AGRI PICKS

A Daily Report on Agriculture Commodities 25 October 2023



MARKET NEWS/UPDATES

- The area under rabi crops in Rajasthan was down 19.5% on year at 1.2 mln ha in the current rabi season as of to-day, according to a release by the state agriculture department. Sowing for rabi season has just begun, and is likely to pick up pace in the coming weeks. The state has set a target of 11.7 mln ha for this season. Mustard, the key rabi crop grown in the state, was sown over 944,883 ha, down 19% on year. At 4.1 mln ha, the target set for mustard this year is nearly 10% lower than 4.55 mln ha in 2022-23, but higher than the normal area of 2.9 mln ha for 2017-2022. The acreage of gram, also known as chana, was down 29% at 207,299 ha. The target for gram acreage has been set higher by 8.4% on year at 2.1 mln ha for the current rabi season. The acreage of rabi pulses is up 388.4% from the previous year at 1,221 ha. The area under oilseeds was at 956,927 ha, against 1.2 mln ha a year ago and the target of 4.36 mln ha for the entire season. Sowing for wheat, the major foodgrain in the state, is at 25 ha as of today. Barley was sown over 363 ha, against 6,560 ha a year ago.
- The government has procured 3.8 mln tn of rice from the market for the central pool till Oct 15, according to official data. In the current kharif marketing season 2023-24 (Oct-Sep), Food Corporation of India, the government's food procurement and distribution agency, has so far purchased rice from states and Union Territories of Haryana, Punjab, Tamil Nadu, Chandigarh, Uttar Pradesh, Uttarakhand, Himachal Pradesh, and Jammu and Kashmir. In the 2022-23 kharif marketing season, the government had purchased 56.9 mln tn of rice for the central pool. The government has also purchased 5.60 mln tn of paddy in the ongoing kharif marketing season till Oct 15. Food Corporation of India purchased 18,000 tn, while state agencies procured 5.58 mln tn of paddy, the data showed.
- A deep depression over west-central Bay of Bengal is likely to intensify into a cyclonic storm in the next six hours and cross Bangladesh coast between Khepupara and Chittagong on Wednesday evening, the India Meteorological Department said today. Under the influence of the deep depression over west-central Bay of Bengal, north-eastern states Mizoram and Tripura are likely to receive light to moderate rainfall accompanied by isolated heavy rainfall till Wednesday. Light to moderate rainfall with isolated heavy rainfall is likely over south Assam and east-ern Meghalaya on Tuesday and Wednesday. The intensity of the rainfall will decrease on Thursday with light to moderate rainfall over a few places in the region, the weather agency said. Owing to the cyclonic storm over west-central Bay of Bengal, coastal districts of West Bengal and Odisha are also likely to receive light to moderate rainfall over most places today and on Tuesday, along with isolated heavy rainfall over coastal areas of north Odisha today and over coastal areas of West Bengal on Tuesday. Additionally, extreme cyclonic storm over the west central Arabian Sea is seen weakening to very severe and is likely to cross the coast of Yemen close to Al-Ghaidah around early hours of Tuesday. Squally wind speed reaching 50-60 kmph gusting to 70 kmph is prevailing over the region, and is likely to decrease gradually from today evening. Wind speed reaching 155-165 kmph gusting to 180 kmph is prevailing over the region and is likely to decrease gradually to 160 kmph by evening today. On early Tuesday, wind speed is likely at 125-135 kmph gusting to 150 kmph, said the weather agency. Upon landfall, the wind speed would decrease rapidly to 90-100 kmph gusting to 110 kmph on Tuesday morning. Squally wind speed is likely to be 45-55 kmph gusting to 65 kmph by evening and would decrease gradually thereafter, said the agency.
- The Union Cabinet approved a 2-7% hike in the minimum support price of six rabi crops for the marketing season starting in April. The minimum support price of wheat has been increased by 150 rupees per 100 kg, or 7%, to 2,275 rupees, while that of chana has been raised by 2% or 105 rupees per 100 kg to 5,440 rupees, the government said. Wheat, the crucial rabi crop, accounts for over 70% of the rabi food grain output, and chana is the largest pulse crop for the season. The Cabinet also approved increasing minimum support price of mustard by 4%, or 200 rupees per 100 kg to 5,650 rupees, and for masur by 7%, or 425 rupees per 100 kg to 6,425 rupees. The support price for barley has been increased by 7%, or 115 rupees per 100 kg to 1,850 rupees, while that of safflower has been raised by 3%, or 150 rupees per 100 kg to 5,800 rupees. Minimum support prices, the price at which the government buys crops from farmers in case market prices fall, gives security and direction to growers in terms of realisations from their produce. "The increase in MSP for mandated rabi crops for marketing season 2024-25 is in line with the Union Budget 2018-19 announcement of fixing the MSP at a level of at least 1.5 times of the all-India weighted average cost of production," the government said in an official release. Most crops are seen higher in the upcoming rabi season. In its third advance estimate, the government predicted output of wheat in the 2022-23 (Jul-Jun) crop year at 112.7 mln tn, way higher than the 107.7 mln tn harvest of the previous year. Oilseed output is seen at 41.0 mln in 2022-23, as against 38.0 mln tn last year, while pulses crops are seen at 27.5 mln tn, compared with 27.3 mln tn last year.





