

AGRI PICKS

A Daily Report on Agricultural Commodities

Thursday, December 16, 2021

TODAY'S PICKS

Buy Cotton MCX Dec 31700, TGT 31805/32100 SL 31500

Buy Guarseed NCDEX Jan 6240, TGT 6265/6310, SL 6400

Buy Turmeric NCDEX April 8980, TGT 9010/9100, SL 8900

Buy Kapas MCX Apr 1805, TGT 1811/1835 SL 1788

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 US Federal Reserve has left the federal funds rate target range unchanged at 0.00-0.25%, but accelerated the tapering of its monthly asset purchases at a rate that will see the last of the purchases in February.
- As of Thursday, the government released 141,000 tn of onion from the buffer stock as a step to augment availability in markets and reduce retail prices, Minister of State for Consumer Affairs, Food and Public Distribution Ashwini Kumar Choubey said in a written reply in the Lok Sabha.
- Malaysia's crude palm oil exports during Dec 1-15 were down at 158,650 tn from 302,584 tn the previous month.
- Emergence of the Omicron strain of COVID-19 is likely to provide relief to the tight oil market, as supply is set to surpass demand from December, the International Energy Agency said.
- The Solvent Extractors' Association of India today suggested measures such as restricting import of refined oils, to be included in the Budget for 2022-23 (Apr-Mar), a release said. The association has requested the government to restrict imports of all refined edible oils to ensure domestic refining capacity is better utilised.
- India's sugar production is seen rising 1.3% to 31.5 mln tn in 2021-22 (Oct-Sep), the National Federation of Cooperative Sugar Factories said in a release. Production is expected to increase mainly due to rise in area under sugarcane cultivation on the back of good rainfall, scientifically grown cane, improved varieties, and guaranteed cane prices.



Futures		Spot
Contract/spot	JEERA - DEC21	Unjha
Rate	16060	16030
% chg	0.06	0.76
1 week low	15745	15908.35
1 week High	16370	16066.65
Futures		Spot
Contract/spot	CHANA - DEC21	Bikaner
Rate	4904	4875
% chg	-0.08	-0.51
1 week low	4878	4875
1 week High	4956	4962.5
Futures		Spot
Contract/spot	SOYABEAN - DEC21	Indore
Rate	6374	6317
% chg	0.27	-0.72
1 week low	6275	6305
1 week High	6599	6595
Futures		Spot
Contract/spot	CASTOR SEED - DEC21	Deesa
Rate	6166	6375
% chg	-0.29	0.64
1 week low	5970	6325
1 week High	6366	6500
Futures		Spot
Contract/spot	RUBBER - JAN22	Kottayam
Rate	18750	17788
% chg	0.15	-1.18
1 week low	17788	Exchange not found
1 week High	18000	Exchange not found

