

# AGRI PICKS

A Daily Report on Agriculture Commodities  
Friday, August 12, 2022



## MARKET UPDATE

| Commodity       | Exchange | Open   | High  | Low   | Close  | %Chg  | Volume |
|-----------------|----------|--------|-------|-------|--------|-------|--------|
| JEERAUNJHA AUG2 | NCDEX    | 23460  | 23570 | 23235 | 23360  | -0.30 | 2211   |
| JEERAUNJHA SEP2 | NCDEX    | 24040  | 24140 | 23850 | 24030  | -0.60 | 2604   |
| DHANIYA AUG2    | NCDEX    | 11292  | 11360 | 11232 | 11332  | 0.69  | 245    |
| DHANIYA SEP2    | NCDEX    | 11338  | 11468 | 11300 | 11400  | 0.51  | 1095   |
| TMCFGRNZM AUG2  | NCDEX    | 6806   | 6986  | 6806  | 6874   | -2.11 | 165    |
| TMCFGRNZM SEP2  | NCDEX    | 7200   | 7258  | 7114  | 7158   | -1.24 | 2165   |
| COTTON AUG2     | MCX      | 49000  | 49210 | 48510 | 49100  | 0.41  | 135    |
| COTTON OCT2     | MCX      | 40100  | 40480 | 39700 | 40090  | 0.50  | 66     |
| KAPAS APR3      | NCDEX    | 1693.5 | 1705  | 1681  | 1702.5 | 1.12  | 242    |
| COCUDAKL AUG2   | NCDEX    | 2607   | 2625  | 2545  | 2573   | -0.27 | 7730   |
| COCUDAKL SEP2   | NCDEX    | 2698   | 2714  | 2673  | 2683   | 0.15  | 16580  |
| GUARSEED10 AUG2 | NCDEX    | 4718   | 4800  | 4681  | 4703   | -0.17 | 12325  |
| GUARSEED10 SEP2 | NCDEX    | 4758   | 4790  | 4730  | 4745   | -0.36 | 19390  |
| GUARGUM5 AUG2   | NCDEX    | 8240   | 8320  | 8199  | 8236   | -0.37 | 3660   |
| GUARGUM5 SEP2   | NCDEX    | 8382   | 8435  | 8280  | 8358   | -0.10 | 10780  |
| GUAREX AUG2     | NCDEX    | 5987   | 5987  | 5836  | 5923   | -0.72 | 4      |
| CASTORSEED AUG2 | NCDEX    | 7192   | 7550  | 7192  | 7298   | 0.52  | 1670   |
| CASTORSEED SEP2 | NCDEX    | 7300   | 7390  | 7236  | 7368   | 0.57  | 4500   |
| RUBBER AUG2     | MCX      | -      | -     | -     | -      | -     | -      |
| RUBBER SEP2     | MCX      | -      | -     | -     | -      | -     | -      |

## TODAY'S PICKS

SPICES COMPLEX

Market Buzz

- Mixed sentiments were witnessed in NCDEX spices complex on Thursday. Turmeric future continued declining and plunged to 10-month lows on tepid demand, while jeera and coriander futures were held in thin ranges.
- As per Andhra Pradesh agricultural department, as on 27th July Turmeric sowing activity completed around 7,958 hectares as compared to last year same period 7,764 hectares.
- According to fourth advanced estimates by Gujarat government, jeera production is seen fall by 44.5 per cent to 221500 tonnes in 2021-22 on yoy basis, while that of coriander is seen at 208090 tonnes, down by 5.9 per cent during the same time period.
- The National Commodity & Derivatives Exchange has received approval from the Securities and Exchange Board of India to launch options in goods contracts on turmeric, jeera and coriander, it said in a circular. The options in goods contract on the three commodities expiring in Aug-Nov will be available for trading from 15 July. The transaction charge will be 30 rupees per 100,000 rupees of premium value. As per the contract specifications, the trading and delivery unit for turmeric and coriander is 5 tn each, while for jeera it is 3 tn. The options contract will be launched a day after the futures contract with the same underlying is launched. Upon the expiry of the contract, the outstanding open position shall result in compulsory delivery. The final settlement price and the expiry date are the same as the corresponding futures contract.
- Govt. sees spices output in 2021-22 at 10.9 million tonnes vs 10.8 million tonnes.
- The export of spices from India during 2021-22 declined nearly 13 per cent on year to 1,531,154 ton, according to data from the Spices Board India. In terms of value, exports dipped by about 1.25 per cent to 3,057,644.24 rupees. Export of chilli, turmeric, jeera, coriander, fenugreek declined, while that of pepper, cardamom, ginger and fennel rose.
- India exported 153,154 ton of turmeric in in FY 2021-22, down 16.70% on year. Coriander exports were down 15.16% on year at 48,658-ton, data showed.
- The exports of jeera during declined 27.28% on year to 216,996 ton. Export of small cardamom jumped by 63 per cent to 10,572 ton year on, while that of pepper rose 9.5 per cent.

