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# AGRI PICKS

*A Daily Report on Agricultural Commodities*

Monday, June 08, 2020

## TODAY'S PICKS

**BUY COTTON ON DIPS**

**BUY COCUDAKL ON DIPS**

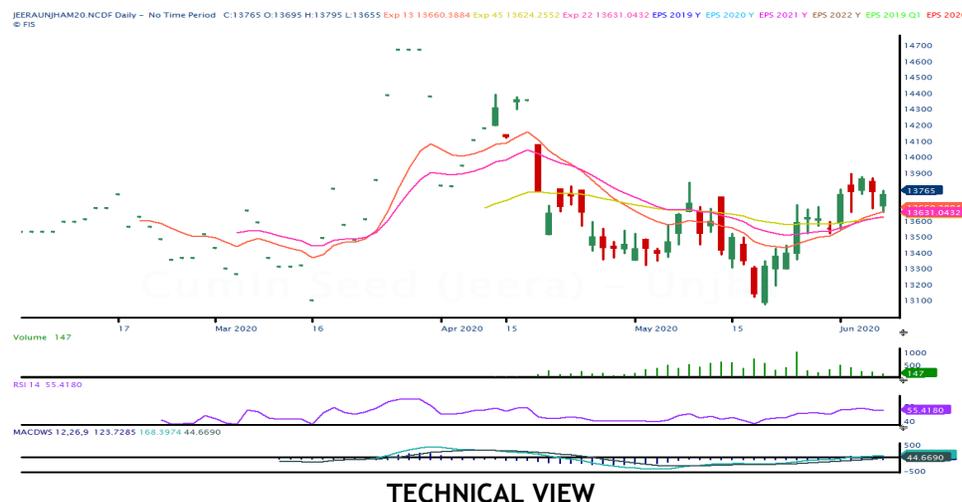
## AGRI BUZZ

- The southwest monsoon has covered most parts of Tamil Nadu, some more parts of south interior Karnataka and entered Rayalseema region of Andhra Pradesh, the India Meteorological Department said.
- After two months of the COVID-19-led lockdown that battered economic activity, natural rubber prices are now looking up amid a supply crunch and resurgence in demand from tyre makers and other bulk buyers.
- The government has set a target of 4.5 mln oil palm seedlings being planted in the country in 2020-21 (Apr-Mar) to boost domestic production of palm oil and reduce the dependence on imports, a senior official with the farm ministry said.
- The government is mulling an increase in the minimum selling price of sugar by 2 rupees per kg, finally acceding to a demand from sugar mills who have been struggling to meet their cane payment obligations, two senior government officials close to the development said.
- The recent announcement of a hike in minimum support prices is likely to boost India's cotton acreage in the 2020-21 (Jul-Jun) season, though it may be unfavourable for the domestic spinning sector, ratings agency ICRA Ltd said in a release.
- The National Agricultural Cooperative Marketing Federation of India procured 1,377 tn of rabi groundnut harvested in 2019-20 (Jul-Jun) in Odisha under the price support scheme, as of Wednesday, an official with the agency said.
- Around 70,793 farmers in Uttar Pradesh have taken 7,486.5 tn sugar so far in lieu of cane payments, a senior official with the state's cane department said.

