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# AGRI PICKS

*A Daily Report on Agricultural Commodities*

Monday, February 01, 2021

TODAY'S PICKS

## AGRI BUZZ

- The UK-based Cotton Outlook has marginally raised its estimate for global output in 2020-21 (Aug-Jul) by 32,000 tn to 24.02 mln tn in its January report. The estimate has been scaled up largely due to upward revision in production in China.
- The Economic Survey for 2020-21 (Apr-Mar) reiterated the need to raise the central issue price of food grains under the national food security plan to manage the Centre's ballooning food subsidy bill.
- The government has procured nearly 59.4 mln tn paddy so far in the 2020-21 (Oct-Sep) kharif marketing season, up over 19% on year, it said in a release. Paddy is India's largest-grown kharif crop.
- A surge in tea prices on the back of pandemic-led disruptions and steady domestic demand may drive up the profitability of tea companies by 300 basis points on year in 2020-21 (Apr-Mar), according to CRISIL Ratings.
- Uttar Pradesh should make efforts to increase output of maize in the state to help meet the requirement of ethanol production in the country for energy conservation, a government release said quoting Food Secretary Sudhanshu Pandey.
- The government has reduced the base import prices of some edible oils by \$20-\$38 per tn, the Central Board of Excise and Customs said in a notification.

	Futures	Spot
Contract/spot	JEERA - MAR21	Unjha
Rate	13400	13105.55
% chg	-1.33	-0.34
1 week low	13350	13105.55
1 week High	13650	13177.25
	Futures	Spot
Contract/spot	CHANA - MAR21	Bikaner
Rate	4511	4473.95
% chg	0.51	-0.14
1 week low	4447	4462.7
1 week High	4518	4500
	Futures	Spot
Contract/spot	SOYABEAN - FEB21	Indore
Rate	4633	4697
% chg	0.04	0.77
1 week low	4521	4578
1 week High	4655	4704
	Futures	Spot
Contract/spot	CASTOR SEED - FEB21	Deesa
Rate	4380	4500
% chg	-0.68	0.51
1 week low	4330	4477.25
1 week High	4414	4500
	Futures	Spot
Contract/spot	RUBBER - FEB21	Kottayam
Rate	15340	15238
% chg	0.94	0.25
1 week low	0	0
1 week High	0	0

	Futures	Spot
Contract/spot	TURMERIC	Nizamabad
Rate	0	6309.1
% chg	0	1.13
1 week low	0	6217.5
1 week High	0	6309.1
	Futures	Spot
Contract/spot	GUAR SEED10 - FEB21	Jodhpur
Rate	3919	3951.5
% chg	-0.23	0.78
1 week low	3898	3906.65
1 week High	4024	3986.5
	Futures	Spot
Contract/spot	REFINED SOYA OIL - FEB21	Kandla
Rate	1108	1105
% chg	0.58	2.68
1 week low	1052.5	1060.4
1 week High	1120.9	1105
	Futures	Spot
Contract/spot	KAPAS - FEB21	Rajkot
Rate	1128.5	1121.7
% chg	-0.35	-0.28
1 week low	1125	1121.7
1 week High	1132.5	1131.05
	Futures	Spot
Contract/spot	MAIZE - Feed/Industrial Grade	Gulabbagh
Rate	0	1450
% chg	0	1.4
1 week low	0	1408.75
1 week High	0	1450

	Futures	Spot
Contract/spot	CORIANDER - APR21	Kota
Rate	6198	6000
% chg	0.13	0
1 week low	6140	6000
1 week High	6428	6029.15
	Futures	Spot
Contract/spot	Guar Gum Refined Splits - FEB21	Jodhpur
Rate	6151	6187.5
% chg	-0.24	-0.2
1 week low	6115	6170.45
1 week High	6350	6300
	Futures	Spot
Contract/spot	RAPE MUSTARD SEEDS - FEB21	Jaipur
Rate	5598	6036.4
% chg	0.81	0.89
1 week low	5356	5948.7
1 week High	5630	6036.4
	Futures	Spot
Contract/spot	COTTON SEED OIL CAKE AKOLA - FEB21	AKOLA
Rate	2085	2166.55
% chg	0.1	0.23
1 week low	2061	2161.65
1 week High	2145	2196.85
	Futures	Spot
Contract/spot	BARLEY - APR21	Jaipur
Rate	1668	0
% chg	0	0
1 week low	1668	0
1 week High	1668	0