TECHNICAL VIEW

|                                      |  |   |
|--------------------------------------|--|---|
| <p><b>JEERA<br/>NCDEX SEP</b></p>    | <p>May vary inside 23800-24350 ranges and a voluminous break from either the sides of the range may lend fresh direction for the day.</p>                |  |
| <p><b>DHANIYA<br/>NCDEX SEP</b></p>  | <p>Pullbacks to 11530-11580 ranges may not be ruled out. A direct fall below 11250 accompanied by considerable volume may see weakness intensifying.</p> |  |
| <p><b>TURMERIC<br/>NCDEX SEP</b></p> | <p>Higher level selling likely unless 7400 ranges is breached convincingly upside.</p>   |  |

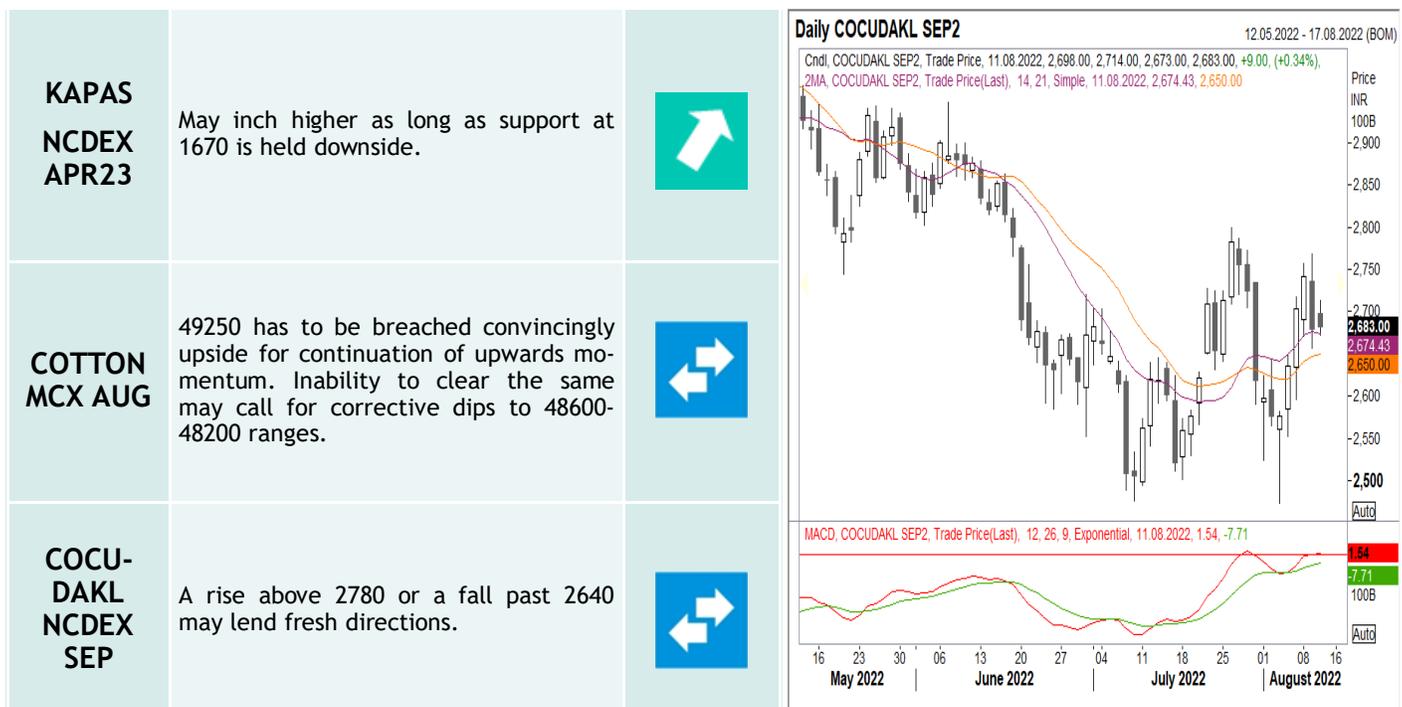


COTTON COMPLEX

Market Buzz

- The area under cotton across the country in the 2022-23 (Jul-Jun) season was over 12.1 mln ha as of Thursday, up 6.7% from a year ago, data from the farm ministry showed. Sowing has been completed in the northern states and the acreage in Haryana, the top producer in north India, fell 5.5% on year to 650,500 ha. In Punjab, it fell 2.4% on year to 248,000 ha. Inadequate power supply for irrigation and non-availability of canal water during the initial sowing stage led to a drop in acreage in the northern states, experts said. In Gujarat, acreage rose to 2.5 mln ha, against 2.2 mln ha a year ago. In Maharashtra, the area under the crop increased 7.7% on year to 4.2 mln ha, while in Telangana, it fell 8.9% to 1.8 mln ha. The area under cotton is expected to increase this year, primarily due to lucrative returns and forecast of a normal southwest monsoon, market experts said. Sowing of the fibre crop in irrigated areas of north India typically starts in late April. It begins in June in the country's rain-fed regions. Around 70% of cotton acreage in India is dependent on monsoon rainfall. Gujarat is the top producer of cotton in India, followed by Maharashtra and Telangana. Together, Gujarat and Maharashtra account for 50-55% of the country's total production.
- The government has taken many steps to counter the recent hike in cotton prices and so "there is no proposal at present to remove cotton from the Multi Commodity Exchange of India," Minister of State for Finance Pankaj Chaudhary said in response to a question in the Lok Sabha today. Cotton and cotton yarn prices are dependent on demand and supply and international prices. Recently, an overall upward trend has been observed in cotton and cotton yarn prices with some fluctuations, he said. Domestic cotton prices have risen nearly 50% this year due to tight supply. A rise in