



# AGRI PICKS

*A Daily Report on Agricultural Commodities*

Tuesday, December 29, 2020

## TODAY'S PICKS

### AGRI BUZZ

- For the second time in less than a week, the Centre has invited farmer leaders for a fresh round of talks to end the deadlock over three recent agricultural laws. It has proposed to hold the discussions at 1400 IST on Wednesday at Vigyan Bhawan in New Delhi.
- The sugar export subsidy of 35 bln rupees for 2020-21 (Oct-Sep), stable domestic demand, higher cane diversion towards ethanol and its higher prices will increase the operating margin of sugar mills by 100-200 basis points in 2020-21 (Apr-Mar), CRISIL said in a report.
- India's non-basmati rice exports during Apr-Nov were at around 7.0 mln tn, up 123% from the year-ago period, according to data from Agricultural and Processed Food Products Export Development Authority.
- Farmers in the country have sown mustard across 7.2 mln ha, up 9.2% on year, in 2020-21 (Jul-Jun) season as of Wednesday, data from the farm ministry showed.
- Farmers in the country have sown chana across 10.28 mln ha in the ongoing rabi season so far, up 8% on year, data from the farm ministry showed.
- Area under rabi maize across the country was 7.4% lower on year at 1.2 mln ha as of Thursday, data from the farm ministry showed.

| Futures       |                  | Spot     |
|---------------|------------------|----------|
| Contract/spot | JEERA - JAN21    | Unjha    |
| Rate          | 12810            | 13293.75 |
| % chg         | -1.12            | -0.45    |
| 1 week low    | 12780            | 13293.75 |
| 1 week High   | 13060            | 13380    |
| Futures       |                  | Spot     |
| Contract/spot | CHANA - JAN21    | Bikaner  |
| Rate          | 4345             | 4370     |
| % chg         | -1.34            | -0.68    |
| 1 week low    | 4317             | 4350     |
| 1 week High   | 4601             | 4554     |
| Futures       |                  | Spot     |
| Contract/spot | SOYABEAN - JAN21 | Indore   |
| Rate          | 4513             | 4540     |
| % chg         | 0.27             | -0.11    |
| 1 week low    | 4378             | 4486     |
| 1 week High   | 4567             | 4545     |
| Futures       |                  | Spot     |
| Contract/spot | CASTOR SEED -    | Deesa    |
| Rate          | 4376             | 4450     |
| % chg         | -1.31            | -0.41    |
| 1 week low    | 4342             | 4445.85  |
| 1 week High   | 4448             | 4470     |
| Futures       |                  | Spot     |
| Contract/spot | RUBBER - JAN21   | Kottayam |
| Rate          | 16020            | 15600    |
| % chg         | 0.75             | 0        |
| 1 week low    | 15600            | 0        |
| 1 week High   | 15600            | 0        |

