



AGRI PICKS

A Daily Report on Agricultural Commodities

Friday, June 24, 2022

TODAY'S PICKS

SELL NCDEX JULY COCUDAKL BELOW 2575 TGT 2565/2500 SL 2605

The views/strategies expressed in this today's picks are Pre- Market Open views/strategies i.e., BUY/SELL posted in the today's Picks are purely based on technical analysis and recommended for intraday trading. Fundamental factors, sudden currency volatility and other data/news events that have a bearing on price movements were not considered while preparing this report.

AGRI BUZZ

- The National Agricultural Cooperative Marketing Federation of India is likely to miss its tur procurement target for the year ending in September, under the price stabilisation fund scheme, an official with the agency said.
- India received 4.7 mm rainfall, 33% below the normal weighted average of 7.0 mm, according to data released by the India Meteorological Department.
- The Solvent Extractors' Association of India has asked the government to do away with the Tariff Rate Quota allocation for crude sunflower oil and crude soyoil, saying that the fall in prices of these oilseeds in the international market has made the situation disastrous for domestic farmers.
- Karnataka has marginally raised the acreage target of 2022 kharif crops to 8.3 mln ha. In the 2021 season, it was around 8.1 mln ha, according to data shared by a senior state farm official.

	Futures	Spot
Contract/spot	JEERA - JUL22	Unjha
Rate	21110	21289.1
% chg	1.73	0.25
1 week low	20500	21218.6
1 week High	21140	21289.1
	Futures	Spot
Contract/spot	CHANA	Bikaner
Rate		4786.95
% chg		0.12
1 week low		4781.25
1 week High		4805.75
	Futures	Spot
Contract/spot	SOYABEAN - JUL22	Indore
Rate	6492	6309.6
% chg	-0.89	-2.43
1 week low	6333	6305.45
1 week High	6615	6595.3
	Futures	Spot
Contract/spot	CASTOR SEED - JUL22	Deesa
Rate	7290	7399.95
% chg	1.39	-0.1
1 week low	7142	7392.9
1 week High	7296	7444.15
	Futures	Spot
Contract/spot	RUBBER - JUL22	Kottayam
Rate	18019	17500
% chg	4.05	0
1 week low		
1 week High		

	Futures	Spot
Contract/spot	TURMERIC - JUL22	Nizamabad
Rate	7942	8132.8
% chg	0.2	-0.11
1 week low	7628	8103.2
1 week High	7988	8142.1
	Futures	Spot
Contract/spot	GUAR SEED10 - JUL22	Jodhpur
Rate	5491	5540.35
% chg	-0.15	-0.17
1 week low	5331	5475
1 week High	5524	5552.5
	Futures	Spot
Contract/spot	REFINED SOYA OIL - JUL22	Kandla
Rate	1337.1	1331.15
% chg	-0.97	-0.06
1 week low	1336.1	1329.45
1 week High	1378.8	1379.2
	Futures	Spot
Contract/spot	KAPAS - NOV22	Rajkot
Rate	1786	2305.7
% chg	0	-0.07
1 week low	1786	2305.7
1 week High	1786	2361.7
	Futures	Spot
Contract/spot	MAIZE - Feed/Industrial Grade	Gulabghagh
Rate	2209	2232.25
% chg	0	1.47
1 week low	2209	2200
1 week High	2241	2232.25

	Futures	Spot
Contract/spot	CORIANDER - JUL22	Kota
Rate	11120	11368.65
% chg	0.23	-0.22
1 week low	10774	11266.5
1 week High	11242	11407.1
	Futures	Spot
Contract/spot	Guar Gum Refined Splits - JUL22	Jodhpur
Rate	10260	10399.95
% chg	-0.16	0
1 week low	10040	10100
1 week High	10412	10400
	Futures	Spot
Contract/spot	RAPE MUSTARD SEEDS	Jaipur
Rate		6892.9
% chg		-0.02
1 week low		6892.9
1 week High		6986.7
	Futures	Spot
Contract/spot	COTTON SEED OIL CAKE AKOLA - JUL22	AKOLA
Rate	2596	2921.7
% chg	-1.85	-1.04
1 week low	2556	2921.7
1 week High	2874	2997.2
	Futures	Spot
Contract/spot	BARLEY - JUL22	Jaipur
Rate	3180.5	3172.65
% chg	0.57	0.14
1 week low	3162.5	3150
1 week High	3184.5	3180.25




