AGRI PICKS

A Daily Report on Agriculture Commodities

31 Jul 2024

MARKET NEWS/UPDATES

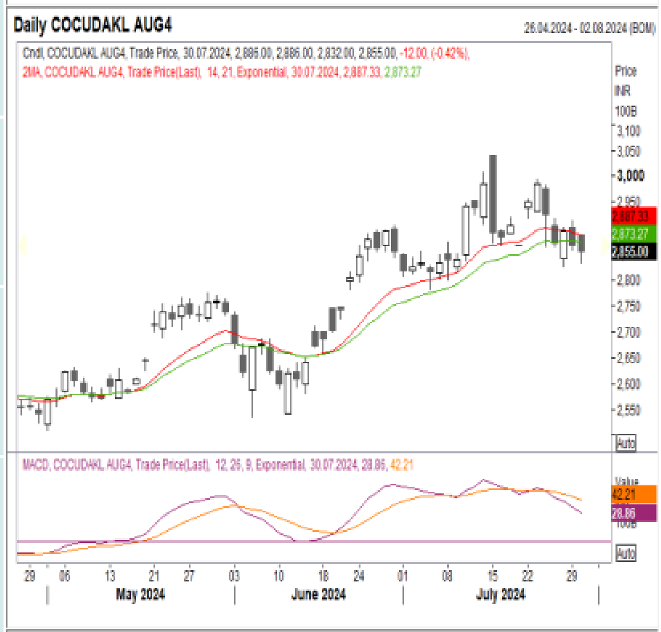
- The Cotton Association of India today said it has retained the country's production estimate for 2023-24 (Oct-Sep) at 31.8 mln bales (1 bale = 170 kg). The association updates its estimates almost every month, based on information received from its members in 11 cotton-growing states and other trade sources. Cotton production in the north zone, which comprises Punjab, Haryana, and Rajasthan, is estimated at 4.6 mln bales, up 300,000 bales from last year, the association said in a press release. As of Jun 30, the region had produced 4.5 mln bales of cotton. The estimate for the central zone, which comprises Gujarat, Maharashtra, and Madhya Pradesh, is 19.3 mln bales, down from 19.5 mln bales last year. As of Jun 30, 18.9 mln bales of cotton had been produced in this zone. The estimate for the south zone is 7.3 mln bales compared to 7.5 mln bales last year. The zone has produced 6.7 mln bales of cotton as of Jun 30. Other states account for rest of the output. The opening stock for the season starting October was estimated at 2.9 mln bales, the association said. The total supply of cotton for the 2023-24 season is estimated at 36.3 mln bales, up from 35.5 mln bales a year ago. The association has estimated imports in 2023-24 at 1.64 mln bales, higher than the 1.25 mln bales imported in 2022-23. The association has estimated domestic demand in 2023-24 at 31.7 mln bales, up from 31.1 mln bales the previous year. It has pegged exports at 2.6 mln bales, up from 1.6 mln bales in the previous cotton season. Consumption till Jun 30 is estimated at 24 mln bales.