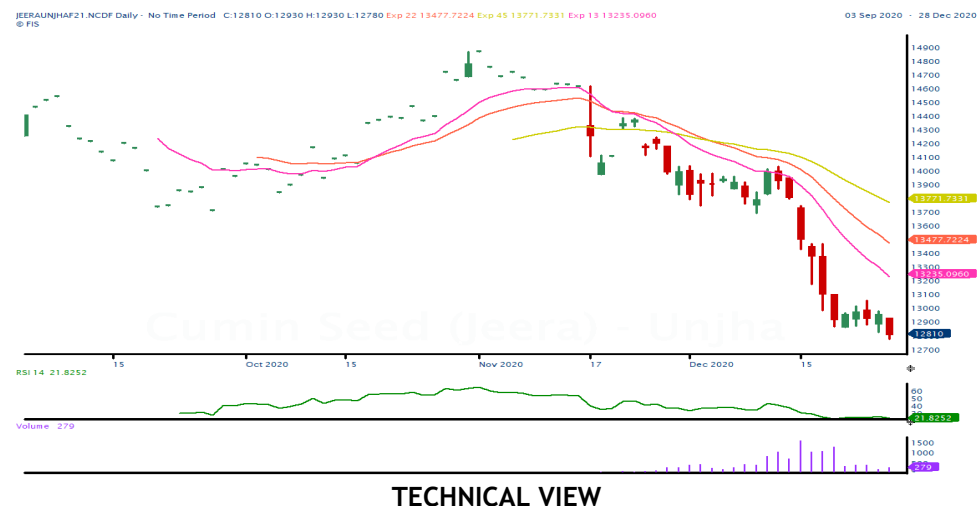
| Futures       |                          | Spot      |
|---------------|--------------------------|-----------|
| Contract/spot | TURMERIC                 | Nizamabad |
| Rate          | 5700                     | 5535      |
| % chg         | 0.04                     | 0.24      |
| 1 week low    | 0                        | 5512.5    |
| 1 week High   | 0                        | 5535      |
| Futures       |                          | Spot      |
| Contract/spot | GUAR SEED10 - JAN21      | Jodhpur   |
| Rate          | 3899                     | 3900      |
| % chg         | -0.41                    | 0         |
| 1 week low    | 3857                     | 3868.75   |
| 1 week High   | 3944                     | 3900      |
| Futures       |                          | Spot      |
| Contract/spot | REFINED SOYA OIL - JAN21 | Kandla    |
| Rate          | 1165.8                   | 1154.8    |
| % chg         | 1.54                     | 1.33      |
| 1 week low    | 1121                     | 1112.05   |
| 1 week High   | 1165.9                   | 1154.8    |
| Futures       |                          | Spot      |
| Contract/spot | KAPAS - FEB21            | Rajkot    |
| Rate          | 1094                     | 1085.3    |
| % chg         | 0                        | -0.17     |
| 1 week low    | 1092                     | 1083.85   |
| 1 week High   | 1094                     | 1091.05   |
| Futures       |                          | Spot      |
| Contract/spot | MAIZE - Feed/Industrial  | Gulabbagh |
| Rate          | 0                        | 1416.9    |
| % chg         | 0                        | -0.7      |
| 1 week low    | 0                        | 1416.9    |
| 1 week High   | 0                        | 1431.9    |





| Futures       |                                 | Spot    |
|---------------|---------------------------------|---------|
| Contract/spot | CORIANDER - JAN21               | Kota    |
| Rate          | 5928                            | 6092.9  |
| % chg         | 1.16                            | 0.12    |
| 1 week low    | 5764                            | 6085.4  |
| 1 week High   | 5962                            | 6156.5  |
| Futures       |                                 | Spot    |
| Contract/spot | Guar Gum Refined Splits - JAN21 | Jodhpur |
| Rate          | 5984                            | 6000    |
| % chg         | -0.05                           | 0       |
| 1 week low    | 5885                            | 5988.75 |
| 1 week High   | 6058                            | 6037.5  |
| Futures       |                                 | Spot    |
| Contract/spot | RAPE MUSTARD SEEDS - JAN21      | Jaipur  |
| Rate          | 5773                            | 6150    |
| % chg         | 2.21                            | 3.99    |
| 1 week low    | 5548                            | 5850    |
| 1 week High   | 5817                            | 6150    |
| Futures       |                                 | Spot    |
| Contract/spot | COTTON SEED OIL                 | AKOLA   |
| Rate          | 1982                            | 1990.5  |
| % chg         | -1                              | -1.13   |
| 1 week low    | 1960                            | 1988.75 |
| 1 week High   | 2031                            | 2020    |
| Futures       |                                 | Spot    |
| Contract/spot | BARLEY - JAN21                  | Jaipur  |
| Rate          | 1455.5                          | 0       |
| % chg         | -0.07                           | 0       |
| 1 week low    | 1455.5                          | 0       |
| 1 week High   | 1457                            | 0       |

## SPICES COMPLEX

## Market Buzz

- Jeera January futures on NCDEX declined on Monday, shedding more than one per cent on expectation of good crop in the ongoing rabi season due to favourable weather and tepid demand.
- As per reports, farmers have sown jeera across 453704 hectares as of Dec 14 in Gujarat compared to the season normal of 406141 hectares.
- 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.
- According to the Spices Board, jeera production for the year 2019-20 is pegged at 540750 tonnes, down 21.8 per cent on yoy basis.
- Coriander January futures on NCDEX gained more than one per cent on Monday on steady demand.
- According to Gujarat state's farm department, farmers in the state have sown coriander across 128591 hectares as of Dec14 compared to 67278 hectares during the same period last year.
- 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 rose nearly two per cent on Monday on firm domestic demand. However, expectation of good crop in 2020-21 season kept gains under check.
- 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.
- India exported 1900 tonnes of small cardamom for the period Apr-Sep, up by 369 per cent year on according to the data from the Spices Board.
- According to the Spices Board, exports of small cardamom fell 27% on year in terms of volume but rose 20% in value terms.
- Spices Board pegs '19-20 small cardamom crop at 11,230 tn, dn 13.2%



