

MARKET NEWS/UPDATES

- Erratic weather in the crop year 2023-24 (Jul-Jun) has prompted the Department of Food and Public Distribution to relax the uniform specification of wheat for procurement in Rajasthan and Madhya Pradesh for the 2024-25 (Jul-Jun) rabi marketing season. On Tuesday, the Department of Food and Public Distribution wrote to Madhya Pradesh's food, civil supplies and consumer production department announcing the relaxation since the wheat crop was affected due to unseasonal rainfall/hailstorm in the state. A similar letter was sent to Rajasthan's food, civil supplies and consumer affairs department on Monday. The government took this decision as the crop was affected due to lack of rain, early heat wave, and dust storms in the state. The limit of shrivelled and broken grains is relaxed to 20% in Rajasthan and 15% in Madhya Pradesh, without any cut in value. Earlier, this limit was 6% for both the states. The limit for loss of lustre is relaxed to 50% in Madhya Pradesh and 70% in Rajasthan. The department said the limit for damaged and slightly damaged grain should not be more than 6%. "Any deterioration of the quality of wheat stock procured under relaxed norms during storage shall be the sole responsibility of the state government," the letters said.
- India's oilseed production in 2023-24 is estimated at 36.6 mln tn, according to a research paper by India Brand Equity Foundation, a Trust established by the Department of Commerce under the Ministry of Commerce and Industry. Pointing out that India is the fourth-largest oilseeds producer in the world, the paper said the country has 20.8% of the total area under cultivation globally, accounting for 10% of global production. India produces groundnut, soybean, sunflower, sesamum, niger seed, mustard and safflower oilseeds. The major oilseed-producing states are Rajasthan, Madhya Pradesh, Gujarat, Maharashtra, Haryana, Uttar Pradesh, West Bengal, Karnataka, Tamil Nadu, and Telangana. Nearly 72% of the oilseeds area is restricted to rainfed farming done by small farmers, which leads to poor productivity. However, a breakthrough was realised in oilseed production by introducing new crop production technologies and various initiatives like Targeted Rice Fallow Area oilseeds, National Food Security Mission oilseeds, the paper said. The production of oilseeds in India has been growing for the last five years, the report said. In 2022-23, oilseed production was at 41.4 mln tn compared to 38.0 mln tn in 2021-22. The production of oilseeds during 2022-23 was higher by 7.3 mln tn than the average output of 34 mln tn over the past five years, the research paper said. From the year 2015-16 to 2022-23, the compound annual growth rate of oilseed production was 7.3%, it said. During Apr-Feb, India exported oilseed worth \$1.30 bln. In 2022-23, oilseeds worth \$1.33 bln were exported, which was the highest in the last ten years, the paper said.
- Farmers in Gujarat have sown crops across 1.15 mln ha as of Monday, largely unchanged from the corresponding period a year ago, according to data from the state agriculture department. The normal acreage for the season, which is the average of the past three years, is 1.11 mln ha. Bajra, paddy, sesamum, and moong are the main crops grown in the state during the summer. The total area under cereals was 418,589 ha, up from 403,891 ha a year ago. The area under bajra, the key crop grown during summer, fell to 316,038 ha from 317,234 ha a year ago, while paddy was sown over 95,466 ha, up 20% on year. Paddy is the second-largest cereal grown in the state. Pulses grown during the season are urad and moong. The area under pulses was 67,251 ha, up from 67,153 ha a year ago. Moong was sown over 45,751 ha as of today, lower than 47,031 ha in the same period last year. Urad acreage was up at 21,500 ha against 20,122 ha in the same period of the previous year. Groundnut has been sown over 59,960 ha, up from 53,743 ha a year ago, while sesamum acreage fell to 115,237 ha from 123,548 ha. Groundnut and sesamum are the main oilseed crops sown during the season in the state. The area under vegetables was 105,150 ha, higher than 103,558 ha a year ago. Onion acreage fell to 10,865 ha from 11,572 ha a year ago. Sugarcane acreage was up at 10,250 ha against 10,184 ha a year ago, the data showed. Fodder acreage fell to 350,649 ha from 367,836 ha last year, according to the data.
- Food Corp of India, along with state agencies, procured 6.8 mln tn wheat at the minimum support price, as of today, according to the data on the central food grains procurement portal. The government's wheat buying so far is 15% higher than last year's procurement during the same period. During the corresponding period last year, FCI had procured 5.9 mln tn of wheat. The target for wheat procurement in 2024-25 has been set at 30-32 mln tn, against 34.2 mln tn last year. The government has set the minimum support price of wheat at 2,275 rupees per 100 kg. However, to encourage farmers to sell the crop, Madhya Pradesh and Rajasthan have announced a bonus of 125 rupees per 100 kg over and above the minimum support price. Amid depleting wheat stocks with government agencies due to last year's lower wheat crop and large welfare programmes, the Centre has started wheat procurement early in the season and is very ambitious about refilling the stocks. Last year, sales under the open market scheme were at an all-time high and the government also extended the free food grain programme for the next five years. Further, it also started selling wheat flour, atta, at a subsidised rate, which also weighed on the government's wheat stocks. Though the marketing season typically starts on Apr 1, government agencies advanced procurement by a month this season to coincide with the arrival of the crop at mandis. State wheat purchases are underway in Madhya Pradesh, Haryana, Uttar Pradesh, Rajasthan, Punjab, Himachal Pradesh, Uttarakhand, and Bihar. In Madhya Pradesh, the government bought 2.4 mln tn of wheat from 319,693 farmers. In Haryana, the government bought 3.1 mln tn of wheat from 258,644 farmers. The highest procurement of wheat was in Haryana. In Rajasthan, the government bought 134,083 tn wheat from 14,267 farmers. In Bihar, it bought 3,310 tn of food grain from 865 farmers, and 101 tn from 15 farmers in Uttarakhand. In Uttar Pradesh, the government has bought 323,803 tn of grain from 57,459 farmers at the minimum support price. In Himachal Pradesh, the government bought 193 tn of wheat from 37 farmers and in Punjab, 786,700 tn from 62,595 farmers. Procurement is yet to start in Gujarat and Jammu and Kashmir.