- Farmers across the country have sown kharif crops over 81.2 mln ha as of today, up 2.3% from a year ago, data from the farm ministry showed. The sowing of kharif crops has begun well as the Southwest monsoon rainfall has picked up after a slow start. The forecast of above-normal rainfall this season has boosted the acreage of key crops such as pulses and oilseeds from the previous year. The area under paddy, one of the main kharif crops, was tad down 0.2% on year at 21.6 mln ha as of today. The acreage under pulses was 10.2 mln ha as of today, up from 8.9 mln ha a year ago. Within pulses, acreage under tur surged 34% to 3.8 mln ha from 2.9 mln ha a year ago, the ministry data showed. The sharp increase in tur acreage is mainly due to the early onset of the monsoon in top tur-producing states such as Karnataka. During the last kharif season, the sowing of kharif crops was delayed due to erratic monsoon. This also weighed on production of tur and maize and delayed the sowing of rabi crops as well. However, the forecast of an above-normal Southwest monsoon this year by the India Meteorological Department bodes well for the agricultural sector as most kharif crops are heavily reliant on rainfall. Staggered withdrawal of the monsoon would benefit kharif crops and improve the soil moisture for the rabi season too. Last month, the government raised the minimum support prices of key kharif crops to encourage farmers to sow more pulses and oilseeds. It increased the minimum support prices of 14 key kharif crops by 1.4-12.7% for the 2024-25 marketing season (Oct-Sep). The minimum support price of tur has been increased by nearly 8% to 7,550 rupees per 100 kg for the upcoming season, and that of urad has been raised by 6.5% to 7,400 rupees per 100 kg. The area under oilseeds was 17.2 mln ha as of today, up 3.8% from the corresponding period a year ago. Soybean acreage rose 4.1% on year to 12.2 mln ha. The acreage under cotton was at 10.6 mln ha, down 6.9% from a year ago. Last week, cotton acreage was down 3.4% from a year ago. The higher acreage under kharif crops is likely to help the government keep food inflation in check. India's CPI food price inflation was 9.36% in June, higher from 8.69% in May, the latest data by the National Statistical Office showed. The acreage under maize was up 13.6% on year at 7.9 mln ha as of today. The acreage under coarse cereals turned positive this week and was up 5% on year at 15.3 mln ha. The area under millets such as bajra was significantly lower than a year ago. The area under bajra fell 6.8% to 5.6 mln ha from 6.1 mln ha a year ago. Jowar has been sown over 1.2 mln ha so far, against 1.1 mln ha a year ago, the data showed.

- Water level in 150 key reservoirs of the country as of Thursday was 69.27 bcm, 39% of the total live storage capacity of 178.784 bcm, according to data from the Central Water Commission. The current water storage is down 18% from a year ago and 4% from the average of the past 10 years. In the northern region, the water level in the reservoirs was 5.786 bcm, 29% of the live storage capacity compared with 75% a year ago. In the eastern region, the water level was 5.630 bcm, 28% of the live storage capacity against 26% a year ago. In the western region, the water level was 15.274 bcm, 41% of the live storage capacity against 54% a year ago. In the central region, the water level was 16.042 bcm, 33% of the live storage capacity. A year ago, the level was 52% of the live storage capacity. In the southern region, the water level was 26.538 bcm, 50% of the live storage capacity compared with 35% a year ago. The water level in reservoirs in Assam, Jharkhand, West Bengal, Tripura, Nagaland, Karnataka, Kerala and Tamil Nadu was higher in percentage terms compared with the same period last year. However, those in Rajasthan, Bihar, Himachal Pradesh, Punjab, Madhya Pradesh, Gujarat, Maharashtra, Uttar Pradesh, Uttarakhand, Chhattisgarh, Telangana and Andhra Pradesh were down from last year. The water level in reservoirs in Odisha was the same as last year. Of the 150 reservoirs, 106 reported more than 80% of normal storage, while 44 reported 80% or lower of normal storage levels. Of the 44 reservoirs, 18 had storage up to only 50% of the normal level. Since Jun 1, India has received 399.2 mm of rainfall, 2% above the normal of 389.7 mm for the period, according to the India Meteorological Department.

TECHNICAL VIEW

JEERA NCDEX AUG	Choppy moves expected. A direct voluminous fall past 25900 may intensify weakness.
DHANIYA NCDEX AUG	May vary inside 7100-7400 ranges.
TURMERIC NCDEX AUG	May vary inside 15000-16500 ranges.
COCUDAKL NCDEX AUG	May trade sideways to weak unless 2925 is breached convincingly upside.
KAPAS NCDEX APR25	May tick higher. However, a voluminous rise above 1596 is required for the sentiments to improve. A direct fall below 1575 may call for more downside correction.
COTTON CANDY MCX SEP	Choppy moves expected.
CASTOR NCDEX AUG	Unless 6240 is breached convincingly upside, may trade sideways to weak.
GUARSEED NCDEX AUG	May vary inside 5300-5580 ranges.
GUARGUM NCDEX AUG	May vary inside 10970-10580 ranges.
SUNOIL NCDEX AUG	Choppy moves with weak bias expected.