|                               |   |   |
|-------------------------------|---|---|
| <b>JEERA<br/>NCDEX JAN</b>    | Sideways to weak trades expected as long as the resistance at 13100 caps.   |    |
| <b>DHANIYA<br/>NCDEX JAN</b>  | May inch up towards 6000-6040 ranges. However, an unexpected fall below 5700 may see weakness intensifying.   |  |
| <b>TURMERIC<br/>NCDEX APR</b> | 5950 is the immediate resistance, which if breached convincingly upside may call for 6020 or even more. However, dips to 5840-5780 may not be ruled out before bouncing back. |  |
| <b>CARDAMOM<br/>MCX JAN</b>   | Choppy to weak trades expected.   |  |

## OILSEED COMPLEX

## Market Buzz

- All commodities in the oilseed basket extended its upside moves yesterday. MCX Dec CPO prices continued to trade higher on back of strong demand amid lower stocks in the spot markets along with firmness in BMD Malaysian palm oil prices on reports of strong export demand for palm oil in Malaysia. Jan Soy oil prices also traded higher tracking gains in U.S CBOT soybean prices.
- NCDEX Jan soybean prices higher tracking gains in U.S CBOT soybean prices after the benchmark hit 6.5 year high on reports of higher soybean exports to China from U.S along with prevailing dry weather in Argentina. However, firmness in U.S CBOT soybean prices capped major falls. Jan Mustard seed stayed higher on improved demand from millers at lower price levels amid lean supply season.
- India's 2020-21 (Jul-Jun) mustard acreage was up 8.4% on year at 7 mln ha as of Thursday, data from the farm ministry showed.
- During Oct-Nov, 1.95 mln tn soybean was crushed against 1.62 mln tn in the year-ago period, according to SOPA.
- India's vegetable oil imports fell 2.7% on year to around 1.1 mln tn in November, according to SEA. As on Dec 1, 581,000 tn edible oil was at ports against 881,000 tn in the year-ago period. Pipelines, meanwhile, had 850,000 tn edible oil against 1.07 mln tn during the year-ago period.
- The USDA has scaled down its estimate for global oilseed production for 2020-21 to 595.7 mln tn from the 597.3 mln tn projected in November, largely due to reduced crops. The agency attributed the latest estimate, down 1.6 mln tn from its previous projection, to a fall in soybean, rapeseed (mustard), sunflower seed, and cottonseed crop plantings. The agency has also slashed its estimate for closing stocks of oilseeds to 97.76 mln tn from the 98.57 mln tn projected the previous month. Global oilseed trade for 2020-21 is projected at 191.8 mln tn, up 1.0 mln tn from the agency's previous estimate. It has scaled down its forecast for global soybean crop by 600,000 tn to 362.1 mln tn 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. 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. It has forecast overall US oilseed output for 2020-21 at 123.7 mln tn, against the 123.9 mln tn projected the previous month, on lower soybean production.
- 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 SEA has released the export data for export of oilmeals for the month of November 2020 and provisionally reported at 331,171 tons compared to 208,401 tons in November, 2019 i.e. up by 59%. The overall export of oilmeals during April to November 2020 recovered and provisionally reported at 1,948,699 tons compared to 1,734,872 tons during the same period of previous year i.e. up by 12%. Sharp increase in Export of Rapeseed, Soybean Meal and Ricebran. The export of rapeseed meal is reported at 774,849 tons against last year 681,021 during the same period i.e. up by 14%, due to higher processing of Rapeseed Cake increased availability for the export. The export of soybean meal is picking up and increased in last two months and reported at 636,981 tons compared to 497,116 tons i.e. up by 28%.
- India's soymeal exports in October nearly doubled on year to 125,000 tn, according to The Soybean Processors Association of India. Domestic consumption of soymeal for food segment was estimated at 50,000 tn in October, largely unchanged from a year ago period, while in feed segment, domestic consumption was pegged at 450,000 tn, against 525,000 tn estimated for the previous year. The association said that 825,000 tn of soybean was crushed in October, as against 720,000 tn last year. Higher crushing is due to a rise in arrival of new crop in spot markets. Soybean arrivals in spot markets were 1.3 mln tn in October against 1.2 mln tn in the year-ago period. By the end of October, soybean stocks left with plants, traders, and farmers are around 9.02 mln tn.
- 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 13.5% on month to 1.49 mln tn in November, according to Malaysian Palm Oil Board. Total palm oil stock in the country fell 0.6% on month to 1.56 mln tn. Exports of palm oil in November declined 22.2% on month to 1.3 mln tn and those of biodiesel fell 10.2% on month to 20,305 tn.
- Palm oil exports from Malaysia during Dec 1-20 rose 18% on month to 1.07 mln tn, according to private cargo surveyor AmSpec Agri Malaysia.