## SPICES COMPLEX

### Market Buzz

- Choppy trades were witnessed in Jeera June futures on NCDEX on Friday. Amidst estimates of higher crop, tepid demand along with rise in arrivals in the spot market weighed on overall market sentiments.
- According to the Spices Board, exports rose 27 per cent during Apr-Dec 2019 to 167000 compared to same period last year.
- Coriander June futures on NCDEX rose more than 3.5 per cent on Friday on improved demand amidst fall in arrivals in the spot market.
- Govt. pegs 2019-20 coriander output at 762000 tonnes.
- According to Spices Board of India data, coriander exports were at 36750 tonnes during Apr-Dec 2019, up by one per cent compared to same period last year.
- Turmeric June futures on NCDEX jumped nearly four per cent to hit its highest level in about two weeks on Friday. Fall in arrivals in the main spot market of Nizamabad along with export demand pushed up the prices of the yellow spice.
- The agricultural mandis in Nizamabad, Telengana, have resumed trade on Wednesday after remaining shut for over two months due to a nationwide lockdown imposed to curb the spread of coronavirus pandemic
- Telangana pegs 2019-20 turmeric crop at 307,000 tn vs 294,000 tn
- Govt. pegs 2019-20 turmeric output at 913000 tonnes.
- For the period Apr-Dec 2019, India exported 101,500 tn of turmeric, marginally up compared to 101,000 tonnes exported during the same period in 2018. However, in the value terms it showed a three per cent fall.
- Cardamom June futures on MCX was unchanged on Friday as well.
- The average price of small cardamom at the e-auction held on Jun 5 in Puttady, Kerala, was 1780.4 rupees per kg, data from Spices Board India showed. The highest price at auction, conducted by Sugandhagiri Spices Promoters & Traders Pvt Ltd, was 2,210 rupees per kg. A total 91.25 tn of cardamom was up for auction, all of which were sold.
- Spices Board India has sought permission to resume the electronic auction of small cardamom at its centre in Bodinayakanur, Tamil Nadu, the board said in a circular. Auctions at this centre were suspended since Mar 16 to contain the rapid spread of novel coronavirus.
- Small cardamom auctions in Puttady, another e-auction centre in Kerala, will resume from May 28, the board said in a circular. The board will hold one auction at this centre on alternate days between 1030 IST to 1600 IST till it gets approval to conduct two auctions daily.



<b>JEERA NCDEX JUN</b>	Choppy moves inside 13900-13500 seems likely.	
<b>DHANIYA NCDEX JUN</b>	May stretch the witnessing upswing towards 5720-5800 ranges. However, dips to 5520 ranges may not be ruled out.	
<b>TURMERIC NCDEX JUN</b>	A voluminous rise above 5560 is necessary for the witnessing upswing to continue. Inability to clear the same may call for profit booking.	
<b>CARDAMOM MCX JUN</b>	May trade with a weak bias, though pullbacks to 1680 ranges may not be ruled out.	

