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# AGRI PICKS

*A Daily Report on Agricultural Commodities*

Friday, February 25, 2022

TODAY'S PICKS



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## AGRI BUZZ

- The year 2026 can be a watershed for self-reliance in edible oils provided the country can increase the area under the mustard and groundnut crops, president of Solvent Extractors' Association Atul Chaturvedi said at a webinar organised by the government yesterday.
- India could be self-reliant in edible oil by 2030 with an annual growth of 4% in both production and acreage, Davish Jain, chairman of the Soybean Processors Association of India. Jain urged the government to implement the National Mission on Edible Oils scheme with adequate financial outlays.
- Prime Minister Narendra Modi said that the government has so far disbursed 1.82 trln rupees to 117.4 mln farmers under the Pradhan Mantri Kisan Samman Nidhi Yojana. Announced in the Interim Budget for 2019-20 (Apr-Mar), the scheme aimed at disbursing 6,000 rupees per year in three instalments to small and marginal farmers ahead of the kharif, rabi, and summer sowing seasons.

Futures		Spot
Contract/spot	JEERA - MAR22	Unjha
Rate	20670	21221.05
% chg	-5.98	-2.11
1 week low	20670	21190.5
1 week High	22585	21709.1
Futures		Spot
Contract/spot	CHANA	Bikaner
Rate		4883.35
% chg		0.69
1 week low		4827.7
1 week High		4883.35
Futures		Spot
Contract/spot	SOYABEAN - MAR22	Indore
Rate	7463	7949
% chg	3.65	6.78
1 week low	7050	7162
1 week High	7761	7949
Futures		Spot
Contract/spot	CASTOR SEED - MAR22	Deesa
Rate	6840	6932.9
% chg	1.45	-0.96
1 week low	6606	6903.85
1 week High	7148	7315.65
Futures		Spot
Contract/spot	RUBBER - MAR22	Kottayam
Rate	16481	16300
% chg	0	0.62
1 week low	16100	Exchange not found
1 week High	16300	Exchange not found

Futures		Spot
Contract/spot	TURMERIC	Nizamabad
Rate	9338	9170.6
% chg	-5.47	-1.42
1 week low	9286	9170.6
1 week High	10450	9391.65
Futures		Spot
Contract/spot	GUAR SEED10 - MAR22	Jodhpur
Rate	5743	5781.25
% chg	-4.65	-6.1
1 week low	5670	5781.25
1 week High	6348	6280.55
Futures		Spot
Contract/spot	REFINED SOYA OIL - MAR22	Kandla
Rate	1350	1510
% chg	0	4.06
1 week low	1274	1376.15
1 week High	1350	1510
Futures		Spot
Contract/spot	KAPAS - FEB22	Rajkot
Rate	1889.5	1879.65
% chg	-0.16	-0.46
1 week low	1880.5	1879.65
1 week High	1920	1917
Futures		Spot
Contract/spot	MAIZE - Feed/Industrial Grade	Gulabbagh
Rate		2065
% chg		0
1 week low		2000
1 week High		2065

Futures		Spot
Contract/spot	CORIANDER - APR22	Kota
Rate	10452	10525
% chg	-5.99	0.24
1 week low	10452	10300
1 week High	11300	10571
Futures		Spot
Contract/spot	Guar Gum Refined Splits - MAR22	Jodhpur
Rate	10580	10687.5
% chg	-6	-7.31
1 week low	10580	10687.5
1 week High	11945	11883.35
Futures		Spot
Contract/spot	RAPE MUSTARD SEEDS	Jaipur
Rate	8241	7553.85
% chg	3	3.98
1 week low	7957	7083.35
1 week High	8241	7553.85
Futures		Spot
Contract/spot	COTTON SEED OIL CAKE AKOLA - MAR22	AKOLA
Rate	3080	3262.5
% chg	-0.55	-0.43
1 week low	3020	3231.45
1 week High	3262	3304.7
Futures		Spot
Contract/spot	BARLEY - APR22	Jaipur
Rate	2000	Symbol not found
% chg	0	Symbol not found
1 week low	2000	Symbol not found
1 week High	2000	Symbol not found