domestic mill consumption and a sharp decline in production have led to a drop in ending stock estimates, market participants said. Cotton production is likely to drop to 31.5 mln bales in the current crop year ending June compared with 35.2 mln bales in 2020-21, according to the third advance estimate by the farm ministry. In July, the government extended the exemption of basic customs duty and the agriculture infrastructure and development cess on the import of raw cotton by a month till Oct 31. The extension of dutyfree import of cotton is expected to benefit the country's textile, fabric and garments industry, while also providing relief to consumers. Further, the Ministry of Textile has formed a Textile Advisory Group, an informal body to deliberate and recommend suitable measures on issues pertaining to the entire cotton value chain. This advisory group constantly engages with various stakeholders across the cotton value chain, which includes MCX, on the issues of cotton and cotton yarn prices. MCX recently increased the additional margin on August cotton contract to 11% from 6% earlier. Further, the daily price limit for August contract has been narrowed to 2%.
- The Multi Commodity Exchange of India has increased additional margin on August cotton contract to 11% from 6% at present, the exchange said in a circular. The increase in additional margin, to check price volatility, will be effective Monday. The bourse has also revised the daily price limit for August contract, effective Monday. "The Daily Price Limits for cotton August expiry futures contract will be narrowed to 2% with no further relaxation in the daily price limit thereafter," the exchange said. However, there will be no change in daily price limit in other contracts of cotton, which is the new season contract from October onwards, it said.
- UK-based Cotton Outlook has revised downward its estimate for global cotton production in 2022-23 (Aug-Jul) by 624,000 tn to 25.7 mln tn, the agency said in a report. The revision has been made as production in the US and Brazil is expected to be lower. Production in the US is seen lower due to severe drought, which is likely to affect the yield. Texas is the largest cotton-producing state in the US. Production in the US is seen at 3.1 mln tn compared with 3.5 mln tn projected in June. Production of cotton in India and China is seen steady at 6.0 mln tn and 5.8 mln tn, respectively. The agency has also lowered its estimate for global consumption in 2022-23 by 150,000 tn to 25.0 mln tn due to a fall in demand from Vietnam.