## OILSEED COMPLEX

### Market Buzz

- Except CPO, all commodities in the edible oil seed basket rose on Friday.
- MCX June CPO futures settled lower due poor demand in the spot markets. But, NCDEX June Soy oil futures traded higher tracking gains in the international U.S CBOT soybean oil prices.
- NCDEX June Soybean futures traded higher due to lower arrivals in the spot markets because of lean supply season along with gains in U.S CBOT soybean prices on report of higher overseas demand in U.S. June Mustard seed settled marginally higher on back of higher demand amid lower arrivals.
- India's edible oil imports fell around 40% on year to 707,478 tn in May, The Solvent Extractors' Association of India said in a release.
- IGC reported that global soybean production is now seen at 363 mln tn in 2020-21 against 364 mln tn pegged last month.
- The Union Cabinet approved a hike in minimum support price for 14 major kharif crops. MSP for soybean hiked by Rs.170 to 3880 from 3710 per 100 kg.
- The US Department of Agriculture has revised palm oil production for Indonesia for 2019-20 at 41.5 mln tn, against the earlier estimate of 42.5 mln tn as plantation authorities may scale down production or cease harvest looking at the current higher stocks.
- The US Department of Agriculture has pegged global oilseed production in 2020-21 at 605.9 mln tn, compared with its estimate of 575.2 mln tn for 2019-20, primarily due to higher soybean production in its report for May. The report has pegged global soybean output 26.6 mln tn higher on year at 362.8 mln tn. For Brazil, soybean output is seen rising by 7.0 mln tn to 131.0 mln tn. Production of the oilseed in the US, is also seen rising by 15.5 mln tn to 112.3 mln tn. In Argentina, another key grower, soybean output is expected to be 2.5 mln tn higher at 53.5 mln tn. Global production of high-oil content seeds is projected up 3% from 2019-20 on increased canola production for Canada, Australia, and Ukraine, and higher sunflower seed production for Argentina and Ukraine. Partly offsetting is lower sunflower seed production for Turkey. Demand for protein meal from China is also seen higher on year in 2020-21. Global protein meal consumption outside of China is projected to increase 2% in 2020-21, down from the prior five-year average of 3% due to the slowing global economy. Given the higher demand for protein meal, global soybean exports are expected to increase by 8.0 mln tn to 161.9 mln tn during the period. Of these stocks, China is seen buying the largest share at 96.0 mln tn.
- India's edible oil imports fell around 34% on year at 790,377 tn in April compared to 1,198,763 tons in April 2019. The Solvent Extractors' Association of India said in a release. The overall import of edible oils during Nov-2019 to April 2020 is reported to down by 14 percent at 6,182,184 tons compared to 7,203,830 tons during the same period of previous year.
- India's oilmeal exports plunged 54% on year to 177,003 tn in March due to tepid purchases by major buyers, according to data released by The Solvent Extractors' Association of India. For the year ended March, oilmeal exports were at 2.4 mln tn, against 3.3 mln tn the previous year. The export of soybean meal reduced to nearly half, mainly due to disparity in export and better realisation in domestic market. In March, soybean exports slumped to 32,818 tn from 214,788 tn a year ago.
- Rapeseed-mustard meal exports fell 4.3% on year to 89,235 tn, while exports of rice bran oil fell 90% on year to 30,620 tn in March, according to SEA.
- The demand for the vegetable oil is likely to decline further in the second half of 2020 due to disruption in economic activity caused by the COVID-19 pandemic, said Dorab Mistry, director of London-based Godrej International.
- Mustard crop for 2019-20 (Jul-Jun) is pegged at 9.1 mln tn as against 9.3 mln tn produced a year ago, farm ministry data. Farmers across the country have sown mustard across 6.9 mln ha as of Thursday, down 0.4% on year, farm ministry data showed.
- According to Government 2nd advance estimate, castor production in 2019-20 is expected at 2.0 mln tn, up from the previous estimate of 1.7 mln tn. Castor seed output in India is estimated at 2.1 mln tn in 2019-20 (Jul-Jun), up from 1.1 mln tn pegged last year, according to a survey conducted by Indian Agribusiness Systems Ltd and commissioned by The Solvent Extractors' Association of India.
- India's castor oil exports fell 6% on year to 38,199 tn in January, according to Solvent Extractors' Association of India's data. For Apr-Jan, exports were also down at 441,030 tn, compared with 472,192 tn during the year-ago period. In 2018-19 (Apr-Mar), India's castor oil exports slipped to 571,985 tn in 2018-19 from 651,326 tn in the previous year.
- Malaysia's crude palm oil output rose 18.3% on month in April to 1.7 mln tn, according to data from Malaysian Palm Oil Board. The country's total palm oil inventories rose 18.3% to little above 2.0 mln tn in April. Stocks of processed palm oil in the country were at 999,744 tn in April against 899,931 tn a month ago, and those of crude palm oil were at little above 1.0 mln tn compared with 829,649 tn in March. Malaysia's palm oil exports in April were 4.4% higher at 1.2 mln tn, and its biodiesel exports fell 90.6% to 6,427 tn.
- Malaysia's palm oil exports on May were estimated 8.4% higher on month to 1.26 mln tn, cargo surveyor AmSpec Agri Malaysia's data showed.



### TECHNICAL VIEW

<b>SOYBEAN NCDEX JUL</b>	If prices sustain to trade above 3840 could see some buying moves targeting 3900/3960 levels.	
<b>REF SOY OIL NCDEX JUL</b>	Buying momentum is likely to continue towards 810/815 levels.	
<b>RMSEED NCDEX JUL</b>	Any trades above 4540 could see a bargain buying to 4650/4700 levels in the immediate run.	
<b>CASTOR NCDEX JUL</b>	As long as prices stays above 3660 may trigger buying moves 3735/3780 levels.	
<b>CPO MCX JUN</b>	Though profit booking witnessed yesterday as it stays the support of 650 firmly could see upside moves targeting 670/680 levels.	