TECHNICAL LEVELS												
Commodity	Exchange	Open*	High*	Low*	LTP*	S 3	S2	S1	Pivot	R1	R2	R3
JEERAUNJHA NOV3	NCDEX	54245	54355	50995	50995	46515	48755	49875	52115	53235	55475	56595
TMCFGRNZM DEC3	NCDEX	13890	13890	12970	13150	11863	12417	12783	13337	13703	14257	14623
DHANIYA NOV3	NCDEX	7060	7086	6956	6978	6797	6877	6927	7007	7057	7137	7187
CASTORSEED NOV3	NCDEX	6060	6060	6012	6029	5959	6012	6007	6034	6055	6082	6103
GUARSEED10 NOV3	NCDEX	6020	6066	5957	6025	5857	5907	5966	6016	6075	6125	6184
GUARGUM5 NOV3	NCDEX	12240	12390	12050	12275	11747	11898	12087	12238	12427	12578	12767
MENTHAOIL OCT3	MCX	905.1	911.0	900.1	905.5	889	895	900	906	911	916	922
COCUDAKL DEC3	NCDEX	2731	2774	2706	2771	2659	2682	2727	2750	2795	2818	2863
KAPAS APR4	NCDEX	1596.0	1610.0	1592.0	1610.0	1580	1586	1598	1604	1616	1622	1634
COTTONCNDY NOV3	MCX	57820	58000	57820	58000	57700	57760	57880	57940	58060	58120	58240

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

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	Exchange	Intraday Medium term			RS		Volatility	
Commodities		View	13 day EMA	22 day EMA	Condition	Trending	1 day	Annualised
JEERAUNJHA NOV3	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	2.78%	44.2%
TMCFGRNZM DEC3	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	3.12%	49.6%
DHANIYA NOV3	NCDEX	NEGATIVE	POSITIVE	POSITIVE	Neutral	Strong	1.87%	29.7%
GUARSEED10 NOV3	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Strong	1.52%	24.1%
GUARGUM5 NOV3	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Weak	1.49%	23.7%
CASTORSEED NOV3	NCDEX	POSITIVE	POSITIVE	NEGATIVE	Neutral	Strong	1.08%	17.1%
KAPAS APR4	NCDEX	POSITIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.81%	12.9%
COTTONCNDY NOV3	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.79%	12.6%
COCUDAKL DEC3	NCDEX	POSITIVE	FLAT	POSITIVE	Neutral	Strong	2.13%	33.7%
MENTHAOIL OCT3	MCX	POSITIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.97%	15.4%

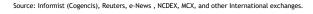
Trading signals is prepared based on statistical analysis and is purely on technical indicators like exponential moving averages (EMAs), Relative strength Index (RSI) and stochastic, putting altogether provides an idea about intraday, short, medium and long term trend of the commodities. It also signals 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 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,

		Ratings	Risk %	Ratings	Risk %	Ratings	Risk %	Ratings	Risk %	Ratings
Volatility >	> 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

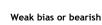








Strong bias or bullish







Mild bullish bias



Mild bearish bias





Choppy with positive note

Choppy with negative note



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