SPICES COMPLEX

Market Buzz

- Spices complex on NCDEX slumped on Thursday. Jeera March futures was off record highs hit in the previous session, shedding nearly six per cent. Higher arrivals and tepid demand weighed on. Coriander April futures too declined nearly six per cent, while Turmeric April futures were down by about 5.5 per cent.
- 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.
- Exports of spices from India during Apr-Sep declined 8% on year to 780,273 tn, according to data from the Spices Board India.
- Spices Board pegs Apr-Sep jeera exports at 139,295 ton, down 14%.
- Spices Board pegs Apr-Sep turmeric exports at 77,245 ton, down 26%.
- Spices Board pegs Apr-Sep pepper exports at 10,844 ton, up 24%.
- Spices Board pegs Apr-Sep small cardamom exports 4,240 ton, up 101%.
- Spices Board pegs Apr-Sep coriander exports at 24,459 ton, down 13%
- India exported 299,000 tn of jeera in 2020-21, up 40% on year according to the Spices Board.
- According to Spices Board, Coriander exports from India were up 21% on year at 57,000 ton.
- Government sees 2020-21 coriander output at 720000 tons compared to 701000 tons a year ago.
- Spices Board sees exports of turmeric up 33% to 183000 tonnes in FY 2020-21 on yoy basis.
- Government sees 2020-21 turmeric output at 1.11 million tonnes compared to 1.15 million tons a year ago.
- Spices Board pegs FY21 small cardamom export 6,500 ton, up 251% on year.
- Output of small cardamom is seen rising by 100% on year to 22520 tons according to the Spices Board.



TECHNICAL VIEW

<p><b>JEERA NCDEX MAR</b></p>	<p>20500 is the immediate support, which if held downside may call for pullbacks to 20900/21150 ranges. Sustained trades below the same may see weakness continuing.</p>	
<p><b>DHANIYA NCDEX APR</b></p>	<p>10430 is the immediate support and sustained trades below the same may call for 10320/10200 or more. In the meantime, pullbacks to 10700/10850 ranges may not be ruled out before resuming declining.</p>	
<p><b>TURMERIC NCDEX APR</b></p>	<p>Weakness may continue. An unexpected rise above 9550 may probably call for short covering.</p>	