## COTTON COMPLEX

### Market Buzz

- Arrivals of cotton in spot markets across the country today fell to 48,500 bales (1 bale = 170 kg) from 55,500 bales on Thursday, sources said. In Gujarat, the Shankar-6 variety was sold at 32,300-33,500 rupees per candy (1 candy = 355.62 kg) and in Maharashtra, the 29-30 mm variety was sold at 34,500-35,500 rupees per candy.
- ICRA reported that recent announcement of a hike in minimum support prices is likely to boost India's cotton acreage in the 2020-21 (Jul-Jun) season, though it may be unfavourable for the domestic spinning sector. The government has increased the support price for medium staple cotton by 260 rupees per 100 kg for the 2020-21 (Oct-Sep) marketing season, and that for long staple by 275 rupees. ICRA says that demand and trade prospects this year have been severely hampered by the pandemic. Demand for end-use segments such as fabric and apparel, and yarn is also being hit. This has resulted in a decline in cotton consumption this year.
- India's closing stock of cotton are expected to shoot up significantly, after having remained range-bound over the past two to three years. Cotton prices in India are likely to remain under pressure as supply exceeds demand. However, higher support prices are expected to act as a floor and will prevent a major fall.
- The International Cotton Advisory Committee sees 2019-20 (Aug-Jul) season ending stocks at a five-year high as consumption and trade have been hit due to the COVID-19 pandemic. The committee estimated global cotton ending stock for the ongoing season at 21.75 mln tn compared with 18.63 mln tn last year. Global consumption is expected to decline 11.3% on year at 23.06 mln tn. In China, the world's top consumer, cotton consumption is expected to fall to 7.25 mln tn in 2019-20 season, while in India it is projected to decline to 4.75 mln tn. Global exports are projected to fall 8.1% on year to 8.34 mln tn. The committee has increased its price forecast for Cotlook A index, a global benchmark for prices of raw cotton, by a cent from the previous month to 72 cents per pound for 2019-20.
- The US Department of Agriculture's Foreign Agricultural Service has retained its estimate for India's 2020-21 (Aug-Jul) cotton crop at 28.5 mln bales (1 US bale = 218 kg). The estimated production is nearly 3% lower compared with that of the previous year mainly due to a decline in acreage. Cotton acreage is seen at 12.6 mln ha in 2020-21, compared with 13.3 mln ha in 2019-20. The average yield of cotton is expected to rise to 491 kg per ha from 480 kg last year. India's cotton consumption for 2020-21 is seen at 23.0 mln bales, against 21.0 mln bales in the current year. Exports are projected to rise to 3.5 mln bales in the coming season, while imports are expected to decline to 1.0 mln bales. The opening stock of cotton in India is pegged at 16.8 mln bales. The closing stock is estimated at 19.8 mln bales, compared with the 16.8 mln bales projected in 2019-20.
- The Cotton Corp of India has lowered its discount price by 200 rupees a candy (1 candy = 355 kg) on bulk purchases of cotton bales procured in 2018-19 (Oct-Sep) and 2019-20 marketing years, Chairman and Managing Director Pradeep Agarwal said. The revised discount ranges from 8,000-9,800 rupees per candy (1 candy = 355 kg), compared with 8,200-10,000 rupees offered in May, and the revised discounts will be applicable till Jun 30.
- UK-based Cotton Outlook has cut its global cotton consumption estimate to 22.2 mln tn for 2019-20 (Aug-Jul), from 22.5 mln tn projected last month. Consumption has considerably declined in major markets lead to a rise in ending stocks on in its May report. Global ending stock of cotton in the current season is pegged at 3.6 mln tn compared with 3.56 mln tn projected in the previous month. The agency cut its projection for global production to 25.8 mln tn in 2019-20, due to a likely fall of output in India. The country's 2019-20 cotton production is seen at 6.04 mln tn, compared with 6.29 mln tn projected in the previous month.
- The Cotton Association of India has revised downward its crop estimate for India in the 2019-20 (Oct-Sep) season to 33.0 mln bales (1 bale = 170 kg), from 35.45 mln bales projected in the previous month. The association has also lowered its estimate for domestic consumption to 28.0 mln bales for the current year, compared with 33.1 mln bales a month ago. The estimate for imports has also been lowered to 1.5 mln bales, from 2.5 mln bales. Considering the opening stock of 3.2 mln bales, the cotton body expects the total supply in the current season to be around 37.7 mln bales. It has revised upward its export estimate at 4.7 mln bales, from 4.2 mln bales a month ago. The closing stock of cotton for the 2019-20 season is now pegged at 5.0 mln bales.
- Govt ups 2019-20 cotton output view to 36.05 mln bales vs 34.89 mln.
- USDA has pegged India's cotton acreage at 12.5 mln ha for the coming season, compared with 13.3 mln ha in 2019-20.
- US Department of Agriculture expects global production of cotton to fall by 3% to 118.95 mln bales (1 US bale = 218 kg) in the season starting August. The agency has pegged 2020-21 world consumption at 116.5 mln bales, up from 105.0 mln bales expected in pandemic-hit 2019-20. Global exports for the coming season is pegged at 42.9 mln bales, up from 40.1 mln bales estimated for 2019-20. Global ending stocks in 2020-21 was pegged at 99.4 mln bales, up for the second consecutive year. Output in the US is likely to fall to 19.5 mln bales in 2020-21, compared with the estimate of 19.9 mln bales in 2019-20.
- According to the initial planting survey report by the National Agricultural Statistics Service, acreage under cotton is seen at 5.6 mln ha. The largest increase in sowing area is expected in Texas. National Agricultural Statistics Service is the statistical branch of the USDA.



