.12.20	5631.00	5670.00
RM Seed (Feb)	19-Feb-21	5611.00	Up	23.12.20	5531.00	5530.00
Soybean (Jan)	20-Jan-21	4500.00	Up	23.12.20	4491.00	4435.00
Soybean (Feb)	19-Feb-21	4484.00	Up	23.12.20	4478.00	4430.00
Castor seed (Jan)	20-Jan-21	4380.00	Down	26.11.20	4654.00	4550.00
Castor seed (Feb)	19-Feb-21	4420.00	Down	26.11.20	4618.00	4560.00

OTHER COMMODITIES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Chana (Jan)	20-Jan-21	4417.00	Down	01.12.20	4909.00	4550.00
Chana (Mar)	19-Mar-21	4465.00	Down	01.12.20	4851.00	4600.00
Cotton (Dec)	31-Dec-20	20250.00	Sideways	21.12.20	20020.00	-
Cotton (Jan)	29-Jan-20	20560.00	Sideways	21.12.20	20300.00	-
Cocud (Jan)	20-Jan-21	2000.00	Down	07.11.20	2024.00	2070.00
Cocud (Feb)	19-Feb-21	2026.00	Down	07.11.20	2006.00	2070.00
Guar seed (Jan)	20-Jan-21	3929.00	Down	18.11.20	3945.00	4065.00
Guar seed (Feb)	19-Feb-21	3974.00	Down	18.11.20	3987.00	4085.00
Mentha oil (Dec)	31-Dec-20	995.00	Up	17.11.20	994.40	980.00
Mentha oil (Jan)	29-Jan-20	1001.10	Up	17.11.20	998.90	985.00

**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	1784.50	1825.00	-2.22
Coriander	Kota	6067.50	6092.90	-0.42
Jeera	Unjha	13253.40	13293.80	-0.30
Turmeric	Nizamabad	5571.65	5535.00	0.66

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	969.00	967.20	0.19
RM Seed	Jaipur	6182.05	6150.00	0.52
Refined Soy oil	Mumbai	1157.20	1151.75	0.47
Soybean	Indore	4513.00	4540.00	-0.59

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2000.00	1990.50	0.48
Cotton	Kadi	20135.50	20108.60	0.13
Chana	Delhi	4392.00	4370.00	0.50
Wheat	Delhi	1823.90	1815.00	0.49

Spices

Turmeric futures (Apr) is giving a lower closing week after week, which depicts that the trend is still weak and this short covering may face resistance near 6025. This weakness is due to higher stock which will be carried forward to next year to the quantum of 50-60% more than the current year arrival, thus keeping a cap on the upside. The Covid-19 did bring some optimism for turmeric consumption as an immunity booster, but that didn't last long. Another reason for drop in demand is poor quality of the arrivals. Hence, many traders in Erode shifted buying turmeric from markets in Andhra Pradesh and Maharashtra as they found prices to be cheaper. Despite incurring 2% freight charges, they still saved 5% on cost. The bearish trend of jeera futures (Apr) may get further extended towards 12650-12600, facing resistance near 12900 levels. A slowdown in export demand amid ample carryover stocks is likely to weigh on prices. The demand from domestic stockists has also reduced as the market awaits arrivals of new crops. Meanwhile, brightened sowing prospects this year has also further weakened the prices. Jeera acreage in Gujarat for the 2020-21 season as on 21st December is 4,60,899 hectares as compared with 4,16,639 hectares last year and even higher than the three year average of 4,06,141 hectares in the state. Dhaniya futures (Jan) may trade sideways in the range of 5850-5950 levels. Ramganj mandi of Rajasthan has started witnessing arrivals of new coriander crop from and being sold at Rs 7,101 per quintal. The new crop arrivals will pick pace in February.

Oilseeds

Soybean futures on the national bourse made new 6 year high at 4567 taking positive cues from the international markets. This bullishness will take the counter to 4550-4580 as market participants on CBOT are strongly positioned on the long side amid dry crop weather conditions over the major grown areas. Argentina's oilseed workers and agro-export companies said on Tuesday they would meet to hash out their differences in a government-mediated bid to end a more than two-week standoff that has bogged down exports from one of the world's main breadbaskets. Employees of soy processing factories in Argentina's main agricultural export hub of Rosario, on the Parana River, walked off the job on Dec. 9. They have demanded wage increases big enough to compensate for high inflation and risks from working during the COVID-19 pandemic. In the present scenario, this is a huge driver of the rally in oilseeds and edible oils. Apart from it, there are two other factors which needs to be watched, firstly the pace of CPO imports by India alongwith export figures of palm oil from Malaysia. The resumption of Malaysia's crude palm oil (CPO) export tax at the highest rate of 8% in January 2021 may curb its demand. Secondly, prospects of imports by China improved and positive impact of news from top producer Indonesia said it would stick with its original biodiesel plan. Saying this, soyoil futures (Jan) has the potential to test 1175-1180 and CPO futures (Jan) can rally towards 975-980 levels, respectively. RM Seed futures (Jan) is also looking strong and can trade with an upside bias in and test 5850-5900. Steep price rise continued in mustard complex in spot market of Rajasthan and other producing states. Stockists and processors were buying the oil seed very aggressively despite mixed trend in oil complex. Mustard seed gained Rs. 70 to Rs. 6220-6225 per quintal in Jaipur. Mustard oil and oil cake also followed the seed.

Other Commodities

Cotton futures (Jan) is expected to trade sideways in the range of 20400-20600. Amid slowing global demand and falling prices in the domestic markets, the Cotton Association of India (CAI) has sought export incentive for cotton fibre and yarn so as to prevent additional procurement burden on the government. Even though our cotton is the cheapest in the international market, exports are not taking off as expected. Indian cotton is the cheapest cotton in the world and hence, there is a tremendous scope of improving export performance of the country. The Covid-19 impact on business saw demand destruction due to lockdown and subsequent economic impact. The far-reaching impact of novel coronavirus has severely impacted cotton business and has had a disastrous effect on every link in the cotton and textile value chain. Chana futures (Jan) is likely to face resistance near 4450-4500. National Agricultural Cooperative Marketing Federation (NAFED) is busy offloading its 1.50 LMT of PSS Rabi-2020 gram stock, the quantity offered for the month of December. Secondly, the harvest of tur dal is also expected to weigh on the prices. Guar seed futures (Jan) may consolidate in a narrow range of 3850-3910, while guar gum futures (Jan) is likely to trade sideways in the range of 5900-6000 levels, respectively. Lower arrival and prospects of better gum demand are encouraging millers for lower level buying. Earlier, farmers were bringing more guar seed so clear their dues in their Kisan credit card by the end of this month. As current month was nearing to end, farmers will reduce selling their cash crop.

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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