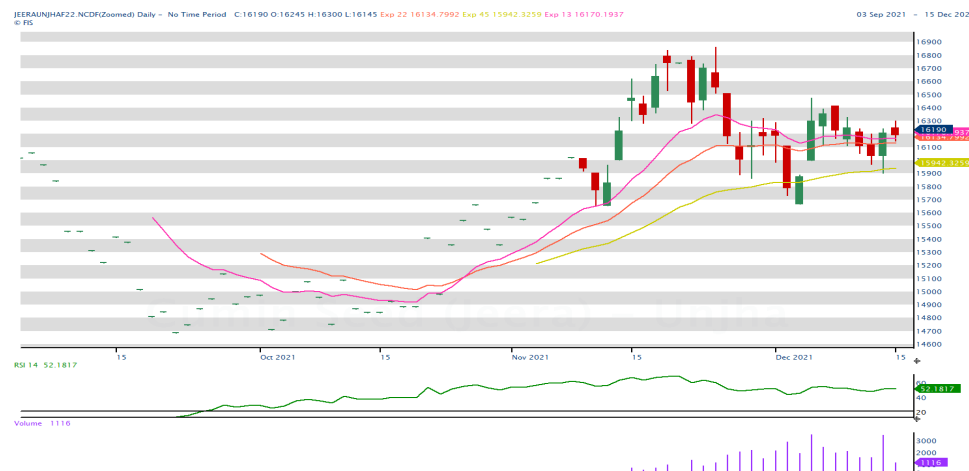
Futures		Spot
Contract/spot	TURMERIC - DEC21	Nizamabad
Rate	7630	7911.35
% chg	0.61	0.14
1 week low	7532	7797.5
1 week High	7830	7911.35
Futures		Spot
Contract/spot	GUAR SEED10 - DEC21	Jodhpur
Rate	6100	6132.5
% chg	-0.65	3.07
1 week low	5723	5737.5
1 week High	6197	6132.5
Futures		Spot
Contract/spot	REFINED SOYA OIL - DEC21	Kandla
Rate	1172.4	1177.9
% chg	-1.35	-1.38
1 week low	1150	1177.9
1 week High	1205	1206.5
Futures		Spot
Contract/spot	KAPAS - FEB22	Rajkot
Rate	1770	1651.25
% chg	0.71	-0.36
1 week low	1754.5	1644.55
1 week High	1801	1658.85
Futures		Spot
Contract/spot	MAIZE - Feed/Industrial Grade	Gulabbagh
Rate		1680
% chg		-1.18
1 week low		1680
1 week High		1730

Futures		Spot
Contract/spot	CORIANDER - DEC21	Kota
Rate	8900	8799.4
% chg	1.69	0.22
1 week low	8458	8575
1 week High	9130	8850.8
Futures		Spot
Contract/spot	Guar Gum Refined Splits - DEC21	Jodhpur
Rate	11100	11175
% chg	2.26	5.92
1 week low	10017	10253.1
1 week High	11150	11175
Futures		Spot
Contract/spot	RAPE MUSTARD SEEDS - DEC21	Jaipur
Rate	7920	8085.7
% chg	0.03	-0.79
1 week low	7894	8085.7
1 week High	8050	8163.45
Futures		Spot
Contract/spot	COTTON SEED OIL CAKE AKOLA - DEC21	AKOLA
Rate	2795	2819.45
% chg	1.12	0.69
1 week low	2704	2800
1 week High	2865	2822.75
Futures		Spot
Contract/spot	BARLEY - DEC21	Jaipur
Rate	2381.5	Symbol not found
% chg	-0.02	Symbol not found
1 week low	2378.5	Symbol not found
1 week High	2382.5	Symbol not found

SPICES COMPLEX

Market Buzz

- Mixed moves were seen in NCDEX spices complex on Wednesday. Turmeric April futures rose more than two per cent, paring initial losses, while Jeera and Dhaniya January futures ended rather flat.
- 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%
- According to third advanced estimates by the farm department, spices output is seen rising to 10700000 tonnes in 2020-21, up by 5.5 per cent compared to 10140000 produced in 2019-20.
- According to the Gujarat State farm dept., jeera has been sown across 171459 ha as of November 29, compared to 3,02,637 ha during the same period last year. Area under coriander is down in the state as well. Coriander is sown across 86,634 ha as of November 29 compared to 93,000 ha during the same period last year.
- Jeera production is seen at 856,505 ton in FY 2020-21, down 6.1% on year according to the Spices Board.
- India exported 299,000 tn of jeera in 2020-21, up 40% on year according to the Spices Board.
- The Spices Board has pegged coriander production at 822,210 tn, up 17.3% on year.
- 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

JEERA NCDEX JAN	May vary inside 16500-15900 ranges and a voluminous break out from either the sides could lend fresh directions.	
DHANIYA NCDEX JAN	May vary inside 8900-8500 ranges.	
TURMERIC NCDEX APR	8980 is the immediate resistance and a voluminous rise above the same may call for 9070-9100 or even more. Else, corrective dips to 8780/8650 ranges likely.	