## TECHNICAL VIEW

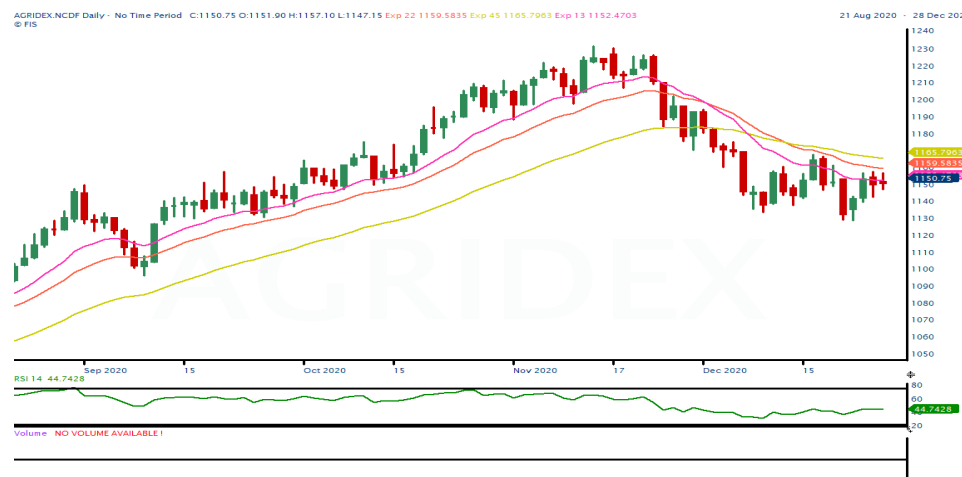
|                                  |  |  |
|----------------------------------|--|--|
| <b>SOYBEAN<br/>NCDEX JAN</b>     | If prices stays above 4510 could see upside moves targeting 4540/4570 levels.                    |  |
| <b>REF SOY OIL<br/>NCDEX DEC</b> | If prices sustain to trade above 1145 could see upside moves targeting 1170 levels.              |  |
| <b>RMSEED<br/>NCDEX DEC</b>      | Prices is likely to continue current short covering rallies towards 5850/5920 levels.            |  |
| <b>CASTOR<br/>NCDEX NOV</b>      | As long as prices stays below 4450 expect corrective moves to continue towards 4300/4280 levels. |  |
| <b>CPO MCX<br/>DEC</b>           | While prices stays above 955 expect more upside moves targeting 980 levels.                      |  |