SPICES COMPLEX

Market Buzz

- Jeera March futures on NCDEX stretched losses on Friday. Tepid demand along with sufficient carry over stocks and expectation of good production in the current rabi season put downwards pressure.
- According to the second advance estimates released by the Gujarat’s farm department, production in jeera is expected to be at 373700 tonnes in 2020-21 compared to 375420 tonnes produced last year (2019-20).
- According to Gujarat's farm department, as of 28 Dec2020, jeera has been sown across 464469 hectares in state, compared to 435657 hectares sown during the same period last year.
- Spices Board pegs Apr-Sep jeera exports at 153000 tonnes, up by 33 per cent on yoy basis.
- Exports of jeera were at 210,000 tn, up 16% from 180,300 tn in 2018-19 according to the Spices Board.
- Coriander April futures on NCDEX ticked up on Friday in lackluster trades. Subdued demand for the new crop due to high moisture content weighed on.
- Coriander production in Gujarat is expected to rise 55 per cent to 216680 tonnes in 2020-21 season (Jul-Jun) due to sharp rise in acreage according to the state’s farm department’s second advance estimates.
- As of Dec 28, 2020 coriander has been sown across 135563 hectares compared to 76904 hectares sown during the same period last year showed the data from the Gujarat state farm department.
- According to Spices Board of India data, coriander exports for the Apr-Sep period this year is seen at 26750 tonnes, up by nine per cent on yoy basis.
- Coriander exports from India were up 3% on year at 50,250 tn in the last financial year according to the Spices Board.
- Turmeric April futures on NCDEX stretched gains on Friday. Low arrivals in the spot market despite it being the harvesting season lend support.
- Spices Board pegs turmeric export from India for the period Apr-Sep this year at 99000 tonnes, up by 42 per cent year on.
- India exported 136,000 tn of turmeric in 2019-20, up 2% on year according to the Spices Board.



TECHNICAL VIEW

<p><b>JEERA NCDEX MAR</b></p>	<p>As long as the resistance of 13650 is breached convincingly upside, Downside correction being witnessed currently could continue possibly towards 13200-13100 range s before bouncing back.</p>	
<p><b>DHANIYA NCDEX APR</b></p>	<p>Profit booking may stretch towards 6100-6030 range before bouncing back. Alternatively, a voluminous rise above 6300 may call for 6380/6450.</p>	
<p><b>TURMERIC NCDEX APR</b></p>	<p>Profit booking towards 6400 ranges may not be ruled out before bouncing back. However, a voluminous fall past the same may lessen the prevailing positive bias. Alternatively, a direct voluminous rise above 6620 may call for 6680-6710 or more.</p>	
<p><b>CARDAMOM MCX FEB</b></p>	<p>Choppy to trades expected.</p>	