## COTTON COMPLEX

### Market Buzz

- Govt pegs 2021-22 cotton output at 34.1 mln bales vs 35.2 mln bales.
- A surge in prices in the domestic market has made India's cotton uncompetitive, weighing on exports of the commodity in the 2021-22 (Oct-Sep) season. Domestic prices have been at elevated levels due to tight supply, as a sharp rise in domestic mill consumption and a decline in production have led to a drop in ending stock estimates, market participants said. In the ongoing marketing year, around 2.6 mln bales of cotton were exported till January, lower than in the year-ago period. In 2020-21, India had shipped 2.9 mln bales during Oct-Jan, according to trade sources. Most consignments this season have been shipped to Bangladesh, followed by China, Indonesia and Vietnam. China isn't actively buying this year. Industry experts say cotton exports this season might stand at 4.0-4.5 mln bales. In the 2020-21 marketing year, India exported 7.5-7.8 mln bales of cotton, with Bangladesh, China and Vietnam being the major buyers.
- The US Department of Agriculture's Foreign Agricultural Service has further scaled down its estimate for cotton output in India in 2021-22 (Aug-Jul) to 27.4 mln bales (1 US bale = 218 kg) from 27.7 mln bales projected in January. The reduction in cotton output estimate is attributed to crop damage due to rains in late September in key producing regions of Telangana. Meanwhile, the agency has raised its estimate for India's cotton consumption in 2021-22 to 26.5 mln bales from 26.0 mln bales estimated a month ago. Trade sources indicate that mill consumption is being supported by robust textile and apparel exports. Mills are reporting good margins and making investments in additional spinning capacity for the long-term. Exports during the season are maintained at 5.9 mln bales with Bangladesh, Vietnam, China, and Indonesia being the top export destinations. Bangladesh continues to be the major buyer of Indian cotton with almost 60% export market share. The estimate for imports into India in the 2021-22 crop year has been maintained at 1.0 mln bales. The closing stock of cotton for the country has been pegged at 9.7 mln bales, compared with 10.8 mln bales estimated the previous month.
- The International Cotton Advisory Committee has marginally raised its price forecast of Cotlook A Index, a global benchmark for prices of raw cotton, to 104 cents per pound, up by 1 cent from the previous estimate. In 2021-22 (Aug-Jul) season, the committee estimated global ending stocks at 21.2 mln tn, higher than 20.4 mln tn in the previous season. Global consumption is seen almost steady at 25.6 mln tn, it said. The agency sees global export for the season at 10.3 mln tn, as against 10.6 mln tn a year ago. Global production for the ongoing season is estimated at 26.4 mln tn, compared with 24.3 mln tn in the previous season. The rise has largely been attributed to higher area and production in India, Brazil and the US. In the US, cotton production is estimated at 3.8 mln tn, against 3.2 mln tn a year ago. Output in India, is expected to be 6.2 mln tn, compared with 6.0 mln tn in the previous year.
- Cotton yarn exports from India may hit record high levels in 2021-22 (Apr-Mar), rating agency ICRA said in a report. Cotton yarn exports in the first half of the current fiscal increased 47% on year. In the first nine months of the current fiscal, cotton yarn prices increased 36% on year, while cotton prices were up by 42%. Recovery in domestic demand and robust growth in overseas demand has supported volumes. An improvement in capacity utilisation and greater financial flexibility have resulted in a rise in capital expenditure in the cotton spinning segment over the past months. "Besides competitive Indian cotton and cotton yarn prices in the international markets, concerns raised by large buying regions, including the US and the European Union, on Xinjiang cotton and healthy growth in Bangladesh's apparel exports are driving export demand," Nidhi Marwaha, vice president - corporate sector ratings, ICRA said in the report.
- The Cotton Association of India has scaled down its production estimate for the 2021-22 (Oct-Sep) marketing season to 34.8 mln bales (1 bale = 170 kg), from 36.0 mln bales projected a month ago. The reduction in estimate is attributed to some crop loss because of excess rain in November, in the key producing states which impacted crop quality. Of the total crop, around 14.0 mln bales had arrived in markets across India till December. Exports in the ongoing marketing year has been maintained at 4.8 mln bales. India shipped around 1.9 mln bales of cotton till December. The association has revised upward its estimate for domestic cotton consumption and imports at 34.5 mln bales and 1.5 mln bales, respectively. Ending stock for the 2021-22 season has been estimated at 4.5 mln bales, as against 6.2 mln bales projected a month ago.
- The UK-based Cotton Outlook has scaled down its estimate for global production in 2021-22 (Aug-Jul) by 43,000 tn to 26.0 mln tn, in its December report. The estimate has been revised downward as production in India is expected to be lower. The agency has marginally raised its output estimate for China, Pakistan, and the US. Cotton production in India is seen at 5.99 mln tn against 6.17 mln tn estimated in the previous month. The production in China is seen at 5.76 mln tn, while the US is likely to produce 3.98 mln tn. The agency has also lowered its estimate for global consumption in 2021-22 by 180,000 tn to 25.97 mln tn owing to a sharp fall in demand from China. Global cotton ending stocks are estimated at 27,000 tn for the ongoing 2021-22 season.
- India's cotton exports have slowed down in the current marketing year that began on Oct 1 as higher domestic consumption led to a tight supply situation and a rise in local prices, said market experts. In the ongoing marketing year of 2021-22 (Oct-Sep), around 200,000 bales of cotton were exported till October. Most of the consignments were shipped to Bangladesh followed by China and Vietnam, a trade official said. "Forward export deals of 600,000-700,000 bales of cotton for Nov-Dec delivery are still in transit, these deals were struck at a price of 115-125 cents per pound on a cost-and-freight basis," said Dharmendra Jain, director of Ahmedabad-based D.P. Cotton. Exports may touch around 900,000 bales by December, which is sharply lower than the previous year. In 2020-21, India shipped around 1.2-1.5 mln bales during Oct-Dec, industry experts said.
- 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><b>KAPAS NCDEX APR22</b></p>	<p>While prices stays below 2005 could see corrective moves towards 1970/1960 levels.</p>	
<p><b>COTTON MCX FEB</b></p>	<p>Inability to move above 37200 could see downside moves towards 36400/36000 or even lower.</p>	
<p><b>COCUDAKL NCDEX FEB</b></p>	<p>As long as prices stays below 3140 could see selloffs towards 3080/3020 levels.</p>	