### TECHNICAL VIEW

AGRIDEX NCDEX	As long as prices stays above 1020 levels could see more buying towards 1045/1050 levels.	
KAPAS NCDEX APR21	Expect to see more upside moves targeting 1035/1045 levels.	
COTTON MCX JUN	As prices broke the resistance of 16340 could see more upside moves targeting 17000/17200 levels.	
COCUDAKL NCDEX JUL	Current upside momentum is likely to see further towards 2250/2300 levels.	

OTHERS

Market Buzz

- Madhya Pradesh has extended the procurement period for chana, masur and mustard harvested in 2019-20 (Jul-Jun) to Jun 10 from May 30 as the buying so far has been dismal.
- Government has purchased 6.73 lakh MT Chana under PSS Rabi-2020 as of 21st May-2020. Out of the total, maximum has been purchased in Rajasthan-153452.41MT, followed by Andhra Pradesh-127915.1 MT, Karnataka-97858.32 MT, Maharashtra-95191.24 MT, Madhya Pradesh-78294 MT, Gujarat-62903.85 MT, Telangana-47600 MT, Uttar Pradesh-5651.73 MT and Harayan-4546 MT.
- Gujarat State Cooperation Marketing Federation Ltd ended procurement of chana at 35 of the 96 centres, as it achieved its target of procuring 25% of the total produce, according to the federation's chairman Dilip Sanghani. The federation have procured about 62,000 tn of chana out of 112,000 tn planned for this year.
- The Rajasthan State Co-operative Marketing Federation has procured 264,505 tn mustard and chana from 104,467 farmers at the minimum support price for 12.3 bln rupees, the government said in a press release.
- Government cuts 2019-20 chana output view to 10.9 million tons from 11.2 million tons.
- The National Commodity & Derivatives Exchange has extended the event-based additional surveillance margin of 5% on guar gum contracts till Jun 10, the bourse said in a circular.
- As per trade sources, export of guar split has declined in the month of February-20. Exports in the month of February-20 are lower by around 40% compared to previous month. India exported around 2020 tonnes of guar split in the month of February-20.
- ICEX June rubber futures ended up on Friday supported by positive cues from the overseas market and on expectation of improvement in local demand with lockdown ruled being relaxed.
- The Association of Natural Rubber Producing Countries has cut its estimate for production of natural rubber in 2020 further to 13.1 mln tn from 13.4 mln tn pegged a month ago. At 13.1 mln tn, the output is seen 4.7% lower on year. The association has also reduced its estimate for global natural rubber consumption to 12.9 mln tn compared with 13.0 mln tn pegged earlier. At 12.9 mln tn, the demand for natural rubber is seen 6% lower on year. The outlook for the global demand has been revised downward as the outbreak of the COVID-19 pandemic and the subsequent lockdown in many countries are seen hitting demand for the commodity, the association said.
- The Directorate General of Trade Remedies has recommended provisionally raising import duty on polybutadine or synthetic rubber from South Korea to those imported from other countries, according to reports. Currently, the basic customs duty on the product is 10%, but imports from South Korea attract concessional duty under the pact. The Directorate General of Trade Remedies has suggested provisional safeguard duties for 200 days, by when it will come up with its final report.