## OILSEED COMPLEX

### Market Buzz

- All commodities in the edible complex rose on Friday. MCX Feb CPO prices traded higher tracking gains in BMD Malaysian palm oil on concern over labour shortage due to disruption following government imposed lockdown in Malaysia may hit output during these period. Feb Soy oil prices also moved higher tracking gains in International markets amid worries over shortage in global stocks.
- NCDEX Feb soybean prices traded higher due to reports of robust export demand for soymeal. India's soymeal exports jumped nearly threefold on year in December to 268,000 tn, according to SOPA. Soymeal exports in the year-ago period were at 90,000 tn. For January, the shipments are expected to surge fivefold on year to around 300,000 tn. Feb NCDEX Mustard seed prices also continued to trade higher on back of higher demand for mustard meal along with cold wave conditions in key growing areas may damage to standing crops due to frosting.
- India is likely to produce around 10 mln tn of mustard in 2020-21 (Jul-Jun), up 35% from a year ago, due to higher acreage and favourable weather conditions, according to the Solvent Extractors' Association of India.
- The US Department of Agriculture has scaled down its estimate for global oilseed production in 2020-21 to 594.5 mln tn from 595.7 mln tn projected in December. Higher production of sunflower seed would largely be offset by lower soybean, cottonseed, peanut, rapeseed, and palm kernel output. The sunflower seed production estimate for Russia has been increased by 0.5 mln tn to 13.5 mln tn, based on recent government estimates. In its report for January, the agency has also slashed its estimate for closing stocks of oilseeds to 96.5 mln tn from 97.8 mln tn projected the previous month. Global oilseed trade in 2020-21 is projected at 192.7 mln tn, against 191.8 mln tn in the agency's previous estimate. It has scaled down its forecast for global soybean crop to 361.0 mln tn against 362.1 mln tn projected in December. "Higher soybean crops for Canada and Uruguay are offset by lower production for Argentina, which has reduced 1 mln tn to 50 mln on lower harvested area," the report said. Lower soybean output in Argentina, the third-largest producer, brings down the country's crush and soymeal exports. This, in turn, supports the US' soybean exports, the agency said. It has forecast overall soybean output in the US in 2020-21 at 112.6 mln tn, against 113.5 mln tn projected the previous month, owing to lower cottonseed production. The estimate for Argentina's soybean output has been slashed by 2 mln tn to 48 mln tn.
- Soymeal exports were at 251,221 tn in December against 72,233 tn a year ago, while in Apr-Dec, soymeal exports were at 888,202 tn compared with 569,349 tn a year ago, according to data released by The Solvent Extractors' Association of India. Mustard meal exports in Apr-Dec were at 141,866 tn, up around 136% from a year ago.
- India's vegetable oil imports rose over 20% on year to around 1.35 mln tn in December, according to SEA.
- India's soymeal exports in December jumped nearly three-fold on year to 268,000 tn, data from The Soybean Processors Association of India showed. Soymeal exports in December a year ago were at 90,000 tn.
- As on Dec 31, farmers, processors, stockists and state-run agencies had around 400,000 tn stock, compared with nearly 1.2 mln tn a year ago, according to Mustard Oil Producers Association of India.
- Farmers in the country have sown mustard across 7.4 mln ha, up 7.3% on year, in 2020-21 (Jul-Jun) season so far, data from the farm ministry.
- Indian government slashed import duty of crude palm oil. The government cut import duty on crude palm oil by 10% to 27.5%, in the last week, to cool off soaring edible oil prices in domestic markets.
- The area under major kharif crops so far in 2020-21 (Jul-Jun) was at 111.7 mln ha, up nearly 5% from a year ago, farm ministry data showed. The area under soybean across the country rose 6.4% on year to 12.12 mln ha as of 24th Sep, according to data from the farm ministry. 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. Soybean output is estimated at 12.2 mln tn in 2019-20, according to the farm ministry's fourth advance estimate.
- India is likely to grow a record 10 mln tn mustard crop in 2020-21 (Jul-Jun), mainly due to the likelihood of a sharp rise in acreage, according to Solvent Extractors' Association of India. The government has targeted an all-time high crop of 12.5 mln tn for this rabi season. The government has fixed the minimum support price at 4,650 rupees per 100 kg for 2020-21 (Apr-Mar) marketing season against 4,425 rupees per 100 kg the previous year.
- According to the first advance estimates for 2020-21 (Jul-Jun), castor seed output is seen at 1.7 mln tn compared with 1.8 mln tn in the fourth advance estimates for 2019-20, according to the data released by the farm ministry. While, according to traders, crop is seen at 1.5-1.6 mln tn. Farmers have sown castor seed across 792,000 ha in 2020-21 (Jul-Jun), down 16% from a year ago.
- India's castor oil exports jumped 41.6% on year to 53,007 tn in September, according to data from Solvent Extractors' Association of India. The exports have surged 28% from 41,408 tn in August. India's castor meal exports plunged by 26% on year to 54,885 tn in October from 73,832 tonnes, according to data released by The Solvent Extractors' Association of India. Moreover, overall export of oil meals during Apr-Oct plunged 43% on year to 382,238 tn.
- Malaysia's crude palm oil output plunged 10.6% on month to 1.33 mln tn in December, data from Malaysian Palm Oil Board. Total palm oil stock in the country fell 19.0% on month to 1.26 mln tn. Exports of palm oil in December rose 24.7% on month at 1.62 mln tn and those of biodiesel rose 111.3% on month to 42,913 tn.
- Malaysia's palm oil exports during Jan 1-20 are estimated down 43.3% on month at 572,910 tn, cargo surveyor SGS (Malaysia) data showed.