TECHNICAL VIEW



OTHERS

Market Buzz

- The National Commodity and Derivatives Exchange today said it has advanced the expiry of August castor contract to Aug 17 from Aug 18, "on account of closure of the physical market at the basis centre, Deesa on Aug 18." Deesa in Gujarat is the main delivery centre for castor contracts on the NCDEX. Accordingly, the staggered delivery period shall commence from Aug 10, the bourse said in a circular. Agriculture and Agri-Food Canada has revised its production estimate downwards for masur in 2022-23 (Aug-Jul) to 2.46 mln tn, 16.3% lower than last month's forecast, due to a likely decrease in sowing area, it said in a report for July.
- Canada's farm agency projected acreage of masur in 2022-23 at 1.75 mln ha, 8.2% lower than the previous month's outlook. Agriculture and Agri-Food Canada is a Canadian government agency responsible for policies governing the production, processing, and marketing of all farm, food, and agri-based products. Similarly, output of dry peas is pegged lower at 3.30 mln tn in 2022-23 from 3.50 mln tn projected in June, as producers across the country are likely to decrease the sowing area. Acreage of dry peas in 2022-23 is estimated at 1.36 mln ha, 16.9% lower than last month's outlook, the report said. Production of dry beans is also seen decreasing 12.3% at 285,000 mln tn in 2022-23, while that of chana is predicted to rise 1.8% to 112,000 mln tn due to improved yields, according to the report.
- 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.
- According to the Rajasthan State Agriculture dept., as of 5 August 2022, area under guar stood at 2971.56 thousand hectares, 118.86 per cent of the targeted 2500 thousand hectares. Last year, during the same time period farmers had sown 1701.29 thousand hectares.
- India's Guar gum exports increased in the month of June'2022 by 5.36% to 29,236 MT compared to 27,748 MT during previous month. However, the gum shipments were up by 56.28% in June'2022 compared to the same period last year. Out of the total exported quantity, around 7971 MT (27.27%) bought by US, Russia bought 3,905 MT (13.36%), China 3,681 MT (12.59%), Germany 3,112 MT (10.64%). Export demand was driven by bullish crude oil prices. We expect Guar export in July'22 at 25,000-28,000 tonnes. India's Guar split exports increased in the month of June'2022 by 61% to 8,620 MT as compared to 5,347 MT previous month. However, the Guar split shipments down by 4.39% in June'22 compared to the same period last year. Out of the total exports, around 7,300 MT (84.69%) bought by China, US 860 MT (9.98%).

TECHNICAL VIEW

|                           |   |   |
|---------------------------|---|---|
| <b>CASTOR NCDEX SEP</b>   | A voluminous rise above 7400 required for upward momentum. Else, sideways to weak trades may be expected. |  |
| <b>GUARSEED NCDEX SEP</b> | While there prevails weakness, pullbacks to 4800-4850 ranges may not be ruled out.                        |  |
| <b>GUARGUM NCDEX SEP</b>  | Pullbacks to 8440/8560 ranges may not be ruled out even as the trend stays weak.                          |  |
| <b>RUBBER MCX AUG</b>     | Choppy moves expected.  |  |



