

COMMODITY DAILY REPORT (AGRI)

11th June, 2018

SPICES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Cardamom (June)	15-Jun-18	854.10	Down	04.04.18	1024.10	880.00
Cardamom (July)	13-Jul-18	879.40	Down	25.05.18	881.10	910.00
Coriander (June)	20-Jun-18	4222.00	Down	17.04.18	5108.00	4400.00
Coriander (July)	20-Jul-18	4297.00	Down	17.04.18	5144.00	4450.00
Jeera (June)	20-Jun-18	16005.00	Down	18.05.18	15755.00	16400.00
Jeera (July)	20-Jul-18	16210.00	Down	18.05.18	15800.00	16400.00
Turmeric (June)	20-Jun-18	7070.00	Down	25.05.18	7146.00	7100.00
Turmeric (July)	20-Jul-18	7170.00	Down	25.05.18	7226.00	7200.00

OILSEEDS						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
CPO (June)	29-Jun-18	645.50	Down	04.06.18	641.20	655.00
CPO (July)	31-Jul-18	645.00	Down	04.06.18	640.00	655.00
Ref. Soy Oil (June)	20-Jun-18	748.30	Down	28.05.18	766.55	765.00
Ref. Soy Oil (July)	20-Jul-18	761.25	Down	01.06.18	772.75	775.00
RM seeds (June)	20-Jun-18	3988.00	Up	09.05.18	3912.00	3880.00
RM seeds (July)	20-Jul-18	4032.00	Up	09.05.18	3874.00	3930.00
Soy Bean (June)	20-Jun-18	3474.00	Down	28.05.18	3640.00	3660.00
Soy Bean (July)	20-Jul-18	3509.00	Down	28.05.18	3674.00	3690.00

OTHER COMMODITIES						
COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND STOP LOSS	CLOSING
Castor seed (June)	20-Jun-18	3926.00	Down	23.03.18	4085.00	4000.00
Castor seed (July)	20-Jul-18	3975.00	Down	23.03.18	4133.00	4050.00
Cocud (June)	20-Jun-18	1436.00	Up	29.05.18	1356.50	1360.00
Cocud (July)	20-Jul-18	1468.00	Up	28.05.18	1336.00	1380.00
Guar seed (June)	20-Jun-18	3611.50	Down	27.04.18	3996.50	3775.00
Guar seed (July)	20-Jul-18	3668.00	Down	27.04.18	3960.00	3820.00
Mentha Oil (June)	29-Jun-18	1218.40	Up	05.06.18	1204.30	1140.00
Mentha Oil (July)	31-Jul-18	1231.30	Up	05.06.18	1210.60	1145.00

**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	952.00	947.00	0.53
Coriander	Kota	4828.55	4829.70	-0.02
Jeera	Unjha	16265.00	16155.30	0.68
Turmeric	Nizamabad	7283.35	7282.35	0.01

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
CPO	Kandla	710.00	715.00	-0.70
RM Seed	Jaipur	4100.00	4108.35	-0.20
Refined Soy oil	Mumbai	746.25	750.25	-0.53
Soybean	Indore	3559.00	3597.00	-1.06

Commodity (Spot)	Location	Closing Price	Previous Close	% Diff
Guar gum	Jodhpur	7549.70	7451.10	1.32
Cocud	Akola	1497.85	1487.80	0.68
Cotton	Kadi	21871.50	21034.85	3.98
Guar seed	Jodhpur	3727.70	3665.45	1.70
Sugar M	Kolkata	3428.55	3333.35	2.86
Wheat	Delhi	1767.25	1765.50	0.10

Spices

Turmeric futures (July) is continuously sliding down since past five consecutive weeks & this short covering may face resistance near 7250 levels. A weak trend is prevailing on the spot markets of Erode as traders are not receiving any new upcountry orders. On the contrary, the supplies are steady but only 40-50% of them are getting purchased by the stockists. In addition to it, the market participants are expecting that the arrivals may rise as the farmers would bring the leftover crop from the previous season since they would need money to sow the new crop with the onset of monsoon. A strong upside towards the levels of 16500-16700 can be seen in jeera futures (July) buoyed by export demand, which is likely to increase in the coming weeks. The export volumes are considered to be encouraging due to the fact that the prices have been on lower side for the new season crop due to record production. The second advance estimates released by the Ministry of Agriculture showed that during the year 2017-18, cumin production in India is likely to be 5 lakh tonnes as compared to 4.93 lakh tonnes in 2016-17. The trend of coriander futures (July) is still bearish & can test 4200 levels owing to bearish fundamentals of higher imports are heft carryover stocks. On the spot markets, the buyers have also been staying away from fresh buying and also there are a few takers for the premium quality green-colored coriander seeds, largely grown in Gujarat, but that is not enough to push prices across the market.

Oilseeds

Soybean futures (July) will trade with a downside bias in the range of 3470-3570 levels. The market participants are cautious ahead of the announcement of the Minimum Support Price for the 2018-19 Kharif season. With a forecast of normal monsoon, the Soybean Processors Association of India predicted that during this kharif season soybean will be sown on 120 lakh hectares in the country, which will be approximately 14% increase as compared to last year. Another factor, which needs to be looked upon is the positive factor of dwindling stock, due to which sharp fall in prices is unlikely. According to sources, only around 20 lakh tonnes of soybeans are left in the country and with 5.5 lakh tonnes of monthly requirement of crushing, the availability will remain tight till the harvest of the new crop. During this week, the price direction of the edible oil complex will purely depend on the probability of the announcement of hike in import duties to curb cheaper imports and to help boost prices of domestically grown oilseeds. The impact of the increased import duty on the edible oils will give a positive impact to the prices. Saying this, refined soy oil futures (July) is expected to trade in the range of 758-764 levels, while CPO futures (June) will possibly take support near 640 levels and trade with an upside bias. The rally is expected to stay in mustard seed futures (July) as it might take support near 4000 levels and trade with an upside bias. The demand for this oilseed from the millers is strong and as a result of which the stocks are declining at a faster pace.

Other Commodities

Chana will possibly remain trapped in the bearish zone and the reason for this dullness in the prices of the pulses is the ample stock in the country. Moreover, the state of Maharashtra has discontinued procurement of the pulses under the Minimum Support Price (MSP) scheme. Therefore, owing to these bearish fundamentals chana futures (July) will possibly break the support near 3450 & plunge further towards 3400-3350 levels. The bullishness is likely to remain intact in cotton prices buoyed by fears of drop in acreage this season. It is reported that Punjab has witnessed a slide of nearly 1 lakh hectares under cotton crop area this year as farmers got diverted to the Basmati rice crop. A similar phenomenon is prevailing in the other major growing states as the farmers are diverting their option towards soybean. Overall, this year the total sowing area under cotton is likely to decline by 10-12% as compared to last year. Cotton prices on MCX are expected to remain elevated and test 23500 levels. In the international market, the traders are still bullish on the cotton owing to the news that China is set to return as a major cotton importer, taking 10 million to 15 million bales each year by 2019/20. Guar seed futures (July) may trade sideways in the range of 3600-3700 levels, while guar gum futures (July) will continue consolidate in the range of 7400-7700 levels. The ratio between these two commodities has witnessed a steep fall to 2.08 as compared to the yearly peak of 2.23 during last month. This reveals the fact that the underlying demand for guar from millers have slowed down drastically and hence the prices will trade with a downside bias.

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