AGRI PICKS

A Daily Report on Agriculture Commodities 12 Dec 2024



MARKET NEWS/UPDATES

- The El Nino-Southern Oscillation will remain in the neutral range till April, the Bureau of Meteorology, Australia, said in its fortnightly forecast on Tuesday. The El Nino-Southern Oscillation is not meeting the typical La Nina threshold, it said. It also added that four of the six other international climate models surveyed showed the same.
- The US Department of Agriculture has raised its estimate for global oilseed output in 2024-25 (May-Apr) to 683.4 million tonnes in December from 682.2 million tonnes projected last month. The increased projection is mainly due to higher soybean production, partly offsetting lower rapeseed, the department said in its monthly report.
- The US Department of Agriculture has raised its estimate for global cotton production in 2024-25 (Oct-Sept) by 1.2 million bales (1 bale = 217.72 kg) to 117.4 million bales, compared to its estimate of 116.18 million bales last month, it said in a report. The increase can be attributed to an expected rise of a million bales in India's crop, according to the department. Bigger crops are also projected for Argentina, Benin, and Brazil, while smaller crops are expected for Mali and Burkina Faso, it said. The forecast for global export of cotton has been increased by 80,000 bales as a rise for Brazil, Benin, Cameroon, and Senegal more than offset reductions for Burkina Faso and Mali, the report said. The forecast for global ending stocks of cotton has been raised by 267,000 bales to 76.02 million bales. The estimate for opening stocks has been cut by 428,000 bales to 74.16 million bales, the report showed. According to the 2024-25 cotton balance sheet, the estimated total imports has been increased to 42.25 million bales. Global exports are estimated at 42.26 million bales, up from 42.18 million bales last month, according to the report. Estimates for India's imports and exports of cotton remained the same as in the previous month, at 2.3 million bales and 1.3 million bales, respectively. The estimates for exports, imports, domestic use, and beginning stocks for the US for December were unchanged; only the estimate for the country's cotton production has been revised to almost 14.3 million bales, an increase of 64,000 bales from last month, the report said. The estimate for production in India was scaled up to 25 million bales from 24 million bales. The production estimate for Brazil has been raised to 16.90 million bales from 16.80 million bales. There were no significant revisions to the 2023-24 global cotton balance sheet, according to the report.
- Farmers in Rajasthan have sown rabi crops over 10.3 million hectares as of Monday, up 4.1% from 9.9 million hectares sownin the same period last year, according to a report released by the state agriculture department. The acreage under chana as of Monday was 1.9 million hectares, up 7.7% from 1.8 million hectares a year ago. The total area under pulses across the state was 2.0 million hectares, up from 1.9 million hectares sown last year, according to the report. Wheat acreage as of Monday was 2.8 million hectares, up from 2.4 million hectares in the previous year. The area sown under barley rose to 400,710 hectares from 393,340 hectares last year, the report showed. The total area sown under oilseeds so far was 3.4 million hectares, down from 3.7 million hectares sown a year ago. Under oilseeds, the rapeseed and mustard acreage fell to 3.3 million hectares from 3.6 million hectares last year, the report showed. Rabi crops are sown during Oct-Nov after the monsoon rains are over, and are harvested between April and May. Barley, wheat, gram or desi chana, and oilseeds such as rapeseed and mustard, are the key crops grown in the state during the rabi season. Rajasthan's target for rabi sowing this season is 12.0 milion hectares.
- Farmers in Gujarat have sown rabi crops over 2.5 million hectares as of Monday, down 29.4% from 3.6 million hectares a year ago, according to a report released by the state agriculture department. Wheat acreage in the state fell 32.9% on year to 609,132 hectares, the report showed. The area under maize was 93,545 hectares, down from 95,219 hectares. The total area under all cereals fell to 719,116 hectares from 1.0 million hectares a year ago. Rabi crops are sown between October and November, after the monsoonal rains are over, and harvested between April and May. Wheat, barley, peas, gram or chana, and mustard are the major rabi crops grown in Gujarat. The normal area under rabi crops in the state, which is an average for the last three years, is 4.6 million hectares. The area under chana was 436,219 hectares as of Monday, down from 522,451 hectares, according to the report. The total acreage of all pulses was 489,483 hectares, down from 561,031 hectares a year ago. The total area under all oilseeds so far was 191,797 hectares, down from 257,198 hectares a year ago, while the acreage of mustard fell to 189,916 hectares from 257,090 hectares a year ago, the report showed. Sugarcane acreage in the state was 117,212 hectares, down from 144,495 hectares a year ago. Similarly, the area under tobacco fell to 86,336 hectares from 106,313 hectares, according to the report. The acreage of cumin, or jeera, fell to 262,115 hectares from 433,754 hectares a year ago, the report showed. The area under coriander fell to 62,376 hectares from 108,194 hectares, while fennel acreage fell to 25,263 hectares from 121,841 hectares. The area under potato as of Monday was 125,045 hectares, against 126,894 hectares a year ago. The acreage of onion fell to 44,298 hectares from 49,464 hectares, according to the report. The area under vegetables was 97,948 hectares, down from 142,899 hectares a year ago.
- India's exports of spices rose 6% on year to 792,723.57 tonnes in Apr-Sept, according to the data from the Spices Board of India. The country exported 128,505.4 tonnes of jeera during the period, up 67% on year, the data showed. In dollar terms, the total exports of spices were up 8% on year at \$2.22 billion during Apr-Sept. In rupee terms, exports rose 9% to INR 185.9 billion, the data showed. Fennel exports were up a whopping 138% on year at 53,167.47 tonnes. Ginger exports rose 73% on year to 19,192.1 tonnes in the first six months of the current financial year, while exports of chilli were at 271,947.95 tonnes, up 5% on year. Exports of tamarind were up 62% on year at 18,935.06 tonnes, while that of fenugreek rose 53% on year to 21,377.25 tonnes, according to the data. Pepper exports rose 25% on year to 10,150.41 tonnes, the data showed. Exports of small cardamom rose 37% to 2,759.12 tonnes in Apr-Sept, and those of large cardamom rose 13% on year to 483.96 tonnes. Turmeric exports rose only 1% on year to 92,911.47 tonnes, according to the data. Celery exports were up 33% on year at 4,491.39 tonnes, while nutmeg and mace exports rose 24% on year to 2,634.18 tonnes. On the other hand, garlic, coriander, other seeds, mint products, and other spices saw a notable fall in terms of quantity. Exports of garlic fell 66% on year to 19,470.96 tonnes, while that of coriander declined 59% to 29,660.74 tonnes. Exports of other seeds, which include ajwan seed, dill seed, poppy seed, aniseed, and mustard seed, fell 25% on year to 18,111.68 tonnes. Similarly, exports of other spices, such as asafoetida, cinnamon, cassia, cambodge, and saffron, fell 1% on year to 37,466.61 tonnes. The exports of other spices, such as asafoetida, cinnamon, cassia, cambodge, and saffron, fell 1% on year to 37,466.61 tonnes.