TECHNICAL VIEW

<b>CHANA NCDEX JUN</b>	Choppy moves inside 4140-4200 ranges expected. However, a voluminous rise above 4220 may call for 4250-4280 or even more. Alternatively, slippage past 4140 may call for 4120-4090.	
<b>GUARSEED NCDEX JUN</b>	Choppy moves inside 3500-3620 expected in the initial run and a break out from either the sides could lend fresh directions for the day.	
<b>GUARGUM NCDEX JUN</b>	Corrective dips to 5400-5350 may not be ruled out before bouncing back.	
<b>RUBBER ICEX JUN</b>	The support of 11750-17000 if held downside may call for a bounce back. However, sustained trades below the same may see weakness creeping in.	

### TECHNICAL LEVELS

Commodity	Contract	Open*	High*	Low*	Close*	S3	S2	S1	Pivot	R1	R2	R3
<b>SPICES</b>												
Jeera	JulyNCDEX	13590	13680	13550	13665	13453	13502	13583	13632	13713	13762	13843
Turmeric	JulyNCDEX	5326	5520	5320	5488	5165	5243	5365	5443	5565	5643	5765
Cardamom	JulyMCX	1459	1490	1459	1475	1428	1444	1459	1475	1490	1506	1521
Dhaniya	JulyNCDEX	5475	5662	5473	5643	5334	5404	5523	5593	5712	5782	5901
Menthaoil	JuneMCX	1104.0	1104.0	1069.7	1075.5	1028	1049	1062	1083	1096	1117	1131
<b>PULSES</b>												
Chana	JulyNCDEX	4192	4208	4172	4191	4137	4154	4173	4190	4209	4226	4245
Guarseed	JulyNCDEX	3574	3602	3554	3580	3507	3531	3555	3579	3603	3627	3651
Guargum	JulyNCDEX	5555	5610	5504	5573	5409	5456	5515	5562	5621	5668	5727
<b>OIL &amp; OIL SEEDS</b>												
Soybean	JulyNCDEX	3870	3920	3838	3896	3767	3803	3849	3885	3931	3967	4013
RM seed	JulyNCDEX	4572	4629	4555	4622	4501	4528	4575	4602	4649	4676	4723
CPO	JuneMCX	656.1	658.5	645.0	651.3	631	638	645	652	658	665	672
Soyoil	JulyNCDEX	799.8	802.0	793.2	800.0	786	790	795	798	804	807	812
Castor seed	JulyNCDEX	3688	3726	3680	3708	3637	3659	3683	3705	3729	3751	3775
<b>CEREALS</b>												
Wheat	JulyNCDEX	1892	1892	1892	1892	1892	1892	1892	1892	1892	1892	1892
Barley	JulyNCDEX	1504	1504	1501	1503	1498	1500	1501	1503	1504	1506	1507
<b>OTHERS</b>												
Cocud^	JulyNCDEX	2138	2220	2135	2220	2078	2107	2163	2192	2248	2277	2333
Kapas	Apr21 NCDEX	1013.0	1034.5	1013.0	1031.0	996	1005	1018	1026	1039	1048	1061
Cotton	JuneMCX	16190	16750	16190	16700	15783	15987	16343	16547	16903	17107	17463
Rubber	JulyICEX	12400	12475	12219	12399	11998	12108	12254	12364	12510	12620	12766

Pivot Point: A predictive indicator of the market which is calculated as an average of significant prices from the performance of a market in the prior trading period. An open above the pivot point is generally considered bullish and vice versa.  
 S1, S2 & S3 are supports and R1, R2, and R3 are resistances from where a turnaround can be anticipated.  
 \*Open, High, Low and Close prices of previous trading day / ^ Cottonseed Oil Cake