OILSEED COMPLEX

Market Buzz

- All commodities in the oilseed complex extended its selling pressure in the last trading session. Jan Soybean prices traded lower due to lower demand from crushers in the spot market. Jan NCDEX Refined Soy oil prices fell tracking weakness in benchmark U.S. CBOT soybean prices on prospects of higher production expectations in south American countries. Dec CPO MCX extended lower tracking weakness in benchmark Malaysian palm oil prices on fears resurfacing again on fast spread of new variant omicron may result in fall in global consumption along with reports of fall in exports from Malaysia. Malaysia's crude palm oil exports during Dec 1-15 were down at 158,650 tn from 302,584 tn in the previous month.
- 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 vegetable oil imports increased 6.4% on year to around 1.17 mln tn in November, according to SEA. For the marketing year ended October, vegetable oil imports were around 13.13 mln tn, lower than 13.17 mln tn during the year-ago period. Frequent changes in import duty over the last few months on edible oils disturbed the import pattern, the association had said earlier. As of Dec 1, 704,000 tn of edible oil was at ports, against 581,000 tn from a year ago, while 950,000 tn in the pipeline against 850,000 tn during the same period last year, the SEA said.
- The soymeal exports in November increased 27.4% on year to 270,000 tn, the Soybean Processors Association of India said in a release. For Oct-Nov, soymeal exports fell to 291,000 tn from 347,000 tn a year ago. Soymeal production fell in November to 559,000 tn from 918,000 tn a year ago, it was at 1.04 mln tn during Oct-Nov, lower than 1.67 mln tn during the same period a year ago. Soybean arrivals in spot markets were lower at 14,000 tn in November compared to 19,000 tn during the same time last year. During Oct-Nov, arrivals fell to 2.9 mln tn from 3.7 mln tn during the same period last year. By the end of November, mills, traders, and farmers were left with around 9.91 mln tn of soybean stock.
- The National Commodity and Derivatives Exchange will not charge transaction fees on GUAREX and SOYDEX futures contracts up to Mar 31, the bourse said in a circular. This is to encourage active participation and market development of index products.
- Farmers in the country sowed the commodity across 8.2 mln ha as of Dec 10, up 23.8% on year, in the ongoing 2021-22 (Jul-Jun) rabi season. 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.
- In its December report, the US Department of Agriculture has estimated global soybean production in 2021-22 at 381.8 mln tn, marginally lower than 384 mln tn pegged the previous month. The decline is mainly attributed to a fall in production in China due to lower area under the oilseed, though the output in Russia and the Ukraine is seen higher. The estimate for global ending stocks for 2021-22 has been scaled down to 102.0 mln tn from 103.8 mln tn in the previous month. Similarly, the estimated global soybean output for 2021-22 has been revised marginally downwards to 257.6 mln tn from 258.5 mln tn, the report said. The estimate for global exports of soybean has been left largely unchanged at 70.8 mln tn. In the December report, the global soybean export estimate for 2021-22 has been increased marginally to 12.7 mln tn from 12.6 mln tn estimated the previous month. However, the global soybean production estimate for 2021-22 has been revised downwards to 61.6 mln tn in December from 61.7 mln tn pegged the previous month. According to the report, global oilseed production in 2021-22 is seen lower at 627.6 mln tn against 628.0 mln tn pegged in November, due to a decline in soybean output in China. Global vegetable oil output in 2021-22 is now seen at nearly 215.0 mln tn, against the estimate of 214.8 mln tn in November.
- India's oilmeal exports fell 50.6% on year to 157,467 tn in October, according to data released by The Solvent Extractors' Association of India. In Apr-Oct, overall exports of oilmeal were at 1.43 mln tn, down 11.5% on year. Soybean exports fell drastically to 14,538 tn in October compared with 120,290 tn in the same period last year because the Indian variant is priced higher in international markets. In October, mustard meal exports fell about 48% on year to 52,875 tn.
- The Centre cut basic duty on crude palm oil, crude soybean oil and crude sunflower oil from 2.5% to nil. The agri-cess on these oils has been brought down from 20% to 7.5% for crude palm oil and 5% for crude soybean oil and crude sunflower oil, the Finance Ministry said. The basic duty on RBD Palmolein Oil, Refined Soybean and Refined Sunflower Oil has been slashed to 17.5% from the current 32.5%.
- 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%.
- The SEBI has asked the NCDEX not to launch new futures contracts of mustard seed till further notice.
- India's soybean acreage in the 2021-22 (Jul-Jun) kharif season remained unchanged at 12.2 mln ha, agri ministry.
- The base import tax on crude palm oil has been slashed to 2.5% from 10%, while the tax on crude soybean and crude sunflower oil has been reduced to 2.5% from 7.5%, the government said in a notification late on Friday. The base import tax on refined grades of palm oil, soybean and sunflower oil cut to 32.5% from 37.5%. After the cuts, crude palm oil, soybean and sunflower oil imports will be subject to a 24.75% tax in total, including a 2.5% base import duty and other taxes, while refined grades of palm oil, soybean and sunflower oil would carry a 35.75% tax in total.
- The government allowed the import of 1.2 mln tn of genetically-modified soybean till Oct 31 to augment supply in domestic markets, the Directorate General of Foreign Trade said in a notification.
- India is likely to produce around 10 mln tn of mustard in 2020-21 (Jul-Jun), up 35% from a year ago, due to higher acreage and favourable weather conditions, according to the Solvent Extractors' Association of India.
- Malaysia's crude palm oil output fell 5.3% on month to a little over 1.6 mln tn in November, according to data from the Malaysian Palm Oil Board. Persisting labour shortage issue in the country led to the decline in output. Export of palm oil in November increased 3.3% on month to 1.47 mln tn, while outbound shipments of biodiesel sharply increased by 160.2% on month to 49,972 tn. Total palm oil stocks in the country decreased 4.4% on month to around 942,354 tn as on November-end.
- Malaysia's crude palm oil exports during Dec 1-15 were down at 158,650 tn from 302,584 tn the previous month.
- 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.



