

TECHNO FUNDA REPORT ON

07 July 2015

Jeera futures

August



**Presented by:
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TECHNO FUNDA REPORT ON JEERA FUTURES (AUGUST) – BUY



Source: Reuters

Recommendation: Investors are advised to take fundamental positional BUY position in Jeera futures (August) at current market price for the target of 17200 in long-term, with a closing stop loss below 15850 levels.

Note:

- These long term fundamental calls are for duration of one to three weeks time frame and do not confuse these with intraday calls.
- It is assumed that investor takes position in two lots and square off position in one lot on partial profit booking and trail stop loss to buying/selling price for second lot.

Fundamentals

- Lower production in the current year due to crop damaged likely to support prices in coming months.
- Good rains in parts of Gujarat and Rajasthan have raised the hopes of jeera exporters, who are facing intense competition from Syria in the world market.
- Buyers are reported active at lower price level in major Jeera domestic market.
- As per trade information, around 30% crop damaged due to heavy rainfall.
- Farmers are also expecting higher prices to release their produce in coming days.
- Export demand likely to come after 15th July in Unjha mandi may support prices in coming days
- Lower production in the current year due to crop damaged likely to support prices in coming months. The export demand may come from China in coming days.
- Jeera crop in China comes during June and July month. As per trade information, around 30% crop damaged due to heavy rainfall.
- International demand is likely to be shifted to India in coming days.

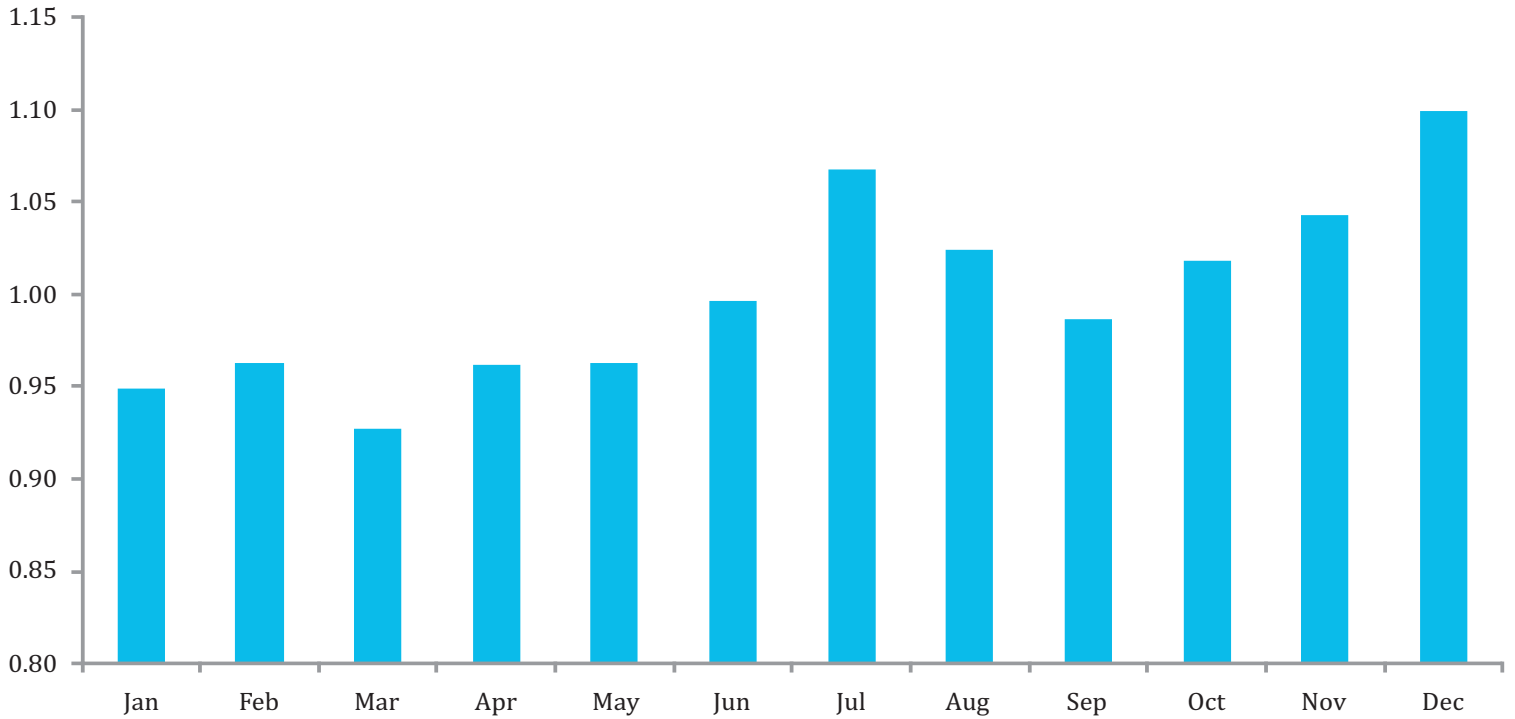
Calendar spread of Jeera futures

	July	August	September	October	November
July	-	-	-	-	-
August	-190.00	-	-	-	-
September	-585.00	-395.00	-	-	-
October	-960.00	-770.00	-375.00	-	-
November	-995.00	-805.00	-410.00	-35.00	-