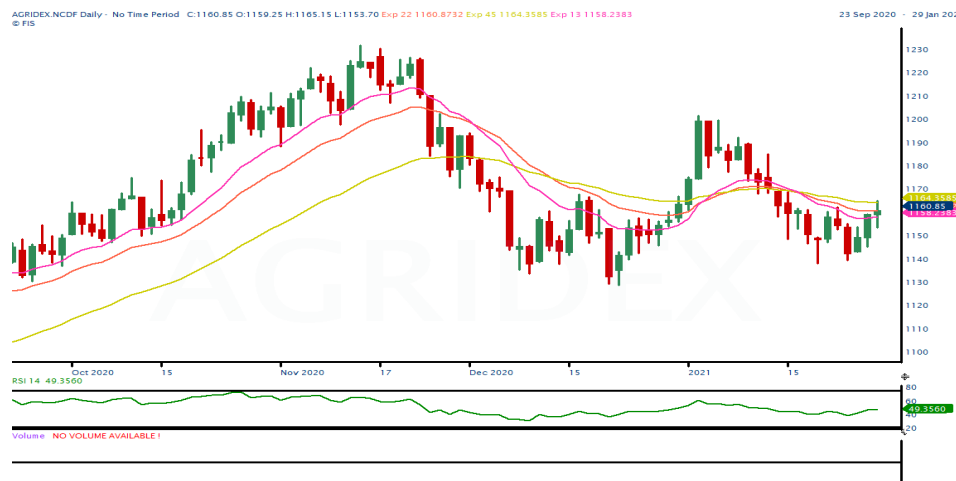
### TECHNICAL VIEW

<b>SOYBEAN NCDEX FEB</b>	If prices sustain above 4600 could see rallies towards 4660/4694 levels.	
<b>REF SOY OIL NCDEX FEB</b>	Short covering rallies is on progress and may continue towards 1120/1140 levels.	
<b>RMSEED NCDEX FEB</b>	Covering rallies is more likely to see further towards 5630/5660 levels.	
<b>CASTOR NCDEX FEB</b>	Inability to move above 4450 could see downside correction towards 4350/4320 levels in the near term.	
<b>CPO MCX FEB</b>	Short covering rallies is on progress and may continue towards 970/980 levels.	