## OIL AND OILSEEDS

## Market Buzz

- India's soymeal exports in July rose 3.4% on year to 30,000 tn, the Soybean Processors Association of India said. For Oct-Jul, soymeal exports plunged to 586,000 tn from 1.9 mln tn in the year-ago period. Soymeal is primarily used as poultry and livestock feed. Indian soymeal is non-genetically modified and considered rich in protein. In July, production of soymeal rose to 599,000 tn from 479,000 tn a year ago, while the output for Oct-Jul was at 5.39 mln tn, down from 6.98 mln tn in the year-ago period, SOPA said. Soybean arrivals in spot markets totalled 700,000 tn in July, up from 500,000 tn a year ago. However, during Oct-July, arrivals fell to 8.20 mln tn from 9.03 mln tn in the year-ago period. By the end of July, mills, traders, and farmers were left with around 4.05 mln tn of soybean stock, the association said.
- Malaysia's crude palm oil output rose 1.8% on month to 1.6 mln tn in July, data from the Malaysian Palm Oil Board showed. Export of palm oil in July rose 10.7% on month to 1.3 mln tn, while outbound shipments of biodiesel declined 39.2% on month to 14,401 tn, the data showed. Palm oil is used to manufacture biofuel. The total stocks of palm oil in the country rose 7.7% on month to 1.8 mln tn as of Jul 31. Malaysia is the world's second-largest producer of crude palm oil, and India is the largest consumer of edible oils in the world.
- India's 2022-23 (Jul-Jun) kharif acreage so far fell 3% from a year ago to 90.8 mln ha, the farm ministry's data showed. This was mainly due to a decline in sowing of key crops such as rice, maize and pulses. The acreage under oilseeds was 17.5 mln ha as of today, compared with 17.4 mln ha a year ago. The area under pulses was at 11.6 mln ha against 11.9 mln ha for the same period a year ago. Farmers have sown soybean across 11.8 mln ha this kharif season as of last Friday, up 2.1% from a year ago, the latest data from the farm ministry showed. Soybean acreage in Madhya Pradesh, the country's top producer, fell 3.6% on year to 5.0 mln ha, while in Maharashtra, the second-biggest producer, acreage rose 5.9% to 4.7 mln ha. The acreage rose 12.9% to 1.13 mln ha in Rajasthan, data showed.
- The Punjab state government will launch a 'yellow revolution' to boost production of mustard seeds, Jitendra Jorwal, deputy commissioner of the state's Sangrur district, said at an event. The state had organised a meeting of farmers at Sangrur on Saturday to encourage them to diversify from wheat to mustard in the coming rabi season. "Punjab farmers shall diversify crops like mustard from wheat, that will provide double benefits of water conservation and financial support," Jorwal said. Farmers could avail additional financial benefits by registering on modern farms and switching to mustard crop plantation, he said. The 'yellow revolution' would start from Sangrur district and gradually cover the entire state. Through this, the country could save 1.5 trln rupees, which is spent on importing edible oils annually, Ricela Group Chairman A.R. Sharma said. So far, over 200 farmers from Sangrur district have shown interest in joining the mustard mission. A similar project has been launched in Rajasthan and Madhya Pradesh with the help of the Solvent Extractors' Association of India and Solidaridad.
- China's securities regulator has approved trading of soybean and soyoil options on the Dalian Commodity Exchange, it said on Friday. Options trading for the Dalian exchange's soybean contracts and its soyoil contract will begin on Aug. 8, the China Securities Regulatory Commission (CSRC) said in a statement. This adds to the exchange's existing agriculture products options such as soybean meal, corn and palm olein. The Dalian exchange also has options for other contracts such as iron ore and liquefied petroleum gas. China is the world's top importer of soybeans and largest consumer of various raw materials.
- The government had on Jul 15 issued guidelines to prevent misdeclaration of net quantity of edible oil by manufacturers, packers and importers and to ensure packaging standards, a notification by the Ministry of Consumer Affairs, Food and Public Distribution said. The guidelines have been issued after the Solvent Extractors' Association of India had brought to the ministry's notice how some edible oil companies were packing oil in 1 ltr bottles or pouches at higher temperature and hence offering lesser quantity to consumers. The edible oil companies have also been told to avoid declaring temperature to protect the interest of the consumers as consumers could be fooled when the packaging mentions higher temperature. Manufacturers of Vanaspati, ghee, butter oil and non-edible vegetable oils will also have to mention the volume or weight of the content in the package, the notification said.