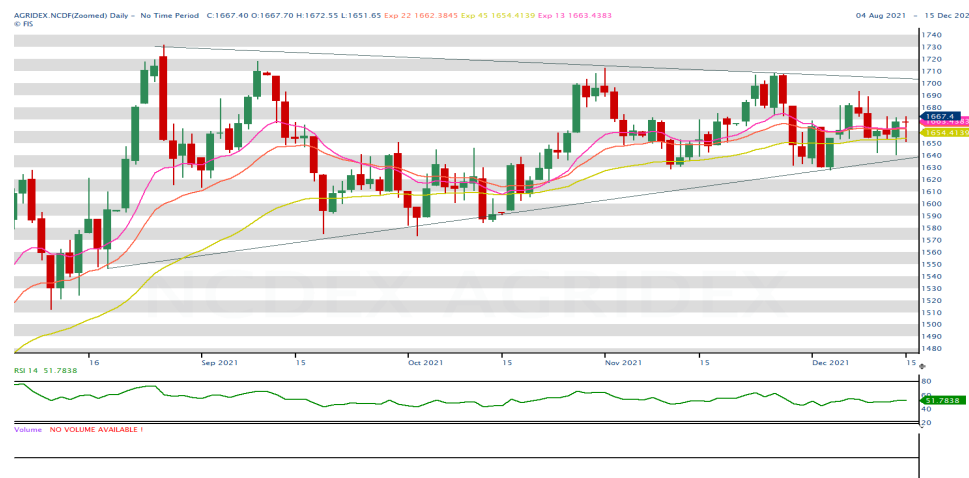
TECHNICAL VIEW

SOYBEAN NCDEX JAN	While prices stays below 6320 expect to see corrective moves towards 6200/6110 levels.	
REF SOY OIL NCDEX JAN	While prices stays below 1160 could see downside corrective moves targeting 1140/1130 levels.	
CASTOR NCDEX JAN	Unable to move above 6250 could see selloffs to continue towards 6050/6000 levels.	
CPO MCX DEC	While prices stays below 1070 could drag the prices down further towards 1055/1050 or even lower to 1035 levels. Resistances: 1070/1074/1080 Supports: 1055/1050/1035	