## COTTON COMPLEX

## Market Buzz

- The USDA has cut its estimate for global cotton output for 2020-21 to 113.9 mln bales (1 US bale = 218 kg) from 116.1 mln bales pegged in November as production is likely to fall in the US, India and Pakistan. The agency has cut output estimate for India to 29.5 mln bales from 30.0 bales. The agency, in its report for December, retained its estimates for India's exports at 5.0 mln bales. Domestic demand is likely to rise to 24.0 mln bales from 23.0 mln bales estimated a month ago. India's ending stock for the ongoing season is seen at 19.4 mln bales. Global cotton consumption is seen at 115.6 mln tn, marginally higher from 114.1 mln bales pegged last month. Global exports are now seen at 43.2 mln bales, compared with 42.9 mln bales, while ending stocks are seen at 97.5 mln bales, against 101.4 mln bales. The agency has also cut its estimate for output in the US to 15.95 mln bales, compared with 17.09 mln bales.
- The UK-based Cotton Outlook has further cut its estimate for global output in 2020-21 (Aug-Jul) to 24.2 mln tn from 24.4 mln tn projected in October, the agency said in its November report. The fall in output estimate is largely due to a considerable reduction in production in Pakistan. A slight increase in production is seen in Uzbekistan. The agency has maintained its crop estimate for India at 6.3 mln tn for the ongoing season. Global cotton consumption in 2020-21 is seen at 24.2 mln tn, against 24.0 mln tn projected the previous month. Consumption is seen higher on likely rise in demand from India. Ending stocks of the fibre for 2020-21 are seen at 57,000 tn, against 353,000 tn projected last month.
- The Cotton Association of India has scaled down its estimate for exports to 5.4 mln bales (1 bale = 170 kg) for the ongoing 2020-21 (Oct-Sep) season, from 6.0 mln bales projected in the previous month. In the current marketing year, India has shipped around 1.2 mln bales up to Nov 30. The association has maintained its output estimate at 35.6 mln bales. In 2019-20, the association had pegged the crop at 36.0 mln bales. Domestic consumption is estimated at 33.0 mln bales in 2020-21, while imports are pegged at 1.40 mln bales. Carryover stocks in the country for the 2020-21 season are seen at 9.35 mln bales, compared with 10.75 mln bales projected the previous year.
- 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 US Department of Agriculture has cut its estimate for global cotton output for 2020-21 to 116.1 mln bales (1 US bale = 218 kg) from 116.3 mln bales projected in October. The agency has retained its output estimate for India at 30.0 mln bales. India is the world largest producer of cotton. The agency maintained its estimates for India's cotton exports and ending stocks at 5.0 mln bales and 20.9 mln bales, respectively. Domestic demand is seen steady at 23.0 mln bales. Globally, the output is likely to fall as production is expected to decline in Pakistan. Global cotton consumption is seen at 114.1 mln tn, marginally down from 114.2 mln bales projected last month. Global exports for 2020-21 are now seen at 42.9 mln bales, compared with 42.2 mln bales estimated a month ago. Ending stocks are seen higher at 101.4 mln bales against 101.1 mln bales, the report said. The agency has kept its estimate for output in the US largely steady at 17.09 mln bales.
- 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

|                       |   |  |
|-----------------------|---|--|
| AGRIDEX<br>NCDEX      | Though short covering rallies witnessed yesterday, corrective selloffs is more likely towards 1120 levels if prices unable to move above 1162 levels. |  |
| KAPAS<br>NCDEX APR21  | As prices broke the support of 1180 could see corrective moves towards 1160/1150 levels.  |  |
| COTTON MCX<br>DEC     | As long as prices stays above 19960 could see upside moves targeting 20500/20700 levels.  |  |
| COCUDAKL<br>NCDEX JAN | If prices breaks the support of 1960 could see down-fall to 1945/1925 levels.   |  |

## OTHERS

## Market Buzz

- Chana NCDEX January continued declining. On Monday, it fell to its lowest level in about five months. Higher acreage and expectation of bumper crop in the ongoing rabi season weighed on overall market sentiments.
- Farmers in the country have sown rabi chana across 9.8 million hectares so far, up 10 per cent compared to same period last year, farm ministry data showed.
- After offloading 75% of the 2.8 mln tn of chana procured under the under price support scheme in 2020-21 (Apr-Mar) marketing season, the National Agricultural Cooperative Federation of India is likely to wait till prices rise before disposing off the remaining 25%, an official with the agency said.
- The government raised chana MSP by Rs.225 to Rs.5100/100kg.
- According to the Agricultural and Processed Food Products Export Development Authority, India's guar gum export for the Apr-Oct period this year was 126808 tonnes compared to 256236 tonnes during the corresponding period last year.
- Export of guar gum have rose in the month of Sep-20 by 8.21 percent compared to previous month. India exported around 13879 tonnes of guar gum at an average FoB of \$ 1708 per tonne in the month of Sep-20 compared to 12826 tonnes in Aug-20 at an average FoB of \$ 1823 per tonne. Exports are expected to increase in Oct-20 in expectation of good demand in overseas market.
- Export of guar split have fell in the month of Sep-20. Exports in the month of Sep-20 are down by around 5.32% compared to previous month. India exported around 625 tonnes of guar split in the month of Sep-20 at an average FoB of \$ 950 per tonne compared to 660 tonnes in Aug20 at an average FoB of \$ 1117 per tonne.
- Natural rubber in the Indian market declined on Monday taking cues from the overseas market and expectation of higher arrivals due to the ongoing peak production phase.
- The Association of Natural Rubber Producing Countries has pegged the global rubber output in 2021 at 13.67 mln tn, it said in its monthly report. The estimate reflects an 8.6%-rise on a year-on-year basis. In 2021, the global consumption of natural rubber is anticipated to make a recovery. It is seen increasing 4.9% to 13.43 mln tn, the agency said. However, consumption is not expected to match up to the levels seen in 2019 and 2018, the agency said in its report. In 2019 and 2018, the global consumption of natural rubber was at 13.76 mln tn and 13.89 mln tn, respectively. For the year 2020, the agency has further scaled down its output estimate to 12.59 mln tn, compared with 12.90 mln tn pegged in September. The current estimate reflects a 9%-decline from the previous year. The global consumption in 2020 is expected to fall 6.9% on year to 12.81 mln tn, the agency said.