## COTTON COMPLEX

### Market Buzz

- The UK-based Cotton Outlook has marginally raised its estimate for global output in 2020-21 (Aug-Jul) by 32,000 tn to 24.02 mln tn in its January report. The estimate has been scaled up largely due to upward revision in production in China. A slight reduction in production is seen in the US. The agency has maintained its estimate for India's cotton crop at 6.2 mln tn for the ongoing season. Production in the US is seen at 3.3 mln tn, against 3.5 mln tn projected a month ago. Global cotton consumption in 2020-21 is seen at 24.5 mln tn, against 24.3 mln tn projected the previous month. Consumption is seen higher on likely rise in demand from India and Turkey. Ending stocks of the fibre for 2020-21 are seen at 466,000 tn, against 325,000 tn projected last month.
- Cotton yarn prices in India have risen sharply mainly due to improved demand from the domestic downstream segments as well as continued strong overseas demand during Oct-Dec, rating agency ICRA said in a release.
- The USDA has scaled down its estimate for global cotton output for 2020-21 (Aug-Jul) to 112.9 mln bales (1 US bale = 218 kg) from 113.9 mln bales pegged in December. The downward revision in output estimate is mainly due to a fall in production in the US. The agency has cut its estimate for output in the US to 14.95 mln bales, compared with 15.95 mln bales projected a month ago. Global cotton consumption is seen at 115.7 mln tn, marginally higher from 115.6 mln bales pegged last month. Exports are now seen at 43.6 mln bales, compared with 43.2 mln bales, while ending stocks are seen lower at 96.3 mln bales, compared with 97.5 mln bales. The agency retained its crop estimates for India at 29.5 mln bales. India's exports for the current season is pegged at 5.0 mln bales. Domestic demand is seen at 24.0 mln bales steady from previous month. Ending stock for the ongoing season is seen at 19.4 mln bales.
- Cotton production in Gujarat is likely to fall 14% to 7.4 mln bales in 2020-21 (Jul-Jun) due to a sharp decline in acreage, according to the state farm department's second advance estimate. Cotton acreage in Gujarat is at 2.28 mln ha in the current season against 2.65 mln ha last year. The decline in acreage is mainly due to the shift to other lucrative crops like groundnut.
- The Cotton Association of India has marginally scaled up its estimate for production to 35.9 mln bales (1 bale = 170 kg) for the ongoing 2020-21 (Oct-Sep) season, from 35.6 mln bales projected in the previous month. In 2019-20, the association had pegged the crop at 36.0 mln bales. The association has maintained its estimate for exports to 5.4 mln bales (1 bale = 170 kg) for the ongoing 2020-21 (Oct-Sep) season. In the current marketing year, India has shipped around 2.0 mln bales up to December. Domestic consumption is estimated at 33.0 mln bales in 2020-21, while imports are pegged at 1.4 mln bales. Ending stocks in the country for the 2020-21 season are seen at 11.4 mln bales.
- The International Cotton Advisory Committee has scaled down its global output estimate for 2020-21 (Aug-Jul) to 24.7 mln tn in its December report from 25.0 mln tn projected in the previous month. The fall in output estimate has largely been attributed to a smaller crop in the US, Brazil, and Pakistan. Production in India is expected at 6.20 mln tn, compared with 6.07 mln tn projected in the previous year. China is likely to produce 5.9 mln tn, while production in the US is expected to fall to 3.7 mln tn in the ongoing season. The committee has marginally scaled down its estimate for global consumption in 2020-21 to 24.3 mln tn as many countries enter fresh lockdowns because of COVID-19. Ending stock is estimated at 21.7 mln tn against 22.4 mln tn, projected a month ago. The committee has revised upward its estimate for global cotton exports for the ongoing season to 9.4 mln tn from 9.3 mln tn projected in the previous month.
- Global cotton prices will likely average higher on a year-on-year basis in 2021 amid a broader and deeper economic recovery. Fitch Solutions says in a note. It is forecasting cotton prices to average 70c a pound in 2021. Lower global supply in 2020/21 coupled with the sharp uptick in China's import demand will keep prices supported.
- The much awaited and long delayed export agreement between Cotton Corp of India and Bangladesh government is now in its final stage and may materialise by December, said Pradeep Agarwal, chairman and managing director of the organisation.
- The area under major kharif crops so far in 2020-21 (Jul-Jun) was at 111.7 mln ha, up nearly 5% from a year ago, farm ministry data showed. Farmers have sown cotton across 13.04 mln ha in the 2020-21 (Jul-Jun) season, up by 2.1% from a year ago, as of 25th Sept., farm ministry.
- India's cotton output in the 2020-21 (Oct-Sep) marketing year is seen at 38.0 mln bales (1 bale = 170 kg), up 4% on year, according to traders. Govt pegs 2020-21 cotton crop at 37.1 mln bales vs 35.5 mln bales.
- Cotton production in Gujarat is likely to fall by 6% to 8.2 mln bales in 2020-21 (Jul-Jun) due to a sharp fall in acreage, according to the first advance estimates released by the state's farm department. Cotton acreage in Gujarat is down at 2.28 mln ha in the current season compared with 2.65 mln ha last year. The fall in sowing area is mainly due to the shift to other lucrative crops like groundnut.
- Govt cuts 2019-20 cotton output view to 35.5 mln bales vs 36.0 mln.
- India's cotton exports are expected to touch 6.0 mln bales (1 bale = 170 kg) in the current marketing year 2019-20 (Oct-Sep) due to strong demand and lower domestic prices, which have made foreign sales economically viable, trade officials said.
- The government has raised the support price of medium staple cotton by 260 rupees per 100 kg to 5,515 rupees, and that of long staple by 275 rupees to 5,825 rupees.



