

COMMODITY DAILY REPORT (AGRI)

1st January, 2021

NCDEX AGRIDEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
NCDEX AGRIDEX	29-Jan-21	1163.50	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	5862.00	Down	02.11.20	6686.00	6020.00
Coriander (Apr)	20-Apr-21	6200.00	Down	02.11.20	6752.00	6400.00
Jeera (Jan)	20-Jan-21	12665.00	Down	26.11.20	13995.00	13500.00
Jeera (Mar)	19-Mar-21	13000.00	Down	26.11.20	13785.00	13700.00
Turmeric (Apr)	20-Apr-21	5924.00	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 (Jan)	29-Jan-20	977.80	Up	10.12.20	909.30	950.00
CPO (Feb)	26-Feb-21	965.00	Up	10.12.20	914.10	950.00
Ref. soy oil (Jan)	20-Jan-21	1174.80	Up	10.12.20	1065.50	1140.00
Ref. soy oil (Feb)	19-Feb-21	1136.20	Up	10.12.20	1072.30	1130.00
RM Seed (Jan)	20-Jan-21	5817.00	Up	23.12.20	5631.00	5670.00
RM Seed (Feb)	19-Feb-21	5631.00	Up	23.12.20	5531.00	5530.00
Soybean (Jan)	20-Jan-21	4606.00	Up	23.12.20	4491.00	4435.00
Soybean (Feb)	19-Feb-21	4603.00	Up	23.12.20	4478.00	4430.00
Castor seed (Jan)	20-Jan-21	4444.00	Down	26.11.20	4654.00	4550.00
Castor seed (Feb)	19-Feb-21	4486.00	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	4382.00	Down	01.12.20	4909.00	4550.00
Chana (Mar)	19-Mar-21	4465.00	Down	01.12.20	4851.00	4600.00
Cotton (Jan)	29-Jan-20	20630.00	Sideways	21.12.20	20300.00	-
Cotton (Feb)	26-Feb-21	20890.00	Sideways	21.12.20	20020.00	-
Cocud (Jan)	20-Jan-21	2003.00	Down	07.11.20	2024.00	2070.00
Cocud (Feb)	19-Feb-21	2027.00	Down	07.11.20	2006.00	2070.00
Guar seed (Jan)	20-Jan-21	3908.00	Down	18.11.20	3945.00	4065.00
Guar seed (Feb)	19-Feb-21	3954.00	Down	18.11.20	3987.00	4085.00
Mentha oil (Jan)	29-Jan-20	996.00	Up	17.11.20	998.90	985.00
Mentha oil (Feb)	26-Feb-21	1001.10	Up	17.11.20	994.40	980.00

**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	1750.00	1759.00	-0.51
Coriander	Kota	6062.50	6053.15	0.15
Jeera	Unjha	13040.60	13090.00	-0.38
Turmeric	Nizamabad	5562.50	5558.95	0.06

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 6000. 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 12400-12300, facing resistance near 12800 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 to down in the range of 5800-5900 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.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	977.30	970.20	0.73
RM Seed	Jaipur	6208.80	6183.70	0.41
Refined Soy oil	Mumbai	1176.35	1164.35	1.03
Soybean	Indore	4614.00	4545.00	1.52

Oilseeds

Soybean futures on the national bourse made new 6 year high at 4621 taking positive cues from the international markets. This bullishness will take the counter to 4650-4680 as market participants on CBOT are strongly positioned on the long side amid dry crop weather conditions over the major grown areas. U.S Soybeans scaled a fresh 6-1/2-year peak on South American weather worries and tightening global supplies. After climbing for 14 straight sessions, soybean is eyeing a 37% annual gain, their strongest year since 2007. The rise in soybeans prices is largely attributed to the larger exports volume expected in 2020-21, the USDA said, as the exports are forecast at 59.87 million mt, up 31% year on year. U.S Soybean exports forecast for 2020-21 is likely to be revised higher in the upcoming WASDE amid stronger than expected export sales. The US soybean farmers have already sold 89.9% of the total 2020-21 projected exports between Sept. 1 and Dec. 10, while the 5-year average pace of sales for the same period is 66.6%. Soyoil futures (Jan) has the potential to test 1200-1210 and CPO futures (Jan) can rally towards 985-990 levels, respectively. Malaysian palm oil futures rose 18% last year, marking its second year of growth, as supplies dry due to unfavourable weather and infrastructure issues while demand remained firm. The benchmark palm oil contract for March delivery on the Bursa Malaysia Derivatives Exchange closed its last trading day of the year 14 ringgit higher, or 0.4%, at 3,602 ringgit (\$896.02) a tonne, due to higher export data. 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.

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Cocud	Akola	2019.05	2000.00	0.95
Cotton	Kadi	20284.90	20189.30	0.47
Chana	Delhi	4436.10	4445.00	-0.20
Wheat	Delhi	1822.50	1821.65	0.05

Other Commodities

Cotton futures (Jan) is expected to trade sideways in the range of 20500-20700. 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. In the international market, U.S Cotton weekly net export sales of 287,900 RB, for the week ended 24th December, for 2020-21 were down 30 percent from the previous week and 24 percent from the prior 4-week average. U.S Cotton weekly net export sales of 416,700 RB, during 11-17 December, for 2020/2021 were down 1 percent from the previous week, but up 14 percent from the prior 4-week average. Chana futures (Jan) is likely to trade with a downside bias in the range of 4300-4400. 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 3850-3950, while guar gum futures (Jan) is likely to trade sideways in the range of 5900-6050 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.

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