OTHERS

Market Buzz

- Farmers across the country have sown chana across 11.49 mln ha in the 2021-22 (Jul-Jun) rabi season as of last Wednesday, up 4.1% on year, according to data from the farm ministry. Chana sowing so far has been higher in Madhya Pradesh, Maharashtra, Gujarat, and Uttar Pradesh, while it declined in Karnataka, Chhattisgarh, and Rajasthan. The acreage in Madhya Pradesh, the largest producer, was up 0.9% on year at 2.51 mln ha, and in Maharashtra, the second-largest grower, it rose 9.4% on year to 2.71 mln ha. The area in Gujarat rose significantly by 34.5% on year to 1.10 mln ha. On other hand, the acreage fell in Rajasthan by 1.0% on year to 2.04 mln ha, and in Karnataka by 6.1% on year to 1.10 mln ha.
- 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.
- Government raises MSP for Rabi crops for season 2022-23. MSP for chana has increased by 2.5 % to Rs. 5230/qtl. against Rs. 5100/qtl previous year.
- India's guar gum exports increased in the month of December 2021 by 44.70% to 25,274 tonnes compared to 17,466 tonnes during previous month at an average FoB of US \$ 2466 per tonne in the month of Dec'2021 as compared to US \$ 2169 per tonne previous month. Further, the gum shipments were up by 43.24% in Dec'2021 compared to the same period last year. Of the total exported quantity, around 7,671 tonnes bought by US, Russia bought 6,964 tonnes, Germany 3,092 tonnes, China 1,036 tonnes, Australia 835 tonnes and Canada 687 tonnes.
- India's guar split exports too increased in the month of Dec'2021 by 24.73% to 3,268 tonnes compared to 2,620 tonnes previous month at an average FoB of US \$ 1,639 per tonne in the month of Dec'21 compared to US \$ 1,557 per tonne previous month. However, the guar split shipments gone up by 16.71 % in Dec'21 2021 compared to the same period last year. Of the total exported quantity, around 1,360 tonnes bought by China, US 960 tonnes, Mexico 528 tonnes and Switzerland 240 tonnes.
- According to Rajasthan govt 2021-22 second advance estimates, Guar seed production is seen a tad down at 1.1 mln tn. 2021-22 acreage stood at 21.13 lakh hectare as compared to 24.84 lakh hectare last year.
- According to Gujarat govt 2021-22 first advance estimates, Guar Seed production estimate pegged at 1.01 lakh tonne Vs 0.85 Lakh tonnes last year, Additionally, 2021-22 acreage stood at 1.21 lakh ha Vs 1.22 lakh ha. Yield pegged higher at 873 kg/ha Vs 699 Kg/ Ha last year.
- The International Rubber Study Group Secretariat has elected Dr K.N. Raghavan, Executive Director, Rubber Board of India as the new Chairperson of the IRSG Heads of Delegation. Dr Raghavan has been elected unanimously by the IRSG Member Governments' representatives and will stay in the position for two terms (2022-2024).
- Thailand is expecting to produce 4.9 million tonnes of natural rubber in 2022, up 1.82% from a year earlier, its rubber agency said. The Southeast Asian country also expects to export about 4.22 million tonnes of it this year, 2% more than in 2021, said Athiwee Dangkanit,anofficial at the Rubber Authority of Thailand.
- According to The Association of Natural Rubber Producing Countries, in its December release of theNatural Rubber Trends, despite the global economy was hit badly by Covid-19 pandemic in 2020, the natural rubber (NR) industry posted a strong recovery in demand with an 8.7% growth in 2021; while the production of NR recorded at 1.7% growth as compared to the previous year.



TECHNICAL VIEW

<b>CASTOR NCDEX MAR</b>	Though short covering rallies witnessed yesterday, unable to move above 6930 could see downside corrective moves towards 6800/6680 levels.	
<b>GUARSEED NCDEX MAR</b>	Higher level selling likely unless 5925 is breached convincingly upside.	
<b>GUARGUM NCDEX MAR</b>	Pullbacks to 10760/10900 ranges may not be ruled out before resuming declining.	
<b>RUBBER MCX MAR</b>	16700 is the immediate resistance and direct rise above the same may call for 16850 or more. Inability to clear the same may call for sideways trades with support seen at 16300.	