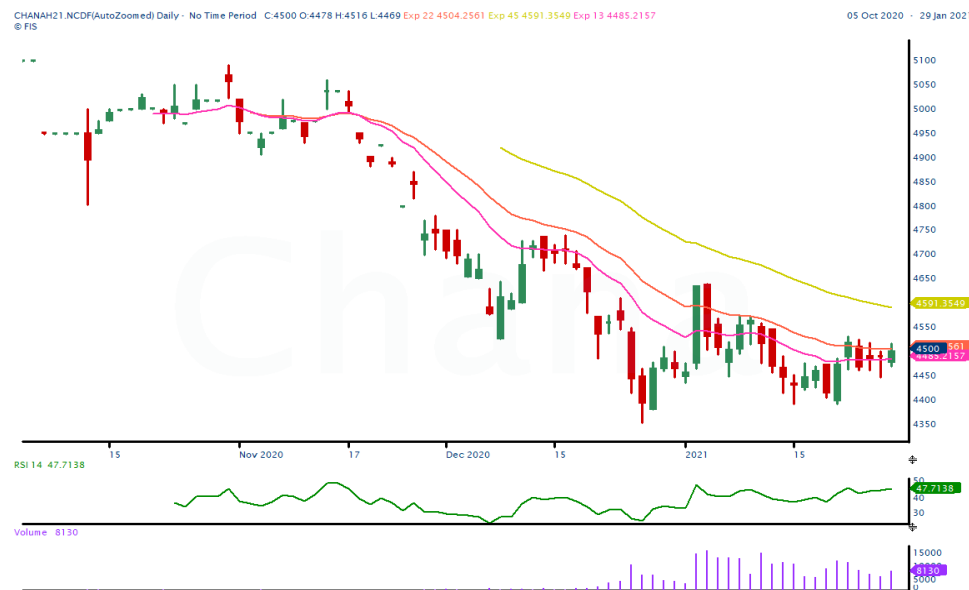
TECHNICAL VIEW

<p><b>AGRIDEX NCDEX</b></p>	<p>Though short covering rallies witnessed yesterday too. Inability to move above 1170 could trigger further selloffs. However, any voluminous break above the same could see sharp upside rallies.</p>	
<p><b>KAPAS NCDEX APR21</b></p>	<p>Inability to move above 1202 could see profit booking towards 1180/1170 levels.</p>	
<p><b>COTTON MCX FEB</b></p>	<p>As long as prices unable to move above 21400 could see corrective moves towards 20700 levels.</p>	
<p><b>COCUDAKL NCDEX FEB</b></p>	<p>Current profit taking is more likely to continue towards 2030 levels, if prices clears the support of 2060 regions.</p>	

