

COMMODITY DAILY REPORT (AGRI)

17th November, 2020

NCDEX AGRIDEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
NCDEX AGRIDEX	27-Nov-20	1220.75	Up	26.05.20	1,012.00	1150.00

SPICES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Coriander (Nov)	20-Nov-20	6610.00	Down	02.11.20	6686.00	6800.00
Coriander (Dec)	18-Dec-20	6610.00	Down	02.11.20	6752.00	6850.00
Jeera (Nov)	20-Nov-20	13790.00	Sideways	27.10.20	14185.00	-
Jeera (Dec)	18-Dec-20	14320.00	Sideways	19.10.20	14215.00	-
Turmeric (Nov)	20-Nov-20	5662.00	Down	02.11.20	5756.00	6000.00
Turmeric (Dec)	18-Dec-20	5754.00	Down	02.11.20	5832.00	6100.00

OILSEEDS

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (Nov)	27-Nov-20	915.70	Up	09.10.20	786.30	890.00
CPO (Dec)	31-Dec-20	912.20	Up	09.10.20	788.20	890.00
Ref. soy oil (Nov)	20-Nov-20	1056.30	Up	09.10.20	933.50	1020.00
Ref. soy oil (Dec)	18-Dec-20	1053.40	Up	09.10.20	926.90	1020.00
RM Seed (Nov)	20-Nov-20	6187.00	Up	20.10.20	5709.00	6000.00
RM Seed (Dec)	18-Dec-20	6232.00	Up	20.10.20	5707.00	6070.00
Soybean (Nov)	20-Nov-20	4479.00	Up	09.10.20	4102.00	4350.00
Soybean (Dec)	18-Dec-20	4472.00	Up	09.10.20	4093.00	4350.00
Castor seed (Nov)	20-Nov-20	4708.00	Up	25.08.20	4058.00	4600.00
Castor seed (Dec)	18-Dec-20	4736.00	Up	02.11.20	4594.00	4600.00

OTHER COMMODITIES

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Chana (Nov)	20-Nov-20	5271.00	Sideways	12.11.20	5319.00	-
Chana (Dec)	18-Dec-20	5345.00	Sideways	12.11.20	5368.00	-
Cotton (Nov)	27-Nov-20	19750.00	Up	14.09.20	17730.00	19500.00
Cotton (Dec)	31-Dec-20	19980.00	Up	14.09.20	17920.00	19700.00
Cocud (Dec)	18-Dec-20	1946.00	Up	06.11.20	1835.00	1870.00
Cocud (Jan)	20-Jan-21	1953.00	Up	06.11.20	1850.00	1890.00
Guar seed (Nov)	20-Nov-20	4103.00	Sideways	12.11.20	4146.00	-
Guar seed (Dec)	18-Dec-20	4168.00	Sideways	12.11.20	4201.00	-
Mentha oil (Nov)	27-Nov-20	959.10	Sideways	29.10.20	954.50	-
Mentha oil (Dec)	31-Dec-20	969.00	Sideways	29.10.20	945.00	-

**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	1508.30	1500.00	0.55
Coriander	Kota	6514.00	6514.00	0.00
Jeera	Unjha	14061.60	14061.60	0.00
Turmeric	Nizamabad	5650.00	5650.00	0.00

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	916.00	907.00	0.99
RM Seed	Jaipur	6313.65	6314.65	-0.02
Refined Soy oil	Mumbai	1031.65	1022.50	0.89
Soybean	Indore	4461.00	4460.00	0.02

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	1982.10	1961.25	1.06
Cotton	Kadi	19361.65	19361.65	0.00
Chana	Delhi	5193.35	5193.35	0.00
Wheat	Delhi	1850.00	1851.15	-0.06