## OILSEED COMPLEX

## Market Buzz

- India's oilmeal exports fell 64.7% on year to 176,815 tn in January, according to data released by The Solvent Extractors' Association of India. For Apr-Jan, exports of oilmeal were down 34.5% on year at 1.94 mln tn. Soymeal exports plunged to 315,108 tn during Apr-Jan, compared with 1.17 mln tn a year ago, because of the higher price of the Indian variant in international markets. India's exports are unlikely to be competitive in the next two-three months due to high domestic prices of soybean seed, it said. Lower crushing of soybean also led to higher import of crude soybean oil. Mustard meal exports in Apr-Jan fell 26.4% on year to 729,757 tn, while exports of castor meal were down 13.5% on year at 317,606 tn. Currently, availability of mustard seed for crushing is almost over, and the new crop will arrive around February-end or early March.
- India's vegetable oil imports in January rose 16% on year to 1.27 mln tn, according to SEA. Edible oil imports were at 1.25 mln tn in January against 1.07 mln tn a year ago, and for Nov-Jan the edible oil imports stood at 3.61 mln tn, as against 3.49 mln tn year-on-year. In January, import of crude palm oil was at 407,620 tn, as against 767,836 tn during the same month last year. As on Feb 1, 654,000 tn of edible oil was at ports, against 657,000 tn a year ago, while 1.21 mln tn was in the pipeline, against 1.13 mln tn during the same period last year.
- 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.
- Soymeal exports in January fell sharply by 68.2% on year to 100,000 tn, the Soybean Processors Association of India said in a release. During Oct-Jan, soymeal exports slumped to 362,000 tn from 1.0 mln tn a year ago, the release said. In January, soymeal production fell to 519,000 tn from 998,000 tn a year ago, while during Oct-Jan, output was at 2.2 mln tn, lower than 3.7 mln tn during the same period a year ago. Soybean arrivals in spot markets were pegged at 800,000 tn in January, down from 1.2 mln tn last year. During Oct-Jan, arrivals declined to 4.8 mln tn from 6.4 mln tn during the same period last year. By the end of January, mills, traders, and farmers were left with around 8.4 mln tn of soybean stock.
- The government will implement a comprehensive scheme to increase domestic production of oilseeds to reduce the country's dependence edible oil imports, according to the Union Budget presented by Finance Minister Nirmala Sitharaman in the Lok Sabha.
- 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.
- In its January report, the US Department of Agriculture has scaled down its estimate for global soybean production in 2021-22 to 372.6 mln tn from 381.8 mln tn pegged in the previous month's report. The lower estimate is largely attributed to a decline in output in South American countries, including Brazil. The department lowered the soybean production estimate for Brazil for 2021-22 by 5 mln tn to 139 mln tn because of dry weather conditions in south Brazil in December. The estimate for global ending stocks for 2021-22 has been scaled down to 95.2 mln tn from 102 mln tn pegged the previous month. The global soyoil production estimate for 2021-22 has been revised downwards to 61.3 mln tn from 61.6 mln tn. Similarly, the global soyoil export estimate for 2021-22 has been revised marginally lower to 12.5 mln tn from 12.7 mln tn estimated the previous month. Also, the estimated global soymeal output for 2021-22 has been revised downwards to 255.9 mln tn from 257.6 mln tn, according to the report. The estimate for global exports of soymeal in 2021-22 has been cut marginally to 69.9 mln tn from 70.8 mln tn in December. According to the report, global oilseed production in 2021-22 is seen lower at 619.2 mln tn against 627.6 mln tn pegged in December, due to a decline in soybean output in Brazil. Global vegetable oil output in 2021-22 is estimated at 213.9 mln tn, against a projection of around 215.0 mln tn in December.
- The Solvent Extractors' Association has urged the government to exempt soyoil 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 soyoil 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 2020-21 (Jul-Jun) mustard output is seen rising 22.6% on year to 8.95 mln tn, according to a joint survey by the Central Organisation for Oil Industry and Trade and the Mustard Oil Producers' Association.
- The government reduced the effective import duty on CRUDE PALM OIL to 8.25% from 24.75%, and the effective import duty on REFINED SOYOIL to 19.25% from 35.75%
- India's soybean acreage in the 2021-22 (Jul-Jun) kharif season remained unchanged at 12.2 mln ha, agri ministry.
- The government allowed the import of 1.2 mln tn of genetically-modified soymeal till Oct 31 to augment supply in domestic markets, the Directorate General of Foreign Trade said in a notification.
- Malaysia's crude palm oil output fell 13.5% on month to around 1.3 mln tn in January, data from the Malaysian Palm Oil Board showed. Export of palm oil in January fell nearly 19% on month to 1.2 mln tn, and those of outbound shipments of biodiesel rose sharply by 91.5% on month to 29,375 tn. The total palm oil stocks in the country decreased 3.9% on month to around 1.6 mln tn as of Jan 31.
- Malaysia's palm oil exports during Feb 1-20 were estimated at 818,293 tn, up 29% on month, data by cargo surveyor AmSpec Agri Malaysia showed.
- Acreage under oil palm in north-eastern states is likely to increase by 50-60% by 2025 depending on the availability of seedlings, a farm ministry source said.
- Indonesia's crude palm oil output is expected to rise 2.6% next year to 51.01 million tonnes from a 2021 estimate of 49.71 million tonnes, head of the Estate Crop Fund Eddy Abdurrachman said.