SPICES COMPLEX

Market Buzz

- Spices complex on NCDEX ended on a greener turf on Thursday led by jeera. Jeera July futures jumped more than 1.5 per cent on good demand. Expectation of lower production last season also lend support. Lower production expectation also supported coriander futures as well, which pared losses to end the session in green. Firm demand lend support as well. Turmeric futures, in the meantime, traded in thin ranges.
- The export of spices from India during Apr-Dec declined 7.5% on year to 1.2 mln tn, according to data from the Spices Board India. In terms of value, exports rose marginally to 230.7 bln rupees. Sluggish demand for chilli, jeera, turmeric, coriander and fenugreek weighed on exports.
- The exports of jeera during Apr-Dec declined 24.5% on year to 173,796 tn, from 230,120 tn a year ago.
- India exported 116,408 tn of turmeric in Apr-Dec, down 20.6% on year. Coriander exports were down 12.8% on year at 37,566 tn, data showed.
- Exports of small cardamom rose 68.3% on year to 7,337 tn. The huge rise was also seen in ginger exports, which rose 57.5% on year at 130,091 tn.
- Exports of chilli in Apr-Dec were down 7.6% on year at 435,725 tn, while mint product exports were at 21,386 tn, up 4.8% on year, according to the data.
- According to the second advance estimates by Gujarat state agriculture department, jeera production is seen declining to 236980 tons in 2021-22, down 41 per cent year on year. Area is seen at 289000 ha as against 473800 ha a year ago. Coriander production is seen declining as well to 211680 tons compared to 221240 tons in 2020-21.
- Government sees 2020-21 coriander output at 720000 tons compared to 701000 tons a year ago.
- Government sees 2020-21 turmeric output at 1.11 million tonnes compared to 1.15 million tons a year ago.
- Output of small cardamom is seen rising by 100% on year to 22520 tons according to the Spices Board.



TECHNICAL VIEW

<p>JEERA NCDEX JUL</p>	<p>While some more upsides are in store, dips to 20900-20850 ranges may not be ruled out. However, such moves stretching beyond 20650 may see weakness creeping in again.</p>	
<p>DHANIYA NCDEX JUL</p>	<p>A movement inside 11420-10980 expected initially and a voluminous break from either the sides of the range could lend fresh directions for the day.</p>	
<p>TURMERIC NCDEX JUL</p>	<p>May inch higher towards 7930 or even more to 8010 ranges. However, a direct fall below 7700 may see weakness creeping in again.</p>	