- According to the government's third advance estimate for 2021-22 (Jul-Jun), soybean production has been estimated at 13.83 mln tn. India's vegetable oil imports in May fell 15% on year to 1.1 mln tn, The Solvent Extractors' Association of India said. The fall in imports was primarily due to supply constraints in the wake of the Russia-Ukraine geopolitical tension. However, the imports are likely to improve in the near term, with Indonesia lifting the export ban on palm oil from May 23. During Nov-May, imports of vegetable oil were at 7.8 mln tn, as against 7.7 mln tn a year ago. The vegetable oil basket consists of edible and non-edible oils. Edible oil imports were at 1.0 mln tn in May, against 1.2 mln tn a year ago. However, for Nov-May, these imports were at 7.55 mln tn, as against 7.48 mln tn in the year-ago period. In May, about 409,027 tn of crude palm oil was imported, against 755,633 tn during the same month last year. As of Jun 1, about 484,000 tn of edible oil was at ports, against 570,000 tn a year ago, while 1.8 mln tn was in the pipeline, against 1.4 mln tn during the same period last year.
- The US Department of Agriculture in its June report has projected global oilseed output for 2022-23 (May-Apr) to fall marginally to 646.8 mln tn from 647.2 mln tn estimated the previous month. The agency attributed the fall in output to projection of lower sunflower seed crop in Ukraine. However, soybean production estimate has been raised for Ukraine based on reports of progress of planting, while mustard seed output has been raised for Australia on the back of higher harvested area, both of which cushioned a sharp fall in global production outlook. The agency has projected global soybean output to rise by 680,000 tn to 395.4 mln tn. Brazil's 2022-23 soybean crop is estimated at a record 149 mln tn, and Argentina's crop is seen at 51 mln tn, unchanged from the May estimates. The agency has scaled up its estimate for global ending stocks for 2022-23 to 100.5 mln tn, up from 99.6 mln tn estimated in May. Estimate for global soyoil production for 2022-23 has also been revised upwards to 61.5 mln tn from 61.4 mln tn projected in the previous month. The department projected global soymeal output for 2022-23 at 256.9 mln tn, up from 256.5 mln tn last month. The estimate for global exports of soymeal in 2022-23 is higher at 70.1 mln tn, compared with 69.8 mln tn projected in May, it said. Soymeal is a derivative of soybean, manufactured by crushing the oilseed, and is mainly used in producing poultry feed.
- The government has allowed import of 2 mln tn of crude soyoil and crude sunflower oil per year each at nil duty under the tariff rate quota, the finance ministry said in a release. Imports made against the tariff rate quota will be effective from Wednesday till Mar 31, 2024.
- The Centre has extended stockholding limits on edible oils and oilseeds by six months till Dec 31 in a bid to check hoarding and check prices of the commodities in domestic markets, a government release said. In February, the Centre had imposed stockholding limits till Jun 30.
- India's mustard seed production in the crop year 2021-22 (Jul-Jun) is seen 29% higher at an all-time high of 10.95 mln tn, the Central Organisation for Oil Industry & Trade said in a release. In the previous year, mustard seed production was at 8.5 mln tn, according to the release. The area under has been pegged at 8.7 mln ha, and the average yield is estimated at 1.3 tn per ha.
- With the shortage of edible oil supply from imports due to the crisis in Ukraine, the Soybean Processors Association of India has recommended measures to augment the supply and cool down prices. The agency estimates a shortfall of edible oil supply from imports due to the war of approximately 200,000 tn a month of sunflower oil, it said in a note.
- The National Commodity & Derivatives Exchange will launch future contracts in refined castor oil on Mar 21, the bourse said in a circular. According to the contract specification the commodity will have trading unit of 2 tn, with the maximum order size of 200 tn. The contract will be settled in cash. The open interest threshold level to attract concentration margin in the commodity will be 17,900 tn.

