

COMMODITY DAILY REPORT (AGRI)

13th February, 2024

SPICES

COMMODITY	EXPIRY DATE	S2	S1	Pivot	R1	R2	Trend
Coriander (Apr)	19-04-2024	7507.33	7562.67	7653.33	7708.67	7799.33	Down
Coriander (May)	19-05-2024	7921.33	7802.67	7921.33	7802.67	7921.33	Down
Jeera (Mar)	19-03-2024	24981.67	25293.33	25796.67	26108.33	26611.67	Down
Jeera (Apr)	19-04-2024	25368.33	25591.67	25778.33	26001.67	26188.33	Down
Turmeric (Apr)	19-04-2024	14002.00	14372.00	14770.00	15140.00	15538.00	Down
Turmeric (Jun)	20-06-2024	14178.00	14528.00	14974.00	15324.00	15770.00	Down

OILSEEDS

COMMODITY	EXPIRY DATE	S2	S1	Pivot	R1	R2	Trend
Castor seed (Feb)	20-02-2024	5704.00	5729.00	5753.00	5778.00	5802.00	Down
Castor seed (Mar)	20-03-2024	5563.00	5584.00	5599.00	5620.00	5635.00	Sideways

OTHER COMMODITIES

COMMODITY	EXPIRY DATE	S2	S1	Pivot	R1	R2	Trend
Kapas(Apr)	30-04-2024	1473.17	1477.33	1482.67	1486.83	1492.17	Sideways
Cocud (Feb)	20-02-2024	2354.00	2383.00	2414.00	2443.00	2474.00	Down
Cocud (Mar)	19-03-2024	2403.67	2426.33	2458.67	2481.33	2513.67	Down
Guar seed (Feb)	20-02-2024	5080.67	5121.33	5165.67	5206.33	5250.67	Down
Guar seed (Mar)	19-03-2024	5136.67	5179.33	5224.67	5267.33	5312.67	Down
Guar gum (Feb)	20-02-2024	9645.00	9748.00	9878.00	9981.00	10111.00	Down
Guar gum (Mar)	19-03-2024	9787.00	9895.00	10028.00	10136.00	10269.00	Down
Mentha Oil (Feb)	29-02-2024	879.60	886.40	894.90	901.70	910.20	Down
Mentha Oil (Mar)	29-03-2024	897.33	900.67	905.33	908.67	913.33	Down

**One has to follow the trend and see the price only at closing. This is not for Intra day trading.

SPICES

Turmeric prices are likely to trade down with increased supplies of new crop in Nizamabad market. Stockists remained away from bulk buying in anticipation of rise in fresh arrivals with advancement of harvesting activities in Telangana. Prices spread between spot prices at Nizamabad and futures prices remained above normal noted at 2000 points against the normal spread of 500-1000 points. Futures prices have increased significantly as compared to spot that will lead to fall in futures prices in terms of basis adjustment. However, arrivals pace is still slower as compared to last year as about 5000 tonnes of arrivals touched at major APMC mandies so far in Feb'24 as compared to 8870 tonnes of previous year. Arrivals are expected to improve further with advancement of harvesting activities. Losses in turmeric are likely to be limited due to tighter stocks in the market and expectation of rise in festive demand. Weaker production outlook is likely to cap the downfall in prices. Production is likely to be dropped by about 20% due to lower area under turmeric amid tumbling yield. Exports dropped in Nov as India exported only 8.58 thousand tonnes of turmeric in Nov'23 against the 12.39 thousand tonnes of previous year wherein total export during Apr-Nov'23 reported at 110.74 thousand tonnes as compared to 111.94 thousand tonnes of previous year down by 1% Y-o-Y. Exports are likely to increase as per export seasonality that will support firmness in prices further. **Turmeric prices are expected to face resistance near 15200 in the near term wherein support is anticipated near 14400.**