COTTON COMPLEX

Market Buzz

- The area under cotton across the country in the 2022-23 (Jul-Jun) season was over 1.9 mln ha as of Friday, down 6% from a year ago, data from the farm ministry showed.
- The Cotton Association of India has revised downward its production estimate for the 2021-22 (Oct-Sep) marketing season to 31.5 mln bales (1 bale = 170 kg), from 32.4 mln bales projected a month ago, it said in a release. The cut in estimate can be attributed to some crop loss because of excess rains in November in the key producing states that hit quality of the crop. Of the total crop, 28.8 mln bales had arrived in markets across India till May. Estimate for exports in the current marketing year has been maintained at 4.0 mln bales. India shipped around 3.8 mln bales of cotton till May, the association said. The association has also lowered its estimate for domestic cotton consumption to 31.5 mln bales, while imports for the season are pegged at 1.5 mln bales. The ending stock for the 2021-22 season has now been estimated at 4.7 mln bales, as against 5.4 mln bales projected a month ago, the release said.
- The area under cotton in northern parts of India, mainly in key producers Haryana and Punjab, is expected to decline in the 2022-23 (Jul-Jun) season, according to back-of-the-envelope calculation based on government data from state farm departments.
- The US Department of Agriculture has raised its estimate for global cotton production to 121.3 mln bales (1 US bale = 218 kg) for 2022-23 (Aug-Jul), from 121.1 mln bales projected a month ago. The increase in estimate is attributed to rise in production in Egypt and West Africa, the agency said in its World Agricultural Supply and Demand Estimates report for June. Global cotton consumption is seen lower at 121.5 mln bales in 2022-23, compared with 121.9 mln bales a month ago, due to fall in demand from Mexico, Bangladesh, and Vietnam. Global exports are estimated at 47.5 mln bales, as against 47.6 mln bales a month ago. The agency has maintained its 2022-23 global ending stocks estimate at 82.8 mln bales. For India, the agency has maintained its estimate for production and domestic consumption for 2022-23 at 27.5 mln bales and 25.5 mln bales, respectively. Exports for the coming season are seen at 4.0 mln bales. Cotton ending stock in India is seen at 7.5 mln bales for 2022-23, marginally lower from 7.6 mln bales projected a month ago. The average price for US upland cotton during 2022-23 season is seen at 95 cents per pound, up by 5 cents from the previous month.
- Global cotton production for 2022-23 (Aug-Jul) is seen at 26.13 mln tn, around 1% higher compared to ongoing season, the International Cotton Advisory Committee has said in a report. The increase in production is led by a 25% rise in Pakistan's cotton production. Cotton production in the US is estimated at 3.6 mln tn in the coming season, as against 3.8 mln tn in 2021-22. The fall in production is attributed to lower acreage and unfavourable weather. The National Weather Service in the US is currently reporting the West Texas area as being in the "exceptional drought" category, it said. Global cotton area in 2022-23 season is estimated to decline by 1% on year to 32.8 mln ha. Area under cotton in the US is seen declining by 11%, followed by 5% in Australia and 1% in Brazil. Elsewhere, India is once again the global leader in area followed by the US, China, Pakistan and Brazil. "The high price of fertilisers and the high cost of fuel is undoubtedly influencing planting decisions all over the globe. The committee sees global consumption a tad lower at 26.09 mln tn in 2022-23. Global production is currently projected to outpace consumption, putting downward pressure on prices and potentially stabilising the volatility in prices. However, the production surplus is marginal and could likely change as the season matures. If production falls significantly below consumption, prices are very likely to remain elevated and the volatility will continue.
- The committee sees global exports for the 2022-23 season at around 10.03 mln tn, as against 10.09 mln tn in 2021-22. Global ending stocks are estimated at 20.38 mln tn, slightly higher than 20.34 mln tn in 2021-22.
- India's cotton imports have gathered pace after the government exempted customs duty on the commodity on Apr 13. Indian traders and mills have bought 400,000-500,000 bales (1 bale = 170 kg) of cotton after the duty removal, trade officials said.
- India's cotton acreage in 2022-23 (Jul-Jun) is expected to rise 9% on year to 13.2 mln ha, as per the median of the estimates of 10 prominent players in the cotton value chain polled by Informist.
- Stakeholders in the textile industry have urged the government to extend duty-free cotton imports till Dec 31 to boost textile exports and help address the dearth of raw material in the market.
- The UK-based Cotton Outlook has revised upward its estimate for global cotton production in 2021-22 (Aug-Jul) by 15,000 tn to 25.54 mln tn, the agency said in a report. The revision has been made as production in African Franc zone is expected to be slightly higher. Cotton production in India, is seen at 5.5 mln tn. The production in China is seen at 5.8 mln tn, while the US is likely to produce 3.8 mln tn. The agency has raised its estimate for global consumption in 2021-22 by 25,000 tn to 25.8 mln tn due to rise in demand from Indonesia. Global cotton-ending stocks for the ongoing 2021-22 season are estimated at 229,000 tn.
- The government has increased the maximum sale price of genetically modified Bollgard-II Bt cotton seed for 2022-23 (Apr-Mar) by 43 rupees to 810 rupees for a 450-gm packet, according to a notification.
- The new season for cotton which started on Oct 1, is expected to be good for farmers as the market price of the fibre is currently more than the minimum support price, due to firm demand and a rise in global prices.
- Sowing of cotton across the country has ended and farmers have sown the crop across 12 mln ha in the 2021-22 (Jul-Jun) kharif season, down 6% from a year ago, data from the farm ministry.
- India's cotton output in the 2021-22 (Oct-Sep) marketing year is seen at 36.2 mln bales (1 bale = 170 kg), as per the median of estimates of 13 prominent players in the cotton value chain polled by Informist.
- In the ongoing 2021-22 (Jul-Jun) season, cotton acreage across the country was 11.9 mln ha as on Thursday, down 5.8% from a year ago, data from the farm ministry showed.