As per closing on 6th July, 2015

Source: SMC Research

Jeera futures Seasonal Index

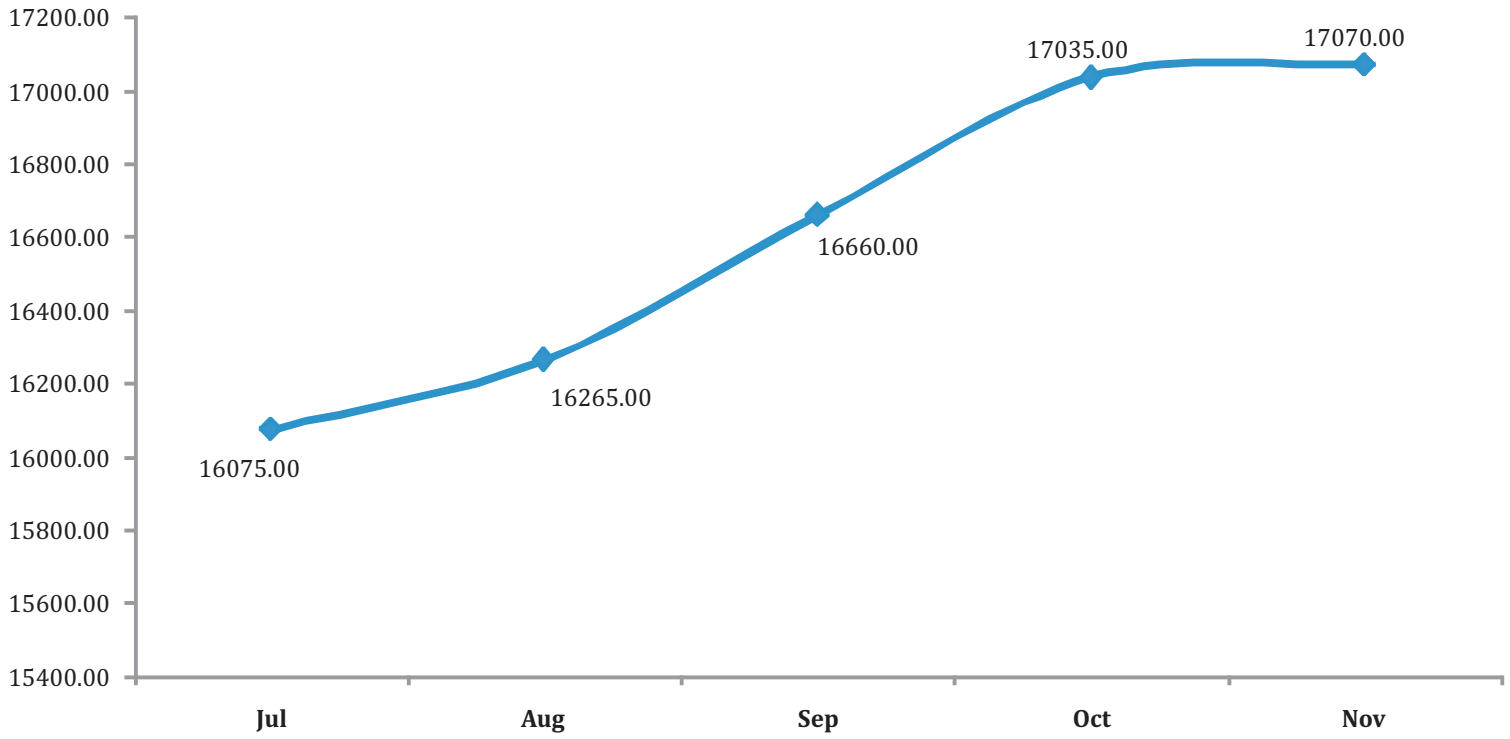


Source: SMC Research

Spread chart of Jeera futures and spot price



Forward curve of Jeera futures



As per closing on 6th July, 2015

Source: SMC Research

For further any queries, please contact

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SMC Global Securities Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, a further public issue of its equity shares and has filed a Draft Red Herring Prospectus (DRHP) with the Securities and Exchange Board of India (SEBI). The DRHP is available on the website of the SEBI at www.sebi.gov.in and the website of the Book Running Lead Managers i.e. Tata Securities Limited at www.tatacapital.com and IL&FS Capital Advisors Limited at www.ilfscapital.com. Investors should note that investment in equity shares involves a high degree of risk. For details please refer to the DRHP and particularly the section titled Risk Factors in the Draft Red Herring Prospectus.

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