

## MARKET NEWS/UPDATES

- India's vegetable oil imports rose sharply by 33% on year to 1.9 mln tn in August from 1.4 mln tn in the corresponding period last year, the Solvent Extractors' Association of India said. Vegetable oil imports in the first ten months of the oil year beginning November were at 14.1 mln tn as against 11.4 mln tn a year ago, marking a rise of nearly 24%. Meanwhile, edible oil imports for these ten months were at 14.0 mln tn as against 11.1 mln tn a year ago. The vegetable oil basket consists of edible and non-edible oils. The edible oil import basket comprises crude and refined palm oils, crude soyoil, and sunflower oil. India imports palm oil from Indonesia and Malaysia, and soyoil from Argentina. Sunflower oil is imported from Ukraine and Russia. India is the world's largest importer of edible oils. As of Sep 1, about 1.5 mln tn of edible oil was at the ports as against 611,000 tn a year ago. Around 2.3 mln tn was in the pipeline as against 1.8 mln tn in the same period last year, the Solvent Extractors' Association of India said.
- Farmers have sown soybean across 12.24 mln ha so far this kharif season, up 7% from last year, according to a survey by the Soybean Processors Association of India. According to the agriculture ministry, soybean acreage so far this season is 12.54 mln ha. In Madhya Pradesh, the largest producer of the oilseed in the country, soybean acreage is at 5.3 mln ha. Acreage in the second-largest grower, Maharashtra, is at 4.8 mln ha, data provided by SOPA showed. "Overall crop condition is normal, and we do not see big damage to the crop as of now," SOPA said. However, long dry spells over about 15% of the total area may hit yield due to small grain size and poor pod formation, it said. Since Jun 1, the country has received 713.9 mm rainfall so far, 10% below the normal of 790.1 mm, data from the India Meteorological Department showed. "The arrival of new soybean crop this year is likely to be delayed by 10-15 days, as compared to last year," it said. The government has pegged total oilseed output in 2022-23 (Nov-Oct) at 41.0 mln tn, against 38.0 mln tn the previous year.
- The US Department of Agriculture expects global cotton production in 2023-24 (Aug-Jul) to fall by 1.73 mln bales to 112.39 mln bales. The decline is due to a likely drop in production in the US, India, Greece, and Mexico, which will more than offset higher output in Brazil, the report said. "The world cotton projections for 2023-24 include lower beginning stocks, production, consumption, trade, and ending stocks in September relative to last month," it said. The agency has projected global cotton consumption to decline by 1.06 mln bales to 115.88 mln bales due to a decline in India, Bangladesh and Vietnam. Consumption in Bangladesh is seen down 300,000 bales at 7.7 mln bales and in Vietnam, it is seen decreasing 100,000 bales to 6.9 mln bales. However, consumption is seen steady in Brazil and Pakistan at 3.3 mln bales and 10.0 mln bales, respectively. Global ending stock is seen lower by 1.6 mln bales at 90.0 mln bales, it said. Production in India is estimated 500,000 bales lower at 25.0 mln bales, but in Brazil it is seen higher by 550,000 bales at 13.8 mln bales. Production in Pakistan is seen steady at 6.50 mln bales. Exports are projected 590,000 bales lower at 43.27 mln bales due to a drop in exports from the US, India, and Australia. The USDA expects cotton exports from India to fall to 2.0 mln bales from 2.2 mln bales. Cotton ending stocks in India are seen steady at 12.0 mln bales in 2023-24, the report said.
- Soybean is a crucial kharif oilseed crop and accounts for around 30% of India's oilseed basket. The US Department of Agriculture has cut its estimate on global oilseed output for 2023-24 (May-Apr) to 660.89 mln tn, down 2.8 mln tn from 663.7 mln tn forecast a month earlier. Production of oilseeds in the US in 2023-24 has been scaled down by 1.8 mln tn to 122.21 mln tn, according to the department's latest report. The department has projected global soybean output at 401.33 mln tn, down 1.5 mln tn from 402.79 mln tn in the earlier forecast. Soybean output of Brazil and Argentina have been projected at a record 163.0 mln tn and 48.0 mln tn, respectively, both unchanged from last month. The department has estimated soybean production in the US at 112.84 mln tn, down 1.6 mln tn from 114.45 mln tn projected last month. Brazil is the world's largest producer of soybean followed by the US and Argentina. "The US season-average soybean price is forecast at \$12.90 per bushel, up \$0.20 from last month. The soybean meal price is unchanged at \$380 per short ton and the soybean oil price is raised 1.0 cent to 63.0 cents per pound," the agency said in its report. The estimate for global soyoil production for 2023-24 has been cut by 0.4 mln tn to 61.61 mln tn from 61.96 mln tn projected in August. The forecast for global soyoil exports in 2023-24, however, has been marginally raised to 11.62 mln tn from 11.61 mln tn. The department projected global soymeal output for 2023-24 at 257.30 mln tn, down 1.4 mln tn from 258.66 mln tn estimated last month. Soymeal is a derivative of soybean, manufactured by crushing the oilseed, and is mainly used in producing poultry feed.
- The area under kharif crops across the country in the 2023-24 (Jul-Jun) season was at 108.9 mln ha as of Friday, compared with 108.8 mln ha a year ago, according to data from the Department of Agriculture and Farmers Welfare. The acreage of paddy, the key grain in the kharif season, was up 3% on year at 40.3 mln ha. Paddy sowing has picked up pace in the last few weeks, aided by rainfall across the country, especially in the east and northeastern parts. Central and south peninsula have also received adequate rainfall since the beginning of September after a poor monsoon in August. The weather department has projected that rainfall in September will be normal at 91-109% of the long-period average, with normal to above-normal precipitation over east and northeast India and some areas of east-central and south peninsular regions. The area under coarse cereals was at 18.2 mln ha, slightly higher than 18.1 mln ha a year ago, ministry data showed. The area under oilseeds was down 1% at 19.1 mln ha, while pulses acreage fell 9% to 12.0 mln ha. Sowing of pulses has taken a hit this season because erratic rainfall in key growing regions made farmers shift to other remunerative crops such as soybean and small millets in hope of better returns. Soybean acreage in the country was 1% higher on year as of today, according to the data. Sowing of cotton fell 1% to 12.5 mln ha as of Friday, the data showed. Meanwhile, acreage under sugarcane was 8% higher at nearly 6 mln ha as of Friday, the data showed. There have been concerns that sugarcane production may suffer in India next season, and there will be shortage of sugar supply from the current season. However, the government has reiterated that the country has sufficient stocks of sugar, which will be enough to meet domestic demand. As for sunflower, sowing this kharif season was lagging by a whopping 65% as of Friday. Major sunflower growing states such as Maharashtra and Karnataka have received deficient precipitation so far this monsoon season, according to data from the India Meteorological Department. This has taken a major toll on sowing of the crop.