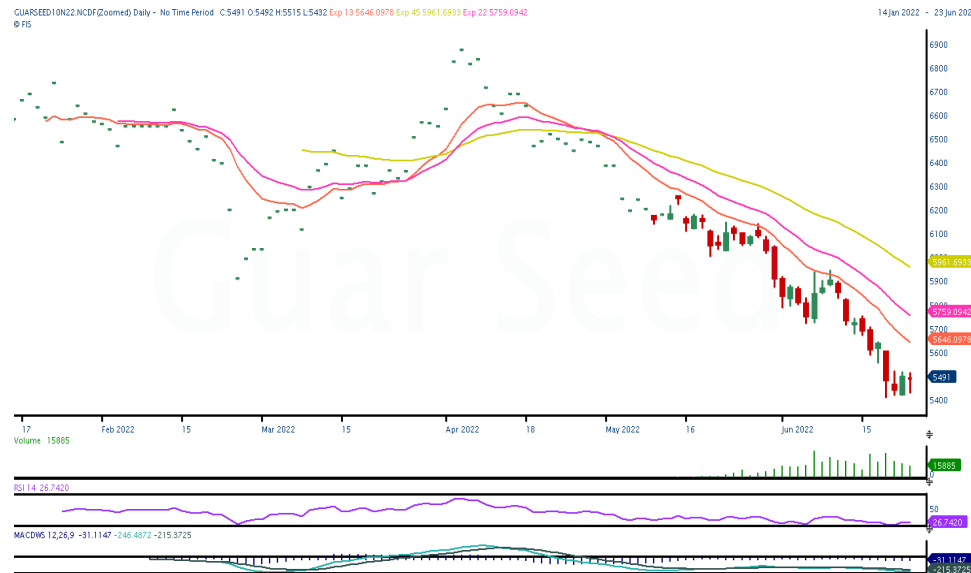
TECHNICAL VIEW

<p>KAPAS NCDEX APR23</p>	<p>Choppy to negative trading session for the day.</p>	
<p>COTTON MCX JUN</p>	<p>As prices broke 45000 expect to continue selloffs towards 43500/43000 levels.</p>	
<p>COCUDAKL NCDEX JUL</p>	<p>As long as 2620 caps upside moves could extend current selloffs towards 2570/2530 levels.</p>	