## TECHNICAL LEVELS

| Commodity       | Exchange | Open*  | High*  | Low*   | Close* | S3    | S2    | S1    | Pivot | R1    | R2    | R3    |
|-----------------|----------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|
| JEERAUNJHA SEP2 | NCDEX    | 24040  | 24140  | 23850  | 24030  | 23583 | 23717 | 23873 | 24007 | 24163 | 24297 | 24453 |
| TMCFGRNZM SEP2  | NCDEX    | 7200   | 7258   | 7114   | 7158   | 6951  | 7033  | 7095  | 7177  | 7239  | 7321  | 7383  |
| DHANIYA SEP2    | NCDEX    | 11338  | 11468  | 11300  | 11400  | 11143 | 11221 | 11311 | 11389 | 11479 | 11557 | 11647 |
| CASTORSEED SEP2 | NCDEX    | 7300   | 7390   | 7236   | 7368   | 7119  | 7236  | 7273  | 7331  | 7427  | 7485  | 7581  |
| GUARSEED10 SEP2 | NCDEX    | 4758   | 4790   | 4730   | 4745   | 4660  | 4695  | 4720  | 4755  | 4780  | 4815  | 4840  |
| GUARGUM5 SEP2   | NCDEX    | 8382   | 8435   | 8280   | 8358   | 8125  | 8203  | 8280  | 8358  | 8435  | 8513  | 8590  |
| MENTHAOIL AUG2  | MCX      | 989.0  | 996.7  | 986.3  | 988.5  | 974   | 980   | 984   | 991   | 995   | 1001  | 1005  |
| COCUDAKL SEP2   | NCDEX    | 2698   | 2714   | 2673   | 2683   | 2625  | 2649  | 2666  | 2690  | 2707  | 2731  | 2748  |
| KAPAS APR3      | NCDEX    | 1693.5 | 1705.0 | 1681.0 | 1702.5 | 1663  | 1672  | 1687  | 1696  | 1711  | 1720  | 1735  |
| COTTON AUG2     | MCX      | 49000  | 49210  | 48510  | 49100  | 47970 | 48240 | 48670 | 48940 | 49370 | 49640 | 50070 |
| RUBBER AUG2     | MCX      | -      | -      | -      | -      | -     | -     | -     | -     | -     | -     | -     |

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

## TRADING SIGNALS

| Commodities     | Exchange | Intraday    | Medium term |            | RSI        |          | Volatility |            |
|-----------------|----------|-------------|-------------|------------|------------|----------|------------|------------|
|                 |          | View        | 13 day EMA  | 22 day EMA | Condition  | Trending | 1 day      | Annualised |
| JEERAUNJHA SEP2 | NCDEX    | NEGATIVE    | NEGATIVE    | POSITIVE   | Neutral    | Strong   | 1.33%      | 21.1%      |
| TMCFGRNZM SEP2  | NCDEX    | NEGATIVE    | NEGATIVE    | NEGATIVE   | Oversold   | Strong   | 1.22%      | 19.4%      |
| DHANIYA SEP2    | NCDEX    | FLAT/CHOPPY | NEGATIVE    | NEGATIVE   | Oversold   | Strong   | 1.69%      | 26.8%      |
| GUARSEED10 SEP2 | NCDEX    | NEGATIVE    | NEGATIVE    | NEGATIVE   | Oversold   | Strong   | 1.57%      | 24.9%      |
| GUARGUM5 SEP2   | NCDEX    | NEGATIVE    | NEGATIVE    | NEGATIVE   | Oversold   | Strong   | 1.91%      | 30.4%      |
| CASTORSEED SEP2 | NCDEX    | POSITIVE    | POSITIVE    | POSITIVE   | Neutral    | Strong   | 0.66%      | 10.5%      |
| KAPAS APR3      | NCDEX    | POSITIVE    | POSITIVE    | POSITIVE   | Overbought | Strong   | 0.93%      | 14.8%      |
| COTTON AUG2     | MCX      | POSITIVE    | POSITIVE    | POSITIVE   | Neutral    | Weak     | 3.91%      | 62.1%      |
| COCUDAKL SEP2   | NCDEX    | FLAT/CHOPPY | POSITIVE    | POSITIVE   | Neutral    | Strong   | 1.98%      | 31.4%      |
| MENTHAOIL AUG2  | MCX      | NEGATIVE    | NEGATIVE    | NEGATIVE   | Neutral    | Strong   | 1.09%      | 17.2%      |
| RUBBER AUG2     | MCX      | FLAT/CHOPPY | NEGATIVE    | NEGATIVE   | Oversold   | Strong   | 0.46%      | 7.3%       |

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, Medi-

| 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 |



Strong bias or bullish



Weak bias or bearish



Mild bullish bias



Choppy or Sideways



Mild bearish bias



Choppy with positive note



Choppy with negative note

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