TECHNICAL LEVELS

Commodity	Exchange	Open*	High*	Low*	LTP*	S3	S2	S1	Pivot	R1	R2	R3
JEERAUNJHA AUG4	NCDEX	26310	27150	26220	26790	25360	25790	26290	26720	27220	27650	28150
TMCFGRNZM AUG4	NCDEX	15562	15788	14970	15542	14261	14615	15079	15433	15897	16251	16715
DHANIYA AUG4	NCDEX	7112	7238	7112	7232	7024	7068	7150	7194	7276	7320	7402
CASTORSEED AUG4	NCDEX	6206	6215	6130	6160	6037	6130	6122	6168	6207	6253	6292
GUARSEED10 AUG4	NCDEX	5463	5513	5440	5479	5369	5404	5442	5477	5515	5550	5588
GUARGUM5 AUG4	NCDEX	10760	10849	10405	10780	10063	10234	10507	10678	10951	11122	11395
MENTHAOIL AUG4	MCX	962.8	968.7	955.2	958.0	939	947	953	961	966	974	980
COCUDAKL AUG4	NCDEX	2886	2886	2832	2855	2775	2804	2829	2858	2883	2912	2937
KAPAS APR5	NCDEX	1580.5	1587.0	1563.0	1585.5	1546	1555	1570	1579	1594	1603	1618
COTTONCNDY SEP4	MCX	56420	56420	56420	56420	56420	56420	56420	56420	56420	56420	56420
SUNOIL AUG4	NCDEX	908	908	905	906	901	903	904	906	907	909	910

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 AUG4	NCDEX	POSITIVE	POSITIVE	NEGATIVE	Neutral	Strong	1.33%	21.1%
TMCFGRNZM AUG4	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	2.07%	32.9%
DHANIYA AUG4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	1.05%	16.6%
GUARSEED10 AUG4	NCDEX	NEGATIVE	POSITIVE	POSITIVE	Neutral	Strong	0.73%	11.6%
GUARGUM5 AUG4	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Neutral	Strong	1.03%	16.4%
CASTORSEED AUG4	NCDEX	NEGATIVE	POSITIVE	POSITIVE	Neutral	Strong	0.87%	13.7%
KAPAS APR5	NCDEX	POSITIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.51%	8.1%
COTTONCNDY SEP4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	0.57%	9.1%
COCUDAKL AUG4	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	1.47%	23.3%
MENTHAOIL AUG4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	1.17%	18.5%
SUNOIL AUG4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.69%	10.9%

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 Intra-day 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.

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

Source: Informist (Cogencis), Reuters, e-News , NCDEX, MCX, and other International exchanges.

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

GENERAL DISCLOSURES & DISCLAIMERS:

GENERAL DISCLOSURES & DISCLAIMERS:

CERTIFICATION

I, Anu V Pai, an employee of Geojit Financial Services Limited, a public listed Company with Corporate Identification Number (CIN) : L67120KL1994PLC008403 and SEBI Registration Number – Research Entity: INH200000345, having its registered office at 11th Floor, 34/659 – P, Civil Line Road, Padivattom, Kochi - 682024, Kerala, India (hereinafter referred to as "GFSL") and author of this report, hereby certify that all the views expressed in this research report (report) reflect my personal views about any or all of the subject issuer or securities/ commodities.

COMPANY OVERVIEW

Geojit Financial Services Limited, a public listed company, with Corporate Identification Number (CIN): L67120KL1994PLC008403 and SEBI Registration Number – Research Entity: INH200000345, having its registered office at 11th Floor, 34/659 – P, Civil Line Road, Padivattom, Kochi, Kerala, India, 682024 is engaged in the services of retail broking, depository services, portfolio management and marketing investment products including mutual funds, insurance, etc. Geojit Financial Services Limited as a SEBI registered Research Entity, prepares and shares research data and reports periodically with clients, investors, stake holders and public in compliance with Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Research Analysts) Regulations, 2014 and/or any other applicable directives, instructions or guidelines issued by the Regulators from time to time.