OTHERS

Market Buzz

- The government will purchase an additional 136,225 tn chana in Gujarat, a government official said. "The Centre on May 15 has given the nod to an additional quantity on the request of the Gujarat government as the state's 90-day procurement window is still open for 10-12 days," the official said. The government, through its nodal agency National Agricultural Cooperative Marketing Federation of India, had started chana procurement in Gujarat on Mar 1 for the initially sanctioned quantity of around 400,000 tn. As many as 255,099 farmers across 117 centres of Gujarat have so far sold 502,164 tn chana to NAFED, the official said. The government has wrapped up the procurement drive under the price support scheme in states such as Karnataka, Telangana and Haryana, the official said. NAFED bought a total of 133,628 tn from 100,472 farmers across 282 centres of Karnataka, Telangana and Haryana. The government agency has so far purchased 1.8 mln tn chana from 881,071 farmers across 2,981 centres in all key producing states. This is almost 19% of the estimated production in the country for the 2021-22 (Jul-Jun) crop year. NAFED is procuring chana at the minimum support price of 5,230 rupees per 100 kg for the 2022-23 rabi marketing year to arrest the fall in price, and aims to buy a total of 3.1 mln tn until July.
- Recent report from U.S. Department of Agriculture (USDA) reveals that Chickpea area is likely to fall by 18 percent to 303,600 acres as growers are not less interest to sow Chickpea in a big way. However, small Chickpea area is estimated to increase from 2021 by 5 percent to 62,100 acres. Area under the large Chickpea in 2022 is estimated to be at 241,500 acres down by 22 percent from previous year.
- The Securities and Exchange Board of India has asked the National Commodity and Derivatives Exchange to not launch any new chana contracts on its platform till further notice, the market regulator said in a release on August 16, 2021.
- On Thursday, Guarseed and guargum futures continued to stay in the vicinity of the multi-month lows hit earlier this week. Decline in crude oil prices weighed on overall market sentiments.
- India's guar export in Oct'21-Feb'22 is up by 28% to 1,25,921 MT as compared to 98,379 MT previous year same period. Russia bought 3,579 tonne (17.44%) of the total guar gum exports in Feb'22 as compared to 3,519 tonne (16.47%) previous months
- India's guar gum exports decreased in the month of February 2022 by 4% to 20,518 tonne compared to 21,373 tonne during previous month at an average FoB of US \$2,326 per tonne as compared to US \$2,171 per tonne previous month. However, the gum shipments were up by 14.53% in Feb'2022 compared to the same period last year. Of the total exported quantity, around 6,406 tonne (31.22%) bought by US, Russia bought 3,579 tonne (17.44%), Germany bought 2,356 tonne(11.48%), China bought 1,230 tonne (5.99%), and Canada bought 897 tonne(4.37%). Additionally, India's guar split exports increased in the month of Feb'2022 by 35.60% to 5,485 tonne compared to 4,045 tonne previous month at an average FoB of US \$ 1,815 per tonne compared to US \$ 1,780 per tonne previous month. However, the guar split shipments gone up by 85.03 % in Feb'22 compared to the same period last year. Of the total exported quantity, around 3,460 tonne (72.20%) bought by China, US bought 760 tonne (13.86%), Mexico bought 405 tonne(7.38%) and Switzerland bought (6.56%).
- Global production of natural rubber rose 13.6% on year to 941,000 tn in April, and demand is estimated to have increased 0.3% to 1.21 mln tn, the Association of Natural Rubber Producing Countries said in a monthly report. Despite market fundamentals remaining favorable, the industry was severely affected by external global events, the association said. The World Bank has revised downwards its projection for global economic growth to 3.2% for 2022 from 4.1%, due to Russia's invasion of Ukraine and lockdowns related to COVID-19 in China as they pose uncertainty and may slow down prospects for global economic recovery.



TECHNICAL VIEW

CASTOR NCDEX JUL	Short covering rallies are more likely if prices clears above 7300 levels. Else could see higher level selloffs.	
GUARSEED NCDEX JUL	A movement inside 5410-5540 ranges expected and a voluminous break from either the sides of the consolidation range may lend fresh direction for the day.	
GUARGUM NCDEX JUL	A rise above 10360 may call for 10460-10530 ranges. Inability to clear the same may call for sideways to weak trades, with support seen at 10140/10020.	
RUBBER MCX JUN	Choppy moves expected.	

