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FROM RESEARCH DESK

News update

In international market crude oil futures traded higher Tuesday, as tensions between Iran and the West threatened global supply and after euro zone finance ministers agreed on a second bailout for Greece.

Technical outlook

Agri commodity

Today, Soya bean has support at 2610---2580 and resistance at 2645 also Soya ref has support at 713---709 and resistance at 716---719.

Bullion –Gold

Gold has support at \$1744---\$1735 INR 28300---28200 and Resistance at \$1764---\$1767 INR 28480---28530

Bullion –Silver

Silver has support at \$34.00---\$33.60 INR 56900---56400 and resistance at \$34.60---\$35.20 INR 57400---57900.

Energy

Today, Crude oil has support at 5165 and resistance at 5255.

Metals

Today, Copper has support at 411 and resistance at 417.

Agri commodity

Jeera

Jeera futures declined Tuesday due to the higher output concerns resultant ample supply from the fresh crop. Production of Jeera in 2011-12 is expected to be around 35 lakh bags as compared to 29 lakh bags in 2010-11. (Each bag weighs 55 kgs).

According to Spices Board of India, exports of Jeera during April 2011-December 2011 stood at 31,500 tonnes as compared to 21,750 tonnes in 2010-11, an increase of 45%

Cardamom

Cardamom futures gained Tuesday, The harvesting season is likely to end by March end. Crop concern due to unfavorable weather conditions in major growing areas may also support the prices.

Meanwhile, higher production estimates limit sharp price uptrend. According to market source, Cardamom output is likely to rise by 20 percent from previous year to around 12750 tonnes.

Soy oil

Soy oil prices ended higher on Saturday owing to the remerging demand for edible oil across spot markets on back of lower imports in the month of January and lower port wise stocks also.

CBOT soy oil prices ended higher following bean as news of higher bean imports by china prevailed.

Soybean prices ended higher on Saturday owing to reports of higher exports to china from U.S. CBOT prices ended higher on Friday due to further weakened projections of soybean production estimates which was followed by Indian markets.

Recommendation – soya complex

Chart – Soya Bean



Chart – Ref. soya oil



Source: Telequote

As expected, Soya complex flared like anything and hit 2644 in Soya bean and 719.20 in Soya ref in yesterday's trading session. Today, Soya bean has support at 2610---2580 and resistance at 2645 also Soya ref has support at 713--709 and resistance at 716---719. Still it looks positive and could test its resistance. Further upside movement seen above the resistance level. Decisive close above the resistance level will take Soya bean to 2680---2720 and Soya ref to 726---731. Traders holding long as per our level can book part profit and revise stop loss below 2580 in Soya bean and 709 in Soya ref. Fresh buying can initiate on support with strict stop loss.

Technical levels						
Symbol	Expiry	R1	R2	PIVOT	S1	S2
CHARJDEL	20-Mar-12	3591.00	3641.00	3518.00	3468.00	3395.00
CHLL334GTR	20-Mar-12	5305	5385	5225	5145	5065
GARGUMJDR	20-Mar-12	50038.00	50866.00	49169.00	48341.00	47472.00
GARSEDJDR	20-Mar-12	15750	15999	15425	15176	14851
JEERAUNJHA	20-Mar-12	14098.33	14352.67	13869.67	13615	13387
MAIZE	20-Mar-12	1170	1185	1160	1145	1135
POTATO	20-Apr-12	736	748	723	711	699
PPRMLGKOC	20-Mar-12	32491	32978	31838	31351	30698
RMSEED	20-Apr-12	3642	3695	3570	3517	3445
SUGARM200	20-Mar-12	2877	2899	2867	2845	2835
SYBEANIDR	20-Mar-12	2647	2665	2627	2609	2589
SYOREFIDR	20-Mar-12	720	724	714	710	705
TMCFGRNZM	20-Apr-12	4800.00	4910.00	4740.00	4630.00	4570.00
WHTSMQDELI	20-Mar-12	1236.00	1240.00	1231.00	1227.00	1222.00
MENTHAOIL	29-Feb-12	1652.60	1669.20	1637.40	1620.80	1605.60
CPO	29-Feb-12	540.10	541.90	537.00	535.20	532.10