COTTON COMPLEX

Market Buzz

- The US Department of Agriculture has scaled down its estimate for 2021-22 (Aug-Jul) global cotton production to 121.6 mln bales (1 US bale = 218 kg), from 121.8 mln bales projected a month ago. The downward revision was mainly due to a likely smaller crop in Pakistan, the agency said in its World Agricultural Supply and Demand Estimates report for December. Global cotton consumption is now seen slightly higher at 124.3 mln bales in 2021-22, as against 124.1 mln bales projected earlier. Exports are estimated at 47.0 mln bales, higher than the earlier projection of 46.6 mln. Exports are projected higher for Brazil and the Franc Zone. The agency has revised downward its 2021-22 global ending stocks estimate to 85.7 mln bales from 86.9 mln bales. Cotton production in India maintained at 28.0 mln bales. Domestic consumption is seen at 25.8 mln bales, while exports are estimated at 5.8 mln bales. Ending stocks for the country are seen at 10.8 mln bales for 2021-22 season, compared with 11.3 mln bales seen a month ago. In the US, production is seen slightly higher at 18.3 mln bales due to rise in yields. Exports are maintained at 15.5 mln bales. US is the top exporter of cotton.
- India's cotton exports in the ongoing 2021-22 (Oct-Sep) marketing year have slowed due to higher prices in the domestic market, making overseas sales economically unviable, trade officials said.
- The International Cotton Advisory Committee has lowered its forecast for global prices for 2021-22 (Aug-Jul) due to a rise in global production and ending stocks estimate, the agency said in a report. The committee revised downward its price forecast for Cotlook A Index, a global benchmark for prices of raw cotton, by 1 cent from the previous month to 103 cents per pound. In 2021-22 season, the committee estimated global ending stocks for the season at 20.5 mln tn, slightly higher than 20.4 mln tn in the previous season. Global consumption is seen almost steady at 25.6 mln tn. The agency sees global export for the season at 10.2 mln tn, as against 10.6 mln tn a year ago. Global production for the ongoing season is estimated at 25.7 mln tn, compared with 24.3 mln tn in the previous season. The rise has largely been attributed to higher production in the US and Brazil. In the US, cotton production is estimated at 3.96 mln tn, against 3.18 mln tn a year ago. Output in India, the largest producer, is expected to be 5.9 mln tn, compared with 6.0 mln tn in the previous year.
- The UK-based Cotton Outlook has scaled up its estimate for global production in 2021-22 (Aug-Jul) by 97,000 tn to 26.0 mln tn, the agency said in its November report. The estimate has been revised upward as production in the African Franc zone and Turkey is expected to be higher. The agency has maintained its output estimate in the US at 3.92 mln tn. The outlook for cotton production in India, the largest producer, has been maintained at 6.17 mln tn. The production in China is seen at 5.71 mln tn. The agency maintained its estimate for global consumption in 2021-22 at 26.15 mln tn. Global cotton ending stocks are estimated at 110,000 tn for the ongoing 2021-22 season.
- The Cotton Association of India has maintained its output estimate for the 2021-22 (Oct-Sep) marketing season at 36.0 mln bales (1 bale = 170 kg). The association has estimated cotton production in north India at 5.3 mln bales. In the central zone the output is estimated at 20.4 mln bales and in the southern region, production is pegged at 9.6 mln bales. Of the total crop, around 3.1 mln bales had arrived in markets across India till October. Exports for the ongoing marketing year is pegged at 4.8 mln bales. In the current marketing year, India shipped around 400,000 bales of cotton till October. The Association has also maintained its estimate for domestic cotton consumption at 33.5 mln bales, while imports are seen at around 1.0 mln bales. Ending stock for the season has been estimated at 6.2 mln bales.
- 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.
- In the Union Budget for 2021-22 (Apr-Mar), Finance Minister Nirmala Sitharaman proposed customs duty of 5% on cotton and 10% on cotton waste. She also proposed an Agriculture Infrastructure and Development Cess of 5% on cotton, taking the overall customs duty to 10%. Customs duty on raw silk and silk yarn or yarn spun from silk waste has been increased to 15% from 10% earlier.