TECHNICAL LEVELS												
Commodity	Exchange	Open*	High*	Low*	LTP*	S 3	S 2	S 1	Pivot	R1	R2	R3
JEERAUNJHA JAN5	NCDEX	24275	24275	23900	24020	23480	23690	23855	24065	24230	24440	24605
TMCFGRNZM APR5	NCDEX	14050	14158	13922	13962	13634	13778	13870	14014	14106	14250	14342
DHANIYA JAN5	NCDEX	7960	7960	7902	7926	7841	7871	7899	7929	7957	7987	8015
CASTORSEED JAN5	NCDEX	6350	6380	6315	6347	6250	6315	6315	6347	6380	6412	6445
GUARSEED10 JAN5	NCDEX	5146	5164	5136	5140	5101	5119	5129	5147	5157	5175	5185
GUARGUM5 JAN5	NCDEX	10135	10188	10130	10137	10057	10094	10115	10152	10173	10210	10231
MENTHAOIL DEC4	MCX	919.1	924.8	918.0	918.5	909	914	916	920	923	927	930
COCUDAKL JAN5	NCDEX	2710	2715	2695	2700	2672	2683	2692	2703	2712	2723	2732
KAPAS APR5	NCDEX	1516.0	1519.0	1509.0	1509.0	1496	1502	1506	1512	1516	1522	1526
COTTONCNDY JAN5	MCX	54600	54800	54600	54700	54400	54500	54600	54700	54800	54900	55000

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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Commodities	Freeboune	Intraday	Mediun	n term	RS	ı	Volatility	
Commodities	Exchange	View	13 day EMA	22 day EMA	Condition	Trending	1 day	Annualised
JEERAUNJHA JAN5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	1.29%	20.5%
TMCFGRNZM APR5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	1.42%	22.6%
DHANIYA JAN5	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Neutral	Strong	1.43%	22.7%
GUARSEED10 JAN5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	0.70%	11.0%
GUARGUM5 JAN5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	0.88%	14.0%
CASTORSEED JAN5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	0.60%	9.5%
KAPAS APR5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.42%	6.6%
COTTONCNDY JAN5	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.76%	12.1%
COCUDAKL JAN5	NCDEX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	1.33%	21.1%
MENTHAOIL DEC4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.72%	11.4%
SUNOIL DEC4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Oversold	Strong	1.26%	20.0%

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.

Ailliadilaca		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

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 with positive note

Choppy with negative note



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