OILSEED COMPLEX

Market Buzz

- India's exports of oilmeals rose 12% on year to 255,453 tn in May, according to data released by The Solvent Extractors' Association of India. During the first two months of the financial year that began on Apr 1, exports of oilmeals rose 11% on year to 589,425 tn. The rise in exports of oilmeals was mainly attributed to the surge in exports of mustard meal, which spiked to 398,355 tn in Apr-May from 274,392 tn in the year-ago period. However, in case of soymeal, exports remained subdued as India is out priced in the international market. Exports of soymeal plunged to 43,899 tn in Apr-May compared with 92,139 tn a year ago. During Apr-May, South Korea imported 216,739 tn oilmeals from India, compared with 179,115 tn a year ago, and Vietnam imported 125,597 tn against 85,636 tn a year ago, the association said.
- India's vegetable oil imports in May fell 15% on year to 1.1 mln tn, The Solvent Extractors' Association of India said. The fall in imports was primarily due to supply constraints in the wake of the Russia-Ukraine geopolitical tension. However, the imports are likely to improve in the near term, with Indonesia lifting the export ban on palm oil from May 23. During Nov-May, imports of vegetable oil were at 7.8 mln tn, as against 7.7 mln tn a year ago. The vegetable oil basket consists of edible and non-edible oils. Edible oil imports were at 1.0 mln tn in May, against 1.2 mln tn a year ago. However, for Nov-May, these imports were at 7.55 mln tn, as against 7.48 mln tn in the year-ago period. In May, about 409,027 tn of crude palm oil was imported, against 755,633 tn during the same month last year. As of Jun 1, about 484,000 tn of edible oil was at ports, against 570,000 tn a year ago, while 1.8 mln tn was in the pipeline, against 1.4 mln tn during the same period last year.
- The US Department of Agriculture in its June report has projected global oilseed output for 2022-23 (May-Apr) to fall marginally to 646.8 mln tn from 647.2 mln tn estimated the previous month. The agency attributed the fall in output to projection of lower sunflower seed crop in Ukraine. However, soybean production estimate has been raised for Ukraine based on reports of progress of planting, while mustard seed output has been raised for Australia on the back of higher harvested area, both of which cushioned a sharp fall in global production outlook. The agency has projected global soybean output to rise by 680,000 tn to 395.4 mln tn. Brazil's 2022-23 soybean crop is estimated at a record 149 mln tn, and Argentina's crop is seen at 51 mln tn, unchanged from the May estimates. The agency has scaled up its estimate for global ending stocks for 2022-23 to 100.5 mln tn, up from 99.6 mln tn estimated in May. Estimate for global soy oil production for 2022-23 has also been revised upwards to 61.5 mln tn from 61.4 mln tn projected in the previous month.
- The department projected global soymeal output for 2022-23 at 256.9 mln tn, up from 256.5 mln tn last month. The estimate for global exports of soymeal in 2022-23 is higher at 70.1 mln tn, compared with 69.8 mln tn projected in May, it said. Soymeal is a derivative of soybean, manufactured by crushing the oilseed, and is mainly used in producing poultry feed.
- India's soymeal exports in May fell 13% on year to 40,000 tn, the Soybean Processors Association of India. For Oct-May, soymeal exports plunged to 550,000 tn from 1.79 mln tn in the year-ago period. In May, production of soymeal rose to 559,000 tn from 479,000 tn a year ago, while the output for Oct-May was at 4.23 mln tn, down from 5.99 mln tn in the year-ago period. Soybean arrivals in spot markets totalled 400,000 tn in May, up from 225,000 tn a year ago. However, for Oct-May, arrivals declined to 7 mln tn from 7.98 mln tn in the year-ago period. By the end of May, mills, traders, and farmers were left with around 6.2 mln tn of soybean stock. Crushing is now expected to be at 8 mln tn, against the previous estimate of 8.8 mln tn, while local meal consumption is projected at 5.4 mln tn, down from 5.6 mln tn earlier. Import of soymeal is projected at 700,000 tn, up from the earlier estimate of 400,000 tn.
- The government has allowed import of 2 mln tn of crude soy oil and crude sunflower oil per year each at nil duty under the tariff rate quota, the finance ministry said in a release. Imports made against the tariff rate quota will be effective from Wednesday till Mar 31, 2024.
- The Centre has extended stockholding limits on edible oils and oilseeds by six months till Dec 31 in a bid to check hoarding and check prices of the commodities in domestic markets, a government release said. In February, the Centre had imposed stockholding limits till Jun 30.