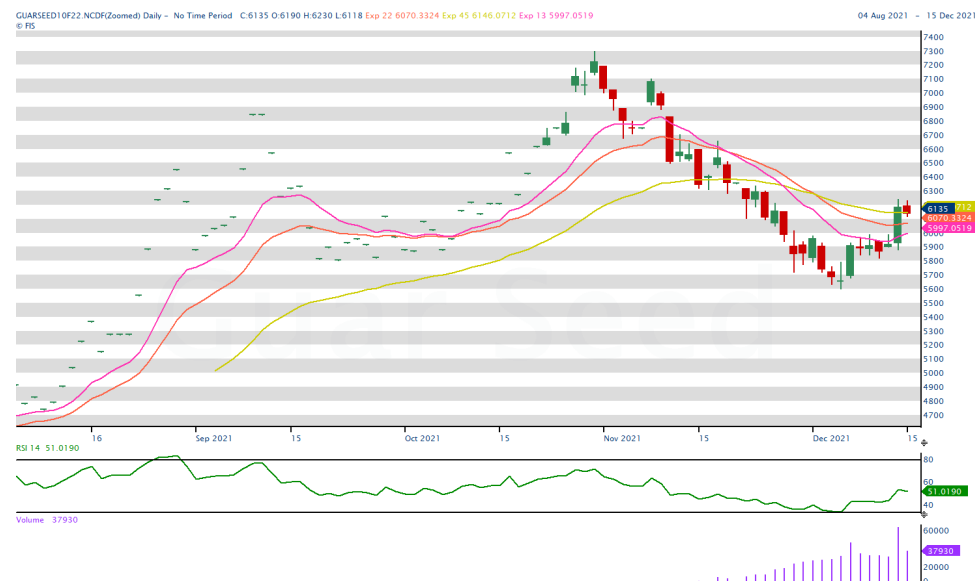
TECHNICAL VIEW

AGRIDEX NCDEX	Choppy trading session for the day.	
KAPAS NCDEX APR22	As prices broke the resistance of 1175 expect to see move upside moves targeting 1820/1840 levels.	
COTTON MCX DEC	If prices breaks the resistance of 31700 could see more upside moves targeting 31820/32100 levels.	
COCUDAKL NCDEX JAN	Positive momentum is more likely to continue towards 2850/2880 levels, if prices clears above 2827 levels.	