■ News update

- In international market crude oil futures traded higher Tuesday, as tensions between Iran and the West threatened global supply and after euro zone finance ministers agreed on a second bailout for Greece. Growing tensions between Iran and Israel also remain in focus. Iran deployed warplanes and missiles Monday in an "exercise" to protect nuclear sites threatened by possible Israeli attacks, state-run media outlets reported.
- There are fears that an escalation of hostilities between Israel and Iran could set off a conflict across the region and send oil prices skyrocketing. Iran is the world's third largest oil exporter, after Saudi Arabia and Russia. The threat of a major supply disruption from the country has helped support oil prices in recent weeks.
- In international market Natural gas prices were sharply lower on Tuesday, as mild late-winter weather in key gas-consuming areas of the U.S. and ongoing concerns over elevated inventory levels dampened sentiment on the heating fuel.
- Gold rose more than 1 percent on Tuesday, on comex breaking ranks with the euro and equities, as a massive European bailout deal had investors buying the metal amid doubts the bailout will work.
- Gold rallied to its highest in more than two weeks after euro zone finance ministers agreed a 130-billion-euro (\$172 billion) rescue for Greece. Analysts said the deal bought time for the single-currency bloc but left deep doubts about Greece's ability to recover and avoid default.
- Bullion has benefited from news that China recently cut its required reserve ratio and committed to help the euro bloc. The metal already received a strong boost after the U.S. Federal Reserve last month said it would keep rates near zero at least until late 2014.
- China's HSBC flash manufacturing survey data released earlier today in the day showed the sector contracted in February for the fourth straight month and new export orders dropped sharply. Although the purchasing manager index (PMI) also rose to a four-month high of 49.7 in February.
- Copper prices are likely to remain range bound in the short term.

Recommendation – Gold & Silver

Chart- Gold



Chart-Silver



Source: Telequote

Gold futures surged higher in yesterday's trading session, on fears that the Greek bailout package will not be sufficient for the island nation to avoid default in the future. In our Gold outlook, we recommended to buy Gold around \$1710---\$1704 INR 28000 for the upside target of \$1744---\$1764 INR 28260---28480. It made a high of \$1660 INR 28435 and settled at \$1758.60 INR 28380. Now Gold is having strong resistance at \$1764---\$1767 INR 28480---28530. Decisive break with volume or close above \$1767 INR 28530 will decide further. Traders holding long as per our level can book 80% profit and revise stop loss below \$1735 INR 28200 in Gold and \$33.60 INR 56400 in Silver. Fresh buying can initiate only close above the resistance level.

Today's trading range: Gold has support at \$1744---\$1735 INR 28300---28200 and Resistance at \$1764---\$1767 INR 28480---28530 also Silver has support at \$34.00---\$33.60 INR 56900---56400 and resistance at \$34.60---\$35.20 INR 57400---57900.

Recommendation – Crude oil



Source: Telequote

Crude oil futures fell on today's early trading session as concerns grew that Greece's recent EUR130 billion won't be enough to rid the country of its problems, while sentiment brewed that stockpiles in the U.S. may be rising, indicating softening demand. Yesterday, Crude oil made a high of 5240 and settled at 5219. Today, Crude oil has support at 5165 and resistance at 5255. Decisive close above 5255 will take Crude oil to 5375---5490 level but if it unable to break its resistance then it could test its support level of 5165 again. Fresh selling can initiate below 5165 level on closing basis. Traders holding long as per our level can book part profit and revise stop loss below 5165.

Recommendation – Copper



Source: Telequote

Today, Copper has support at 411 and resistance at 417. Copper still looks weak and could test its support. Decisive break below 409 will take Copper to 404---397 level. Fresh buying can initiate above 417 level on closing basis. Traders can trade with levels and wait for conformation.

Technical levels

Symbol	Expiry	R1	R2	PIVOT	S1	S2
GOLD	5-Apr-12	28510	28622	28324	28212	28026
SILVER	5-Mar-12	57632.00	57995.00	56937.00	56574.00	55879.00
CRUDEOIL	19-Mar-12	5257.00	5278.00	5219.00	5198.00	5160.00
NATURALGAS	24-Feb-12	130.40	132.50	128.80	128.70	125.07
ALUMINIUM	29-Feb-12	109.95	111	108	107	105
COPPER	29-Feb-12	418.20	420.80	413.35	410.75	405.90
LEAD	29-Feb-12	103.45	104.15	102.20	101.50	100.25
NICKEL	29-Feb-12	1009.00	1019.70	993.00	982.30	966.30
ZINC	29-Feb-12	100.23	101.17	98.87	97.93	96.57

Symbol	Expiry	Close	% change	Open interest	% open interest
MCX					
GOLD	5-Apr-12	28399	0.86	12785	3.33
SILVER	5-Mar-12	57269	1.69	16178	13.53
CRUDEOIL	20-Feb-12	5236	0.44	15814	2.3
NATURALGAS	24-Feb-12	128.4	-0.47	20668	-1.49
ALUMINIUM	29-Feb-12	108.85	2.69	4456	-9.85
COPPER	29-Feb-12	415.6	1.96	25541	-34.54
LEAD	29-Feb-12	102.75	2.14	9320	-13.38
NICKEL	29-Feb-12	998.3	1.85	15658	-17.94
ZINC	29-Feb-12	99.3	2	5844	-19.38

London Metal Exchange Warehouse Stocks**(February 21)**

Metal	Tonnes in Storage	Change From previous day	% Change
Aluminum	305425	-450	-0.15
Copper	5125800	8725	0.17
Nickel	97308	492	0.51
Lead	851050	475	0.06
Zinc	375975	-1850	-0.49



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