OTHERS

Market Buzz

- Range bound moves continued in Chana March futures on NCDEX on Friday as well. Traders are probably awaiting for fresh cues for further directional moves.
- Farmers in the country have sown rabi chana across 11.1 million hectares so far, up four per cent compared to same period last year , farm ministry data showed.
- The National Agricultural Cooperative Marketing Federation of India has offered discount of 5-10% on chana produced in the 2019-20 (Jul-Jun) rabi season, and subsequently procured by the agency at the minimum support price for that year, according to its website.
- The government raised chana MSP by Rs.225 to Rs.5100/100kg.
- Guar complex on NCDEX stayed under pressure on concerns over demand.
- India’s guar gum exports improved in the month of December 2020 by 32% to 17,644 tonnes compared to 13,414 tonnes during November 2020 at an average FoB of US \$ 1849 per tonne in the month of December compared to US \$ 1611 per tonne in the month of November 2020. However, the gum shipments were down -1% in December 2020 compared to the same period last year. Of the total exported quantity, around 4,914 tonnes is bought US, Russia (3,290 tonnes) and Germany (2,432 tonnes).
- India’s guar split exports fell in the month of December 2020 by -39% to 2,800 tonnes compared to 4,557 tonnes during November 2020 at an average FoB of US \$ 955 per tonne in the month of December compared to US \$ 1,390 per tonne in the month of November 2020. Further, the guar split shipments were up +32% in December 2020 compared to the same period last year. Of the total exported quantity, around 1,880 tonnes is bought China, US (800 tonnes) and Switzerland (120 tonnes).
- Natural rubber in the Indian market traded firm on Friday in both futures and spot market. Cues from the overseas market along with expectation of gradual decline production due upcoming lean production phase lend support.
- Kerala government is set to raise the guarantee price for RSS4 grade rubber under Rubber Production Incentive Scheme from existing Rs.150 a kg to Rs.170 a kg with effective from April 1, 2021 as per the state budget presented on Jan 15, 2021.
- Global production of natural rubber in January is expected to recover to 1.19 mln tn from 1.05 mln tn a year ago, the Association of Natural Rubber Producing Countries said in a release. Globally, consumption of natural rubber during the month is likely to increase 15.5% on year to 1.17 mln tn, the release said. During Jan-Nov 2020, global production of natural rubber contracted 8.3% on year to 11.37 mln tn, while global consumption posted a fall of 7.9% on year to 11.66 mln tn. For December 2020, production of natural rubber is likely to fall 8.9% on year. However, consumption is likely to recover 3.6% to 1.16 mln tn.



TECHNICAL VIEW

<b>CHANA NCDEX MAR</b>	Choppy to weak trades likely as long as 4530 caps upside.	
<b>GUARSEED NCDEX FEB</b>	Broadly a consolidation inside 4040-3850 is in progress and a range bound movement inside is expected unless either the sides are breached convincingly.	
<b>GUARGUM NCDEX FEB</b>	Choppy to weak trades likely as long as 6250 caps. Key support seen at 6050/5950.	
<b>RUBBER MCX FEB/ICEX FEB</b>	Broadly a movement inside 15700-15000 ranges expected and a voluminous breakout from either the sides could lend fresh directions.	