OTHERS

Market Buzz

- Farmers across the country have sown rabi chana across 9.2 mln ha as of Wednesday, up 2.4% on year, data from the farm ministry showed. The increase in area under chana is primarily due to higher sowing in the key growing states of Maharashtra and Karnataka, followed by Bihar and Telangana. In Maharashtra, farmers have sown chana across 1.8 mln ha so far in the rabi season, up 14.5% from a year ago, while in Karnataka, the area was 2.2% higher at over 1.0 mln ha. On the other hand, in Madhya Pradesh, the largest grower, chana acreage was down 2.0% on year at 2.3 mln ha.
- Stockists across the country had declared nearly 3.1 mln tn of pulses stock on the official portal of Department of Consumer Affairs as on Sep 20, the government said in a release today. The maintaining of data on stocks of essential commodities is expected to ensure smooth supply at affordable prices, according to the release.
- 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.** NCDEX has also been directed to not take any new positions for the running contracts, and only squaring up of positions will be allowed on the platform with immediate effect, according to the official release.
- Government raises MSP for Rabi crops for season 2022-23. MSP for chana has increased by 2.5 % to Rs. 5230/qlt. against Rs. 5100/qlt previous year.
- India's guar gum exports increased in the month of September 2021 by 4.76% to 19,132 tonnes compared to 18,262 tonnes during Aug 2021 at an average FoB of US \$ 1756 per tonne in the month of Sept'2021 as compared to US \$ 1699 per tonne in the month of Aug 2021. Further, the gum shipments were up by 37.85% in Sept'2021 compared to the same period last year. Of the total exported quantity, around 7,535 tonnes is bought by US, Russia 3,261 tonnes, Germany 2,117 tonnes, china 696 tonnes, Australia 686 tonnes and Canada 547 tonnes.
- India's guar split exports increased in the month of Sept'2021 by 72.64% to 3,660 tonnes compared to 2,120 tonnes during Aug'2021 at an average FoB of US \$ 1370 per tonne in the month of Sept'21 compared to US \$ 1101 per tonne in the month of Aug'2021. However, the guar split shipments gone up by 485 % in Sept 2021 compared to the same period last year. Of the total exported quantity, around 3,330 tonnes bought by China, US 240 tonnes and Netherland 120 tonnes.
- According to Rajasthan govt 2021-22 first advance estimates, Guar seed production estimate pegged at 13.73 lakh tonnes vs 11.36 lakh tonne last year, Additionally, 2021-22 acreage stood at 21.13 lakh hectare as compared to 24.84 lakh hectare last year. Yield pegged higher at 650 kg/Ha vs 458 kg/Ha 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 clearing arm of the National Commodity and Derivatives Exchange Ltd, the National Commodity Clearing Ltd, said today that spread benefit in initial margin will be provided across futures contracts of guar seed and guar gum. The spread margin benefit for the guar gum and guar seed contracts will be 50% of the initial margin, the clearing corp said in a circular. In case of spread positions, additional margin shall not be levied, according to the circular. Additional margins are imposed on futures contracts in order to check price volatility.



TECHNICAL VIEW

GUARSEED
NCDEX JAN

Even as there prevails positive bias, profit booking towards 6075/6000 ranges seems likely. However, a voluminous rise above 6240 may call for 6265/6310 or more.

GUARGUM
NCDEX JAN

Even as there prevails positive bias, corrective dips to 10900/10700 ranges may not be ruled out. A direct rise above 11380 may strengthen upwards momentum.

RUBBER MCX
DEC

Pullbacks to 17500/17650 ranges may not be ruled out before resuming declining.