- India's mustard seed production in the crop year 2021-22 (Jul-Jun) is seen 29% higher at an all-time high of 10.95 mln tn, the Central Organisation for Oil Industry & Trade said in a release. In the previous year, mustard seed production was at 8.5 mln tn, according to the release. The area under has been pegged at 8.7 mln ha, and the average yield is estimated at 1.3 tn per ha.
- With the shortage of edible oil supply from imports due to the crisis in Ukraine, the Soybean Processors Association of India has recommended measures to augment the supply and cool down prices. The agency estimates a shortfall of edible oil supply from imports due to the war of approximately 200,000 tn a month of sunflower oil, it said in a note.
- The National Commodity & Derivatives Exchange will launch future contracts in refined castor oil on Mar 21, the bourse said in a circular. According to the contract specification the commodity will have trading unit of 2 tn, with the maximum order size of 200 tn. The contract will be settled in cash. The open interest threshold level to attract concentration margin in the commodity will be 17,900 tn.
- The government cut agriculture cess on crude palm oil and extended the lower customs duty on edible oils by six months till Sep 30 to cool domestic prices. The government cut Agriculture Infrastructure and Development Cess on crude palm oil to 5.0% from 7.5%, a finance ministry notification said. The Centre had in October slashed import duty on key edible oils till Mar 31. This has now been extended till Sep 30, the notification said.
- Farmers have sown mustard across 9.16 mln ha in the country, up 25.3% on year, in the ongoing 2021-22 (Jul-Jun) rabi season as of Friday, according to the farm ministry's data. The government fixed the minimum support price of the crop at 5,050 rupees per 100 kg for the 2022-23 (Apr-Mar) marketing season, as against 4,650 rupees in the previous year.
- The Solvent Extractors' Association has urged the Centre and the Securities and Exchange Board of India to resume futures trade in mustard seed on the National Commodity and Derivatives Exchange.
- The Solvent Extractors' Association has urged the government to exempt soy oil from genetically-modified labelling requirement as it may lead to a rise in prices, it said in a letter. Last year, according to reports, the Centre had asked states to enforce separate labelling for genetically-modified soy oil to help consumers make informed decision.
- The Centre has included soymeal under the Essential Commodities Act with immediate effect till Jun 30 to regulate production, stocking, and distribution of the commodity.
- The government has reduced the basic import duty on refined, bleached, and deodorised palm oil, to cool domestic prices, the finance ministry said in a notification. The new duty rates will be in place till Mar 31, the ministry said. The effective basic import duty on refined, bleached, and deodorised palm oil has been reduced to 12.5% from 17.5% earlier. With the new duty cut, the duty difference between crude palm oil, which is a raw material, and refined, bleached, and deodorised palm oil, which is the finished product, has reduced to 5.5% from 11.0% earlier.
- The Securities and Exchange Board of India asked exchanges not to launch new contracts of some farm commodities, including those of soybean and its derivatives, and crude palm oil. The restrictions come into effect immediately and shall be applicable for one year.
- The Central Organisation for Oil Industry and Trade has estimated India's mustard output in the 2021-22 (Jul-Jun) rabi season at 10-11 mln tn because of increase in acreage, it said in a release. In 2020-21 the country produced around 8.5 mln tn of mustard, which is a crucial oilseed sown in the rabi season during Sep-Oct and harvested from February.
- India's soybean acreage in the 2021-22 (Jul-Jun) kharif season remained unchanged at 12.2 mln ha, agri ministry.
- India's castor seed production estimate for 2021-22 (Jul-Jun) has been revised down to 1.69 mln tn from 1.75 mln tn estimated in April, according to a survey conducted by the Solvent Extractors' Association through a private agency.
- Malaysia's crude palm oil output declined marginally on month to 1.5 mln tn in May, according to data from the Malaysian Palm Oil Board. Exports of palm oil in May rose 26.7% on month to 1.4 mln tn, while outbound shipments of biodiesel rose sharply by 98% on month to 46,345 tn. The total palm oil stocks in the country were down 7.4% on month to 1.5 mln tn as of May 31.
- Exports of Malaysian palm oil products for June 1 - 20 fell 10.5 percent to 738,368 tonnes from 824,589 tonnes shipped during May 1 - 20, cargo surveyor Intertek Testing Services.