## TECHNICAL LEVELS

Commodity	Contract	Open*	High*	Low*	Close*	S3	S2	S1	Pivot	R1	R2	R3
<b>SPICES</b>												
Jeera	MarNCDEX	21860	21870	20670	20725	19107	19888	20307	21088	21507	22288	22707
Turmeric	AprNCDEX	9802	9830	9286	9330	8590	8938	9134	9482	9678	10026	10222
Dhaniya	AprNCDEX	11250	11300	10452	10500	9353	9903	10201	10751	11049	11599	11897
Menthaoil	FebMCX	970.0	970.0	970.0	970.0	970	970	970	970	970	970	970
<b>PULSES</b>												
Guarseed	MarNCDEX	6006	6006	5670	5735	5265	5468	5601	5804	5937	6140	6273
Guargum	MarNCDEX	11190	11190	10580	10580	9767	10173	10377	10783	10987	11393	11597
<b>OIL &amp; OIL SEEDS</b>												
Soybean	MarNCDEX	7761	7761	7761	7761	7761	7761	7761	7761	7761	7761	7761
CPO	FebMCX	1305	1305	1305	1305	1305	1305	1305	1305	1305	1305	1305
Soyoil	MarNCDEX	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350
Castor seed	MarNCDEX	6760	6890	6606	6840	6383	6606	6667	6779	6951	7063	7235
<b>CEREALS</b>												
Wheat	MarNCDEX	2105	2105	2105	2105	2105	2105	2105	2105	2105	2105	2105
Barley	AprNCDEX	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
<b>OTHERS</b>												
Cocud^	MarNCDEX	3061	3117	3020	3080	2931	2975	3028	3072	3125	3169	3222
Kapas	Apr22 NCDEX	1984.0	2003.0	1952.0	1983.0	1905	1928	1956	1979	2007	2030	2058
Cotton	FebMCX	36410	37200	36340	37070	35680	36010	36540	36870	37400	37730	38260
Rubber	MarMCX	16520	16660	16500	16644	16383	16441	16543	16601	16703	16761	16863

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	Annual-	3 day EMA	5 day EMA	13 day EMA	22 day EMA	45 day EMA	60 day EMA
Pepper Mar ICEX	FLAT/CHOPPY	POSITIVE	0.70%	11.1%	FLAT	FLAT	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Jeera Mar NCDEX	NEGATIVE	NEGATIVE	1.95%	30.9%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Turmeric Apr NCDEX	NEGATIVE	HIGHLY NEGATIVE	2.43%	38.5%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Dhaniya Apr NCDEX	NEGATIVE	NEGATIVE	1.86%	29.5%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Guarseed10 Mar NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.46%	23.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Guargum Mar NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.95%	31.0%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Soybean Mar NCDEX	POSITIVE	HIGHLY POSITIVE	1.48%	23.5%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Ref. Soyoil Mar NCDEX	POSITIVE	POSITIVE	1.28%	20.4%	FLAT	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
CPO Feb MCX	POSITIVE	HIGHLY POSITIVE	1.01%	16.0%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Castor Mar NCDEX	POSITIVE	HIGHLY POSITIVE	1.14%	18.1%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Kapas22 Apr NCDEX	NEGATIVE	NEGATIVE	1.04%	16.5%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE
Cotton Feb MCX	POSITIVE	POSITIVE	1.08%	17.2%	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Cocudakl Mar NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.51%	24.0%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Wheat Mar NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.65%	10.3%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Barley Apr NCDEX	FLAT/CHOPPY	POSITIVE	0.66%	10.4%	FLAT	FLAT	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Menthaoil Feb MCX	POSITIVE	POSITIVE	0.63%	10.1%	FLAT	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Rubber Mar MCX	POSITIVE	FLAT/CHOPPY	1.24%	19.7%	POSITIVE	POSITIVE	POSITIVE	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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