## TECHNICAL VIEW

|                           |  |  |
|---------------------------|--|--|
| <b>CHANA NCDEX JAN</b>    | 4300 is the immediate support, which if held down-side, may call for a brief pullback. However, slippage past the same, accompanied by substantial volume may call for 4250/4210.                |  |
| <b>GUARSEED NCDEX JAN</b> | A rise above 3940 or a fall past 3840 accompanied by substantial volume could set fresh directions for the day.  |  |
| <b>GUARGUM NCDEX JAN</b>  | A rise above 6100 or a fall past 5880 could probably signal fresh directional moves for the day  |  |
| <b>RUBBER ICEX JAN</b>    | 16250 is the immediate resistance, which if breached convincingly may call for 16500 or more. As long as 16250 caps, may trade sideways with a mild weak bias, with support seen at 15850-15750. |  |

## TECHNICAL LEVELS

| Commodity   | Contract    | Open*  | High*  | Low*   | Close* | S3    | S2    | S1    | Pivot | R1    | R2    | R3    |
|---|-------------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|
| SPICES  |             |        |        |        |        |       |       |       |       |       |       |       |
| Jeera   | JanNCDEX    | 12930  | 12930  | 12780  | 12810  | 12600 | 12690 | 12750 | 12840 | 12900 | 12990 | 13050 |
| Turmeric  | AprNCDEX    | 5822   | 5914   | 5810   | 5902   | 5733  | 5771  | 5837  | 5875  | 5941  | 5979  | 6045  |
| Cardamom  | JanMCX      | 1500   | 1500   | 1500   | 1500   | 1500  | 1500  | 1500  | 1500  | 1500  | 1500  | 1500  |
| Dhaniya   | JanNCDEX    | 5880   | 5962   | 5856   | 5912   | 5752  | 5804  | 5858  | 5910  | 5964  | 6016  | 6070  |
| Menthaoil   | DecMCX      | 1001.0 | 1001.0 | 1001.0 | 1001.0 | 1001  | 1001  | 1001  | 1001  | 1001  | 1001  | 1001  |
| PULSES  |             |        |        |        |        |       |       |       |       |       |       |       |
| Chana   | JanNCDEX    | 4408   | 4435   | 4317   | 4358   | 4187  | 4252  | 4305  | 4370  | 4423  | 4488  | 4541  |
| Guarseed  | JanNCDEX    | 3919   | 3925   | 3878   | 3889   | 3823  | 3850  | 3870  | 3897  | 3917  | 3944  | 3964  |
| Guargum   | JanNCDEX    | 5975   | 6014   | 5940   | 5973   | 5863  | 5902  | 5937  | 5976  | 6011  | 6050  | 6085  |
| OIL & OIL SEEDS   |             |        |        |        |        |       |       |       |       |       |       |       |
| Soybean   | JanNCDEX    | 4528   | 4567   | 4504   | 4518   | 4429  | 4467  | 4492  | 4530  | 4555  | 4593  | 4618  |
| RM seed   | JanNCDEX    | 5708   | 5817   | 5708   | 5777   | 5609  | 5658  | 5718  | 5767  | 5827  | 5876  | 5936  |
| CPO   | DecMCX      | 959.8  | 971.0  | 959.3  | 969.4  | 950   | 955   | 962   | 967   | 974   | 978   | 986   |
| Soyoil  | JanNCDEX    | 1154.5 | 1165.9 | 1149.2 | 1161.9 | 1135  | 1149  | 1152  | 1159  | 1169  | 1169  | 1186  |
| Castor seed   | JanNCDEX    | 4418   | 4430   | 4358   | 4372   | 4271  | 4315  | 4343  | 4387  | 4415  | 4459  | 4487  |
| CEREALS   |             |        |        |        |        |       |       |       |       |       |       |       |
| Wheat   | JanNCDEX    | 1744   | 1744   | 1744   | 1744   | 1744  | 1744  | 1744  | 1744  | 1744  | 1744  | 1744  |
| Barley  | JanNCDEX    | 1457   | 1457   | 1457   | 1457   | 1457  | 1457  | 1457  | 1457  | 1457  | 1457  | 1457  |
| OTHERS  |             |        |        |        |        |       |       |       |       |       |       |       |
| Cocud^  | JanNCDEX    | 1995   | 1997   | 1960   | 1972   | 1919  | 1939  | 1956  | 1976  | 1993  | 2013  | 2030  |