TECHNICAL LEVELS

Commodity	Contract	Open*	High*	Low*	Close*	S3	S2	S1	Pivot	R1	R2	R3
SPICES												
Jeera	JulyNCDEX	20660	21140	20660	21090	20307	20483	20787	20963	21267	21443	21747
Turmeric	JulyNCDEX	7864	7878	7784	7864	7712	7748	7806	7842	7900	7936	7994
Dhaniya	JulyNCDEX	11090	11168	10992	11130	10849	10921	11025	11097	11201	11273	11377
Menthaoil	JuneMCX	1018.7	1023.4	1012.0	1017.6	1001	1006	1012	1018	1023	1029	1035
PULSES												
Guarseed	JulyNCDEX	5492	5515	5432	5491	5361	5396	5444	5479	5527	5562	5610
Guargum	JulyNCDEX	10300	10313	10151	10270	10014	10083	10176	10245	10338	10407	10500
OIL & OIL SEEDS												
Castor seed	JulyNCDEX	7172	7296	7142	7278	7027	7142	7181	7239	7335	7393	7489
CEREALS												
Barley	JulyNCDEX	3185	3185	3185	3185	3185	3185	3185	3185	3185	3185	3185
OTHERS												
Cocud^	JulyNCDEX	2641	2653	2556	2600	2456	2506	2553	2603	2650	2700	2747
Kapas	Apr23 NCDEX	1670.0	1674.5	1652.0	1670.0	1634	1643	1657	1666	1679	1688	1702
Cotton	JuneMCX	44950	45400	43800	44190	41927	42863	43527	44463	45127	46063	46727
Rubber	JulyMCX	17700	17700	17700	17700	17700	17700	17700	17700	17700	17700	17700

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 with positive note



Choppy or Sideways

Weak bias or bearish



Mild bearish bias



Choppy with negative note



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	POSITIVE	HIGHLY POSITIVE	0.72%	11.5%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Jeera July NCDEX	POSITIVE	FLAT/CHOPPY	0.88%	14.0%	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE
Turmeric July NCDEX	POSITIVE	NEGATIVE	1.01%	16.1%	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Dhaniya July NCDEX	POSITIVE	NEGATIVE	1.14%	18.0%	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Guarseed10 July NCDEX	FLAT/CHOPPY	NEGATIVE	1.07%	16.9%	NEGATIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Guargum July NCDEX	FLAT/CHOPPY	NEGATIVE	1.43%	22.7%	NEGATIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Castor July NCDEX	POSITIVE	NEGATIVE	1.06%	16.9%	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Kapas23 Apr NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.70%	11.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Cotton June MCX	NEGATIVE	HIGHLY NEGATIVE	1.37%	21.8%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Cocudakl July NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.32%	21.0%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Barley July NCDEX	POSITIVE	POSITIVE	0.65%	10.2%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Menthaoil June MCX	NEGATIVE	HIGHLY NEGATIVE	1.15%	18.3%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Rubber June MCX	POSITIVE	POSITIVE	0.37%	5.9%	FLAT	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE

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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