TECHNICAL LEVELS

Commodity	Contract	Open*	High*	Low*	Close*	S3	S2	S1	Pivot	R1	R2	R3
<b>SPICES</b>												
Jeera	MarNCDEX	13595	13605	13350	13435	13067	13208	13322	13463	13577	13718	13832
Turmeric	AprNCDEX	6506	6620	6504	6554	6383	6443	6499	6559	6615	6675	6731
Cardamom	FebMCX	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500
Dhaniya	AprNCDEX	6166	6200	6164	6188	6132	6148	6168	6184	6204	6220	6240
Menthaoil	FebMCX	984.9	984.9	975.2	979.2	965	970	975	980	984	989	994
<b>PULSES</b>												
Chana	MarNCDEX	4478	4516	4469	4500	4427	4448	4474	4495	4521	4542	4568
Guarseed	FebNCDEX	3920	3948	3912	3917	3867	3890	3903	3926	3939	3962	3975
Guargum	FebNCDEX	6165	6216	6146	6165	6065	6106	6135	6176	6205	6246	6275
<b>OIL &amp; OIL SEEDS</b>												
Soybean	FebNCDEX	4624	4655	4588	4644	4536	4562	4603	4629	4670	4696	4737
RM seed	FebNCDEX	5565	5630	5518	5604	5426	5472	5538	5584	5650	5696	5762
CPO	FebMCX	963.0	977.0	960.0	969.3	944	952	961	969	978	986	995
Soyoil	FebNCDEX	1105.0	1120.9	1099.0	1105.5	1074	1099	1096	1108	1118	1118	1140
Castor seed	FebNCDEX	4394	4412	4370	4380	4321	4345	4363	4387	4405	4429	4447
<b>CEREALS</b>												
Wheat	FebNCDEX	1819	1819	1819	1819	1819	1819	1819	1819	1819	1819	1819
Barley	AprNCDEX	1668	1668	1668	1668	1668	1668	1668	1668	1668	1668	1668
<b>OTHERS</b>												
Cocud^	FebNCDEX	2093	2110	2067	2079	2018	2042	2061	2085	2104	2128	2147
Kapas	Apr21 NCDEX	1196.0	1198.0	1186.0	1188.5	1172	1179	1184	1191	1196	1203	1208
Cotton	FebMCX	21000	21060	20930	20950	20770	20850	20900	20980	21030	21110	21160
Rubber	FebICEX	15320	15340	15197	15340	15102	15149	15245	15292	15388	15435	15531

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



Mild bearish 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 Feb ICEX	FLAT/CHOPPY	NEGATIVE	0.47%	7.4%	FLAT	FLAT	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE
Jeera Mar NCDEX	NEGATIVE	NEGATIVE	0.90%	14.3%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Turmeric Apr NCDEX	POSITIVE	HIGHLY POSITIVE	1.21%	19.2%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Cardamom Feb MCX	FLAT/CHOPPY	FLAT/CHOPPY	0.00%	0.0%	FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
Dhaniya Apr NCDEX	NEGATIVE	NEGATIVE	0.95%	15.1%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Chana Mar NCDEX	POSITIVE	POSITIVE	1.27%	20.2%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Guarseed10 Feb NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.83%	13.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Guargum Feb NCDEX	NEGATIVE	NEGATIVE	1.03%	16.3%	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	NEGATIVE
Soybean Feb NCDEX	POSITIVE	HIGHLY POSITIVE	1.34%	21.2%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Ref. Soyoil Feb NCDEX	POSITIVE	POSITIVE	1.40%	22.2%	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	POSITIVE
RMseed Feb NCDEX	POSITIVE	POSITIVE	1.95%	30.9%	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	POSITIVE	NEGATIVE
CPO Feb MCX	POSITIVE	HIGHLY POSITIVE	1.28%	20.3%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Castor Feb NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.77%	12.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Kapas21 Apr NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.83%	13.2%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Cotton Feb MCX	NEGATIVE	NEGATIVE	0.70%	11.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Cocudak1 Feb NCDEX	NEGATIVE	POSITIVE	1.68%	26.7%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Wheat Feb NCDEX	NEGATIVE	NEGATIVE	0.58%	9.2%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Barley Apr NCDEX	FLAT/CHOPPY	POSITIVE	1.01%	16.1%	FLAT	FLAT	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Menthaoil Feb MCX	POSITIVE	NEGATIVE	1.05%	16.7%	FLAT	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Rubber Feb ICEX	POSITIVE	NEGATIVE	0.79%	12.5%	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	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 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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