TECHNICAL VIEW

Commodity	Analysis	Signal	Chart
<p>JEERA NCDEX MAY</p>	<p>May tick higher. However, an unexpected fall below 22200 may call for downside correction.</p>		
<p>DHANIYA NCDEX MAY</p>	<p>May trade sideways with mild positive bias as long as support at 7400 is held downside.</p>		
<p>TURMERIC NCDEX JUN</p>	<p>Even as there prevails a positive bias, corrective dips to 18900/18600 ranges may not be ruled out.</p>		
<p>COCU-DAKL NCDEX MAY</p>	<p>Unless 2610 is breached convincingly upside, may trade sideways to weak. On the downside, a voluminous fall past 2520 could intensify weakness.</p>		
<p>COTTON CANDY MCX MAY</p>	<p>Choppy moves expected.</p>		
<p>KAPAS NCDEX APR24</p>	<p>Choppy moves expected</p>		
<p>CASTOR NCDEX MAY</p>	<p>Higher level selling likely unless 5910 is breached convincingly upside.</p>		
<p>GUAR-SEED NCDEX MAY</p>	<p>While there prevails a positive bias, dips to 5556/5520 ranges may not be ruled out. However, such moves stretching beyond 5470 may lessen the prevailing positive bias.</p>		
<p>GUARGUM NCDEX MAY</p>	<p>Dips to 11140/11020 ranges may not be ruled out even as there prevails a positive bias.</p>		
<p>SUNOIL NCDEX APR</p>	<p>A rise above 886 or a fall past 860 may lend fresh directional move.</p>		

TECHNICAL LEVELS

Commodity	Exchange	Open*	High*	Low*	LTP*	S3	S2	S1	Pivot	R1	R2	R3
JEERAUNJHA MAY4	NCDEX	22250	22840	22225	22710	21728	21977	22343	22592	22958	23207	23573
TMCFGRNZM JUN4	NCDEX	19810	20174	18980	19150	17501	18241	18695	19435	19889	20629	21083
DHANIYA MAY4	NCDEX	7588	7632	7530	7600	7441	7485	7543	7587	7645	7689	7747
CASTORSEED MAY4	NCDEX	5800	5800	5767	5776	5729	5767	5762	5781	5795	5814	5828
GUARSEED10 MAY4	NCDEX	5508	5634	5475	5597	5344	5410	5503	5569	5662	5728	5821
GUARGUM5 MAY4	NCDEX	10987	11300	10910	11225	10600	10755	10990	11145	11380	11535	11770
MENTHAOIL APR4	MCX	895.0	931.9	892.1	931.9	866	879	905	919	945	958	985
COCUDAKL MAY4	NCDEX	2585	2596	2571	2587	2548	2560	2573	2585	2598	2610	2623
KAPAS APR4	NCDEX	1440.5	1458.0	1440.5	1455.0	1427	1434	1444	1451	1462	1469	1479
COTTONCNDY MAY4	MCX	58540	58780	58500	58740	58287	58393	58567	58673	58847	58953	59127
SUNOIL APR4	NCDEX	870	870	867	870	865	866	868	869	871	872	874

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 MAY4	NCDEX	POSITIVE	NEGATIVE	NEGATIVE	Neutral	Strong	2.68%	42.5%
TMCFGRNZM JUN4	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Overbought	Weak	3.78%	60.1%
DHANIYA MAY4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	1.28%	20.3%
GUARSEED10 MAY4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Strong	1.19%	18.9%
GUARGUM5 MAY4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Weak	1.43%	22.7%
CASTORSEED MAY4	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	1.18%	18.7%
KAPAS APR4	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	0.43%	6.8%
COTTONCNDY MAY4	MCX	POSITIVE	NEGATIVE	NEGATIVE	Oversold	Strong	1.12%	17.8%
COCUDAKL MAY4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	1.22%	19.3%
MENTHAOIL APR4	MCX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	0.97%	15.4%
SUNOIL APR4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.72%	11.4%

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



Choppy or Sideways



Mild bearish bias



Choppy with positive note



Choppy with negative note

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