TECHNICAL LEVELS

Commodity	Contract	Open*	High*	Low*	Close*	S3	S2	S1	Pivot	R1	R2	R3
SPICES												
Jeera	JanNCDEX	16245	16300	16145	16190	15968	16057	16123	16212	16278	16367	16433
Turmeric	AprNCDEX	8720	8976	8664	8912	8413	8539	8725	8851	9037	9163	9349
Dhaniya	JanNCDEX	8680	8680	8530	8620	8390	8460	8540	8610	8690	8760	8840
Menthaoil	DecMCX	945.2	948.5	942.7	943.2	935	939	941	945	947	951	953
PULSES												
Chana	JanNCDEX	4894	4894	4894	4894	4894	4894	4894	4894	4894	4894	4894
Guarseed	JanNCDEX	6190	6230	6118	6135	5980	6049	6092	6161	6204	6273	6316
Guargum	JanNCDEX	11000	11298	10905	11058	10483	10694	10876	11087	11269	11480	11662
OIL & OIL SEEDS												
Soybean	JanNCDEX	6299	6299	6151	6219	5999	6075	6147	6223	6295	6371	6443
RM seed	JanNCDEX	8116	8116	8116	8116	8116	8116	8116	8116	8116	8116	8116
CPO	DecMCX	1070	1072	1044	1062	1018	1031	1046	1059	1074	1087	1102
Soyoil	JanNCDEX	1153	1155	1137	1152	1123	1137	1141	1148	1159	1159	1176
Castor seed	JanNCDEX	6238	6270	6182	6208	6082	6182	6170	6220	6258	6308	6346
CEREALS												
Wheat	JanNCDEX	2119	2119	2119	2119	2119	2119	2119	2119	2119	2119	2119
Barley	JanNCDEX	2387	2387	2387	2387	2387	2387	2387	2387	2387	2387	2387
OTHERS												
Cocud^	JanNCDEX	2760	2823	2750	2812	2694	2722	2767	2795	2840	2868	2913
Kapas	Apr22 NCDEX	1760.5	1804.0	1757.5	1801.0	1725	1741	1771	1788	1818	1834	1864
Cotton	DecMCX	31360	31610	31270	31580	31023	31147	31363	31487	31703	31827	32043
Rubber	JanMCX	17920	17920	17450	17697	16988	17219	17458	17689	17928	18159	18398
Pivot Point: A predictive indicator of the market which is calculated as an average of significant prices from the performance of a market in the prior trading period. An open above the pivot point is generally considered bullish and vice versa. S1, S2 & S3 are supports and R1, R2, and R3 are resistances from where a turnaround can be anticipated. *Open, High, Low and Close prices of previous trading day / ^Cottonseed Oil Cake												



Strong bias or bullish



Choppy or Sideways



Weak bias or bearish



Mild bullish bias



Mild bearish bias

TRADING SIGNALS

Commodities	Intraday	Overall	Volatility		Short term		Medium term		Long term	
	View	View	1 day	Annualised	3 day EMA	5 day EMA	13 day EMA	22 day EMA	45 day EMA	60 day EMA
Pepper Jan ICEX	NEGATIVE	POSITIVE	0.79%	12.5%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Jeera Jan NCDEX	FLAT/CHOPPY	POSITIVE	1.26%	20.0%	NEGATIVE	POSITIVE	POSITIVE	NEGATIVE	POSITIVE	POSITIVE
Turmeric Apr NCDEX	POSITIVE	POSITIVE	1.95%	30.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	#N/A
Dhaniya Jan NCDEX	NEGATIVE	NEGATIVE	1.42%	22.5%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Chana Jan NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.83%	13.2%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Guarseed10 Jan NCDEX	FLAT/CHOPPY	FLAT/CHOPPY	2.43%	38.6%	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Guargum Jan NCDEX	POSITIVE	POSITIVE	2.89%	45.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	NEGATIVE
Soybean Jan NCDEX	NEGATIVE	NEGATIVE	2.65%	42.0%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE
Ref. Soyoil Jan NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.09%	17.2%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
RMseed Jan NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.93%	30.6%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
CPO Dec MCX	NEGATIVE	HIGHLY NEGATIVE	1.11%	17.6%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Castor Jan NCDEX	NEGATIVE	HIGHLY NEGATIVE	1.28%	20.4%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Kapas22 Apr NCDEX	POSITIVE	HIGHLY POSITIVE	1.60%	25.4%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Cotton Dec MCX	POSITIVE	POSITIVE	1.38%	21.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	NEGATIVE	POSITIVE
Cocudakl Jan NCDEX	POSITIVE	HIGHLY POSITIVE	1.25%	19.9%	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Wheat Jan NCDEX	NEGATIVE	HIGHLY NEGATIVE	0.39%	6.1%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Barley Jan NCDEX	NEGATIVE	POSITIVE	0.33%	5.3%	NEGATIVE	NEGATIVE	POSITIVE	POSITIVE	POSITIVE	POSITIVE
Menthaoil Dec MCX	NEGATIVE	HIGHLY NEGATIVE	0.58%	9.2%	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE	NEGATIVE
Rubber Jan MCX	NEGATIVE	NEGATIVE	1.31%	20.8%	NEGATIVE	NEGATIVE	NEGATIVE	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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