| Kapas   | Apr21 NCDEX | 1180.0 | 1180.0 | 1168.0 | 1173.0 | 1155  | 1162  | 1167  | 1174  | 1179  | 1186  | 1191  |
| Cotton  | DecMCX      | 20210  | 20250  | 20130  | 20220  | 20030 | 20080 | 20150 | 20200 | 20270 | 20320 | 20390 |
| Rubber  | JanICEX     | 16035  | 16035  | 16035  | 16035  | 16035 | 16035 | 16035 | 16035 | 16035 | 16035 | 16035 |
| 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.<br>S1, S2 & S3 are supports and R1, R2, and R3 are resistances from where a turnaround can be anticipated.<br>*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 Jan ICEX       | FLAT/CHOPPY | POSITIVE        | 0.43%      | 6.8%       | FLAT       | FLAT      | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Jeera Jan NCDEX       | NEGATIVE    | HIGHLY NEGATIVE | 0.99%      | 15.7%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Turmeric Apr NCDEX    | POSITIVE    | POSITIVE        | 0.89%      | 14.1%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | NEGATIVE   | NEGATIVE   |
| Cardamom Jan MCX      | FLAT/CHOPPY | FLAT/CHOPPY     | 0.00%      | 0.0%       | FLAT       | FLAT      | FLAT        | FLAT       | FLAT       | FLAT       |
| Dhaniya Jan NCDEX     | POSITIVE    | FLAT/CHOPPY     | 1.25%      | 19.9%      | POSITIVE   | POSITIVE  | POSITIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Chana Jan NCDEX       | NEGATIVE    | HIGHLY NEGATIVE | 1.48%      | 23.5%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Guarseed10 Jan NCDEX  | NEGATIVE    | HIGHLY NEGATIVE | 1.06%      | 16.9%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Guargum Jan NCDEX     | NEGATIVE    | HIGHLY NEGATIVE | 1.51%      | 23.9%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Soybean Jan NCDEX     | POSITIVE    | HIGHLY POSITIVE | 1.21%      | 19.2%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Ref. Soyoil Jan NCDEX | POSITIVE    | HIGHLY POSITIVE | 1.24%      | 19.6%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| RMseed Jan NCDEX      | POSITIVE    | POSITIVE        | 1.53%      | 24.4%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | NEGATIVE   | POSITIVE   |
| CPO Dec MCX           | POSITIVE    | HIGHLY POSITIVE | 1.31%      | 20.8%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Castor Jan NCDEX      | NEGATIVE    | HIGHLY NEGATIVE | 0.96%      | 15.3%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | NEGATIVE   |
| Kapas21 Apr NCDEX     | NEGATIVE    | NEGATIVE        | 1.31%      | 20.8%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | POSITIVE   | POSITIVE   |
| Cotton Dec MCX        | NEGATIVE    | FLAT/CHOPPY     | 0.91%      | 14.4%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Cocudakl Jan NCDEX    | NEGATIVE    | NEGATIVE        | 2.01%      | 31.9%      | NEGATIVE   | NEGATIVE  | NEGATIVE    | NEGATIVE   | NEGATIVE   | POSITIVE   |
| Wheat Jan NCDEX       | POSITIVE    | POSITIVE        | 0.60%      | 9.6%       | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | NEGATIVE   | NEGATIVE   |
| Barley Jan NCDEX      | POSITIVE    | POSITIVE        | 0.44%      | 6.9%       | POSITIVE   | FLAT      | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Menthaoil Dec MCX     | POSITIVE    | HIGHLY POSITIVE | 0.73%      | 11.6%      | POSITIVE   | POSITIVE  | POSITIVE    | POSITIVE   | POSITIVE   | POSITIVE   |
| Rubber Jan ICEX       | POSITIVE    | POSITIVE        | 1.06%      | 16.9%      | POSITIVE   | POSITIVE  | POSITIVE    | NEGATIVE   | 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%  | 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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