Spices

Turmeric futures (Dec) is expected to show a declining trend for the third consecutive week and move lower to test 5700-5650 levels. In days to come, the supply pressure is likely to rise as the turmeric crop is expected to hit the markets in the next few weeks, and already the spot markets are reeling under with a carry forward inventory of 45 lakh bags (60 kg each). Due to poor demand, both locally and from the upcountry markets the prices are also quoting lower consistently, so traders are cautiously quoting the price and buying the same. The farmers are not able to reap profits by growing this yellow spice, once known as "golden crop". An acre of land a farmer may get 20 quintals of turmeric, spending Rs. 1.50 lakh as cultivation cost/acre, which come to around Rs.7500 per quintal as cost of production. Jeera futures (Dec) is likely to trade with a downside bias in the range of 14200-14400. As per the latest statistics from the Directorate of Agriculture (Gujarat) this season the farmers have sown jeera across 10,743 ha as of 9th November, compared with 462 ha in the same corresponding period last year. On the spot markets, the sentiments are bearish and cautious as the stockiest are keeping a watch on the sowing progress as well as the export demand, which is sluggish. Dhaniya futures (Dec) facing resistance near 6650, may witness sell on rise and the correction may show the way to 6500-6450 levels. Lack of cues from the spot market is also weighing on prices. Coriander market in Ramganj, a key trading centre in Rajasthan, will remain shut from Nov 12-18 on account of Diwali.

Oilseeds

Soybean futures (Dec) is on the way to test 4500-4530 on the higher side. The robust demand side is lending strong support and fuelling the prices in the domestic market. The higher global prices of soybean and soy meal have made Indian soy meal competitive in the global market. Soybean Processors Association of India (SOPA), has projected export of soy meal for Oil Year 2020-2021 at 14 lakh tons as compared to 8.60 lakh tons during oil year 2019-2020. Overall, crushing of soybean in the country this year has risen to 8.25 lakh tons against 7.20 lakh tons last year. The domestic consumption of soy meal in the country this year upto October has been recorded at 4.50 lakh tons against 5.25 lakh tons last year. RM Seed futures (Dec) is an extreme overbought zone and hence it would be advised to keep a word of caution before entering long positions as in the recent past weeks it has not been able to surpass the lifetime high of 6330 and the near term resistance near 6245. The sowing of this winter oilseed is in progress and the latest estimates show that this season the acreage is likely to rise 10.1% to 7.6 mln ha in 2020-21 (Jul-Jun), due to higher minimum support price and lucrative returns as compared to other competitive crops. The overall trend of edible oils is likely to remain bullish in the domestic as well as in the international market owing to stock tightness in palm oil and concerns of soybean supply in Brazil. These factors shall lead soy oil futures (Dec) towards 1060-1065 and CPO futures (Nov) to 920-925 levels respectively.

Other Commodities

Cotton futures (Nov) is expected to remain stable in the range of 19850-20100 as the underlying fundamentals are supportive. Firstly, India's cotton crop for the current year 2020-21 is expected to be lower by about 4 lakh bales (each of 170 kg) at 356 lakh bales as against 360 lakh bales last year. On the demand side, the Cotton Corporation of India has estimated annual cotton consumption at 330 lakh bales, up about 80 lakh bales compared 250 lakh bales of the previous cotton season. Secondly, the Cotton Corporation of India (CCI) has commenced procurement for the 2020-21 season and is ready to procure around 100 lakh bales. Most importantly, the much awaited and long delayed export agreement between Cotton Corp of India and Bangladesh government is now in its final stage and may materialise by December, eyeing export of around 1.5 mln cotton bales. Chana futures (Dec) will probably trade with a positive bias within the range of 5340-5400. The stocks with millers and stockiest is now slowly depleting and they need to replenish the stocks for further crushing. There are constraints on the supply side as it is reported that for the supplies, the market was expecting to get a bargain buy from NAFED tenders but instead NAFED is not letting go of stocks at lower prices and by far have rejected all incoming bids in range of 5000-5200. This phenomenon might help push the prices bit further in coming sessions. Guar seed futures (Dec) may decline further towards 4100, while guar gum (Dec) may witness correction for the third consecutive and test 6360 levels respectively. In the present scenario, poor demand and heavy supplies of guar seed are the dampening factors for the prices.

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