Strong bias or bullish



Choppy or Sideways



Weak bias or bearish



Mild bullish bias



TRADING SIGNALS

Commodities	Intraday	Overall	Volatility		Short term		Medium term		Long term	
	View	View	1 day	Annualised	3 day EMA	5 day EMA	13 day EMA	22 day EMA	45 day EMA	60 day EMA
Pepper July ICEX	FLAT/CHOPPY	NEGATIVE	0.71%	11.3%	FLAT	FLAT	NEGATIVE	FLAT	POSITIVE	NEGATIVE
Jeera July NCDEX	POSITIVE	POSITIVE	0.87%	13.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Turmeric July NCDEX	POSITIVE	POSITIVE	1.38%	21.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Cardamom July MCX	NEGATIVE	HIGHLY NEGATIVE	2.00%	31.7%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Dhaniya July NCDEX	POSITIVE	POSITIVE	1.29%	20.5%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Chana July NCDEX	NEGATIVE	POSITIVE	0.80%	12.7%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Guarseed10 July NCDEX	POSITIVE	HIGHLY POSITIVE	1.39%	22.0%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Guargum July NCDEX	POSITIVE	POSITIVE	1.77%	28.1%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	#N/A
Soybean July NCDEX	POSITIVE	HIGHLY POSITIVE	1.02%	16.2%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Ref. Soyoil July NCDEX	FLAT/CHOPPY	POSITIVE	1.07%	16.9%	POSITIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
RMseed July NCDEX	POSITIVE	HIGHLY POSITIVE	0.87%	13.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
CPO June MCX	NEGATIVE	POSITIVE	1.69%	26.8%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Castor July NCDEX	POSITIVE	POSITIVE	1.06%	16.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	#N/A
Kapas21 Apr NCDEX	POSITIVE	POSITIVE	0.87%	13.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	#N/A	#N/A
Cotton June MCX	POSITIVE	HIGHLY POSITIVE	1.54%	24.4%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Cocudakl July NCDEX	POSITIVE	HIGHLY POSITIVE	1.99%	31.6%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Wheat July NCDEX	FLAT/CHOPPY	NEGATIVE	0.92%	14.6%	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	#N/A
Barley July NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.18%	18.7%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Menthaoil June MCX	NEGATIVE	NEGATIVE	1.18%	18.8%	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	#N/A	#N/A
Rubber July ICEX	POSITIVE	POSITIVE	1.07%	17.0%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE

Trading signals is prepared based on statistical analysis and is purely on technical indicators like exponential moving averages (EMAs), Relative strength Index (RSI) and stochastic, putting altogether provides an idea about intraday, short, medium and long term trend of the commodities. It also signals the risk of an investment in both agricultural and global commodities as well. Based on all listed indicators above, investors were able to fix a daily, near-term and long term trends. However, must be cautious especially for real-time intraday traders/jobbers.

**Trading Strategy based on EMA**

Trading strategies mentioned in the report is mainly based on 3, 5, 13, 22, 45 & 60 days exponential Moving Averages. 3 and 5 day EMA has taken for developing Intraday trading strategy, 13 days and 22 days EMA for Short term and Medium term, while 45,60 days EMA for Long term. Here, we use EMAs for POSITIVE and NEGATIVE signals. POSITIVE signal is formed when a short-term moving average (eg: 30 day) crosses from below a longer-term average (eg: 60 day), which is considered bullish. Likewise, NEGATIVE signal is formed when a short-term moving average (eg: 30 day) crosses from above a longer-term moving average (eg: 60 day), which is considered bearish.

**Intraday and Overall view** The section is consist of both Intraday and Overall view. The Intraday view is calculated by netting out of POSITIVES/NEGATIVES/FLAT signals formed in the short term trend. On the another part, Overall view is calculated by netting out number of POSITIVES/NEGATIVES/FLAT signals formed in the short, Medium and long term trend.

**Volatility** is a measure for dispersion of price of a financial instrument over a period of time by using Standard deviation and annualised actual volatility. Standard deviation is used to to calculate one day volatility. Whereas, Annualized Actual Volatility (AAV) is measured as annualized standard deviation of the continuously compounded daily returns of the asset. Generally the thumb rule is that, higher the volatility higher the risk of the asset. See the table below the range risk ratings.

Annualised Volatility >	Risk %	Ratings	Risk %	Ratings	Risk %	Ratings	Risk %	Ratings	Risk %	Ratings
> 35%	> 35%	Very High risk	27 to 34%	High risk	20 to 26%	Moderate risk	11 to 19%	Low risk	1 to 10%	Very Low risk

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