DISCLAIMER

This report has been prepared by GFSL and the report & its contents are the exclusive property of GFSL and the recipient cannot tamper with the report or its contents in any manner and the said report, shall in no case, be further distributed to any third party for commercial use, with or without consideration.

GFSL has taken steps to ensure that facts in this report are based on reliable information but cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this report. It is hereby confirmed that wherever GFSL has employed a rating system in this report, the rating system has been clearly defined including the time horizon and benchmarks on which the rating is based.

Descriptions of any Commodity or Commodities mentioned herein are not intended to be complete and this report is not and should not be construed as an offer or solicitation of an offer, to buy or sell any commodity or other financial instruments. GFSL has not taken any steps to ensure that the commodity/(ies) referred to in this report are suitable for any particular investor. This Report is not to be relied upon in substitution for the exercise of independent judgment. Opinions or estimates expressed are current opinions as of the original publication date appearing on this Report and the information, including the opinions and estimates contained herein, are subject to change without notice. GFSL is under no duty to update this report from time to time.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

RISK DISCLOSURE

Geojit Financial Services Limited and/or its Affiliates and its officers, directors and employees including the analyst/ authors shall not be in any way be responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Investors may lose his/her entire investment under certain market conditions so before acting on any advice or recommendation in these material, investors should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. This report does not take into account the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the Commodity/(ies) referred to in this report (including the merits and risks involved). The price, volume and income of the investments referred to in this report may fluctuate and investors may realize losses that may exceed their original capital.

The investments or services contained or referred to in this report may not be suitable for all equally and it is recommended that an independent investment advisor be consulted. In addition, nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to individual circumstances or otherwise constitutes a personal recommendation of GFSL.

REGULATORY DISCLOSURES:

Geojit Financial Services Limited's subsidiaries consists of companies such as Geojit Technologies Private Limited (GTPL- Software Solutions provider), Geojit Credits Private Limited (GCPL- NBFC Services provider), Geojit Techloan Private Limited, Geojit IFSC Limited and Geojit Investments Limited. The Associate Companies of Geojit Financial Services Limited include Barjeel Geojit Financial Services LLC, Aloula Geojit Capital Company, BBK Geojit Securities Co. K. S. C. C and Qurum Business Group Geojit Securities LLC.. In the context of the SEBI Regulations on Research Analysts (2014), Geojit Financial Services Limited affirms that we are a SEBI registered Research Entity and we issue research reports /research analysis etc that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities.

In compliance with the above mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GFSL confirms that:

It/its associates have no financial interest or any other material conflict in relation to the subject Commodity futures covered herein.

Further, the Research Analyst confirms that:

He, his associates and his relatives have no financial interest in the subject Commodity futures covered herein, and they have no other material conflict in the subject Commodity at the time of publication of this report.

2. Disclosures regarding Compensation:

During the past 12 months, GFSL or its Associates have not received any compensation or other benefits from any entity/ third party in connection with the Commodity futures mentioned in this report.

3. Disclosure regarding the Research Analyst's connection with the Commodity futures:

It is affirmed that I, Anu V Pai, employed as Research Analyst by GFSL and engaged in the preparation of this report have no substantial ownership or financial interest over any Commodity futures mentioned in the report.

4. Disclosure regarding Market Making activity:

Neither GFSL nor its Research Analysts have engaged in market making activities for the subject Commodity futures.

In case you have any grievance, please contact the below mentioned:

Compliance Officer

Ms. Indu K.
Geojit Financial Services Limited,
34/659 P, Civil Lane Road, Padivattom, Kochi – 682 024
Tele: 0484 2901367
Fax: 0484 2979695
Email: indu_k@geojit.com

Grievance Officer

Mr Nitin K .
Geojit Financial Services Limited,
34/659 P, Civil Lane Road, Padivattom, Kochi – 682024
Tele: 0484-2901363
Email : grievances@geojit.com

STANDARD WARNING

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

ANU V PAI Digitally signed by ANU V PAI
Date: 2024.07.30
17:32:53 +05'30'