Jeera futures are likely to trade on positive bias with emerging festive demand and export enquires. Exports have been subdued but expected to increase in wake of tighter global supplies ahead of Ramdan festivals. Lean arrival period in India as well as in global market is likely to support prices unless new crop touches the market in India during March. Harvesting activities is likely to pick up in March on wards that will lead to rise in supplies. Jeera export may rose up to 2.2-2.5 lakh tonnes in marketing year 2024-25. Gains are likely to be limited in wake of higher production outlook. Production for the year 2024-25 is likely to be increased by around 30% year-on-year, with a substantial rise in cultivation area. **Jeera prices are likely to trade in range of 23200-32000.**

Dhaniya prices are likely to trade on mixed note may keep bias on downside due to heavy stocks in the market. However, losses are likely to be limited due to improved festive buying and robust export. India exported about 3.05 thousand tonnes of coriander in Nov'23 as compared to 2.4 tonnes of previous year whereas total exports during Apr'23-Nov'23 was reported at 73.18 thousand tonnes against the 21.3 thousand tonnes of previous year up by 243% Y-o-Y. Weaker production outlook will lure stockists for aggressive buying with every dips in prices. However, heavy stocks in the market will cap the excessive gains. **Dhaniya prices are likely to trade in range of 7200-7800.**

OTHER COMMODITIES

Cotton prices are likely to trade higher may track firmness in ICE cotton prices. ICE cotton rose sharply with tightness in supply. The weekly Commitment of Traders report showed managed money cotton traders dropped 6k existing shorts and added 11.6k new longs during the week that ended 2/6. That raised their net long to 46,344 contracts. Commercial cotton hedgers added 17.5k short hedges for a 90,540 contract net short in latest report. The monthly WASDE update showed a 150k bale lighter domestic cotton use, now at 1.75 million bales. Exports, however, were raised by 200k bales to offset. On net ending stocks tightened by 100k to 2.8 million in the report. Domestic fundamentals are likely to remain supportive for prices as arrivals pace will be slower in coming weeks as about 61% crop has touched the market so far since Oct'23. Cumulative arrivals were reported at 180 lakh bales so far in year 2023-24. Arrival pace has been similar to last year so far but likely to be slower down due weaker production estimates in year 2023-24. Cotton production is likely to drop by 2% Y-o-Y in marketing year 2023-24 due to lower acreages under cotton. Cotton production is estimated to be lowest in last 15 years in year 2023-24 that will reflect as supply tightness. Cotton Corporation of India procured about 20 lakh bales so far in year 2023-24. **Cotton MCX prices are likely to trade in range of 57000-58000. Similarly, Kapas Apr'24 futures are likely to trade in range of 1470-1530 level.**

Guar seed futures are expected to trade mixed to down due to demand concerns. Lower crush margin is likely to keep millers away from bulk buying that may put pressure on prices. Guar meal export from India dropped by 53% Y-o-Y in Nov'22 wherein Guargum export dropped by 21%Y-o-Y to 14.93 thousand tonnes in Nov'23. India has exported about 65.03 thousand tonnes of guar exports in cumulative in form of meal and gum down by 9% Y-o-Y. However, losses are likely to be limited due to shrinking supplies. The overall production of guar seed has reportedly decreased by 11%-13% Year-on-Year in the year 2023-24. This reduction in production has resulted in tighter inventory levels for millers. **Guar seed prices are expected to find support around 5150, with resistance seen at 5600. Similarly, Guar gum prices are likely to find support around 9600, with resistance of 10600.**

Mentha oil prices are likely to remain under pressure due to sluggish buying in domestic market. Reports of tumbling exports of menthol and mentha oil will drag the prices down further. The export of menthol and mentha oil from India witnessed a decline of 15.9 % Y-o-Y to 7.3 thousand tonnes and 19% Y-o-Y to 1.06 thousand tonnes, respectively, during the period from April 2023 to October 2023. However, shrinking supplies and expectation of fall in area under mentha is likely to cap the losses. **Mentha oil is likely to trade in range of 890-920.**

Castor seed prices are likely to trade higher due to tightness in supplies at major trading centers. Tumbling crush margin for millers is likely to keep crushing demand subdued. At the same time, reports of fall in exports of castor meal will also put pressure on prices. **Castor seed prices are likely to trade in range of 5500-5900 levels.**

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