TECHNICAL VIEW

Commodity	Analysis	Signal	Daily JEERAUNJHA OCT3
JEERA NCDEX OCT	64100 is the immediate resistance and a voluminous rise above the same may call for 64800 or more. Inability to clear the same may call for dips towards 62400/61500.		
DHANIYA NCDEX OCT	May vary inside 7270-7010 ranges and a voluminous break from either side of the aforementioned range may lend fresh direction.		
TURMERIC NCDEX OCT	Dips to 14600/14400 ranges may not be ruled out before resuming rising.		
COCU-DAKL NCDEX DEC	A voluminous rise above 2730 or a fall past 2680 may lend fresh directions for the day.		
COTTON CANDY MCX NOV	Choppy trades seen.		
KAPAS NCDEX APR24	Unless 1625 is breached convincingly up-side, may trade sideways to weak with support seen at 1598/1585.		
CASTOR NCDEX OCT	Choppy moves inside 6400-6160 ranges expected.		
GUAR-SEED NCDEX OCT	Short covering moves may continue, possibly towards 6210/6280 ranges. However 6325 may act as strong resistance that has to be breached convincingly for continuation of upward momentum.		
GUARGUM NCDEX OCT	Pullbacks to 12620/12800 ranges may not be ruled out. A voluminous rise above 12940 may improve sentiments. Inability to clear the same could call for higher level selling.		

TECHNICAL LEVELS

Commodity	Exchange	Open*	High*	Low*	LTP*	S3	S2	S1	Pivot	R1	R2	R3
JEERAUNJHA OCT3	NCDEX	63170	63905	62670	63300	61443	62057	62678	63292	63913	64527	65148
TMCFGRNZM OCT3	NCDEX	13958	14830	13776	14830	13073	13425	14127	14479	15181	15533	16235
DHANIYA OCT3	NCDEX	7192	7218	7090	7178	6978	7034	7106	7162	7234	7290	7362
CASTORSEED OCT3	NCDEX	6324	6324	6266	6300	6211	6266	6269	6297	6327	6355	6385
GUARSEED10 OCT3	NCDEX	6179	6197	6060	6181	5958	6009	6095	6146	6232	6283	6369
GUARGUM5 OCT3	NCDEX	12490	12550	12227	12530	11998	12113	12321	12436	12644	12759	12967
MENTHAOIL SEP3	MCX	925.0	937.9	918.0	936.0	903	911	923	931	943	951	963
COCUDAKL DEC3	NCDEX	2721	2721	2685	2704	2650	2667	2686	2703	2722	2739	2758
KAPAS APR4	NCDEX	1605.0	1610.0	1595.5	1606.0	1583	1589	1598	1604	1612	1618	1627
COTTONCNDY NOV3	MCX	61100	61100	60800	60800	60400	60600	60700	60900	61000	61200	61300

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 OCT3	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Weak	2.35%	37.3%
TMCFGRNZM OCT3	NCDEX	POSITIVE	POSITIVE	NEGATIVE	Neutral	Strong	3.38%	53.7%
DHANIYA OCT3	NCDEX	POSITIVE	POSITIVE	NEGATIVE	Neutral	Strong	1.18%	18.8%
GUARSEED10 OCT3	NCDEX	FLAT/CHOPPY	NEGATIVE	NEGATIVE	Neutral	Strong	2.21%	35.1%
GUARGUM5 OCT3	NCDEX	FLAT/CHOPPY	NEGATIVE	NEGATIVE	Neutral	Strong	2.46%	39.0%
CASTORSEED OCT3	NCDEX	NEGATIVE	NEGATIVE	POSITIVE	Neutral	Strong	0.63%	10.1%
KAPAS APR4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Strong	0.84%	13.3%
COTTONCNDY NOV3	MCX	NEGATIVE	NEGATIVE	POSITIVE	Neutral	Weak	0.70%	11.1%
COCUDAKL DEC3	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Overbought	Strong	1.95%	30.9%
MENTHAOIL SEP3	MCX	POSITIVE	NEGATIVE	NEGATIVE	Neutral	Strong	2.20%	34.9%

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 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.

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

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



Strong bias or bullish



Weak bias or bearish



Mild bullish bias



Mild bearish bias



Choppy or Sideways



Choppy with positive note



Choppy with negative note

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