

MARKET NEWS/UPDATES

- National Commodity and Derivatives Exchange will launch options on guar gum futures contracts in November, Arun Raste, managing director of the exchange, told Informist on the sidelines of Tefla's The Wheat Summit. Raste said the move would be in addition to the rollover of options contracts of the currently traded guar seed futures on the exchange. NCDEX had launched options on guar seed futures contracts in June. "We have launched guar options. And they are doing pretty well. At the moment, it is a push product," Raste said. In time, the exchange plans to start options contracts for all farm commodities. Guar gum is the gum derived from seeds of the guar plant. India accounts for 80% of the world's guar produce, of which 72% comes from Rajasthan, according to the Agricultural and Processed Food Products Export Development Authority. About 90% of the guar gum processed in India is exported, it said.
- India's oilmeal exports in August fell 11% on year to 314,363 tn, according to data released by The Solvent Extractors' Association of India. However, for Apr-Aug, total oilmeal exports fell 4% to 1.87 mln tn, the data showed. This is mainly due to a reduction in the export of rapeseed meal and castor seed meal, the association said. Exports of soymeal in August surged to 156,961 tn from 60,494 tn a year ago. Soymeal exports in Apr-Aug rose to 848,982 tn from 481,315 tn a year ago. This was due to higher imports of soybean meal by Iran and Bangladesh, the association said. In August, exports of mustard meal fell to 126,610 tn from 261,165 tn a year ago. Similarly, during Apr-Aug, exports of rapeseed were down at 884,638 tn from 1.16 tn a year ago. Bangladesh is one of the major importers of rapeseed meal. "The current crisis in Bangladesh may affect at least the temporary halting of the export of rapeseed meal, mainly exported by road or rail," the association said. Exports of castor seed meal fell to 15,567 tn in August from 30,386 tn a year ago, the SEA said. Even during Apr-Aug, exports of castor meal were down at 116,467 tn from 146,690 tn a year ago. In Apr-Aug, 682,785 tn of oilmeal was exported from the Kandla port, against 420,174 tn a year ago, and a total of 410,492 tn was exported from the Mundra port, compared with 731,902 tn in the year ago period, the SEA said. During the same period, exports from Jawaharlal Nehru Port Trust in Mumbai rose to 303,916 tn from 157,495 tn a year ago, the association said. From the Kolkata port during Apr-Aug, the export of oilmeal was just 11,494 tn compared to 110,210 tn a year ago, while from other ports, during the same period, 447,879 tn of oilmeal was exported compared to 508,387 tn in the corresponding period last year, the association said. During Apr-Aug, India's oilmeal exports to Bangladesh fell 14.8% on year to 325,761 tn. Similarly, exports to Vietnam fell 60% to 113,666 tn, the data showed. Oilmeal exports to South Korea were at 338,945 tn, lower than 382,250 tn a year ago, the data showed. "Iran has turned out to be the largest importer of soybean meal from India (including shipment via Dubai) and imported 114,475 tn of soybean meal," the SEA said. In the case of rice bran meal, India exported 14,039 tn in August, compared to nil exports last year.
- Rainfall across the country on Tuesday was 5.1 mm, 3% below the normal of 5.3 mm, the India Meteorological Department said. Since Jun 1, India has received 867.4 mm of rainfall, 8% above the normal of 806.8 mm for the period, it said. Of the four homogenous regions in the country, two received below normal showers while the other two received above normal rains. Northwest India received 61% below normal showers at 1.0 mm, while the southern peninsula received 85% below normal rains at 0.9 mm. Central India received 31% above normal rains at 7.2 mm. Rainfall was 46% above normal at 13.9 mm in east and northeast India. Even though east and northeast India received above normal rainfall, it is the only homogenous region which has continued to receive below normal showers since Jun 1. Rainfall in the region so far was 1,078.6 mm, which is 14% below the normal rainfall of 1,253.2 mm, according to the data. In the region, Arunachal Pradesh and Bihar have received deficient rainfall since Jun 1. So far this season, rainfall has been normal in 19 of the 36 subdivisions. Rainfall was "excess" in 11, and "deficient" in four subdivisions, the weather department said. Rainfall has been "large excess" in two subdivisions.
- The Cotton Association of India has increased the country's production estimate for 2023-24 (Oct-Sep) to 32.3 mln bales (1 bale = 170 kg) from its previous estimate of 31.8 mln bales. 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, was at 4.5 mln bales as of Aug 31. Cotton production in the north zone is estimated to be at 4.6 mln bales, up from 4.3 mln bales last year, according to the report. The central zone, which comprises Gujarat, Maharashtra, and Madhya Pradesh, produced 19.7 mln bales as of Aug 31, according to the Cotton Association of India. Cotton production in the central zone is estimated to be at 19.8 mln bales, up from 19.5 mln bales. The south zone produced 7.1 mln bales of cotton as of Aug 31. Other states account for the rest of the output. The opening stock for the season starting October was estimated at 2.89 mln bales, the association said. The total supply of cotton for the 2023-24 season is estimated at 36.8 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 2.8 mln bales, up from 1.55 mln bales in the previous cotton season. Consumption till Aug 31 is estimated at 29.1 mln bales.

TECHNICAL VIEW

<p>JEERA NCDEX OCT</p>	<p>May stretch gains. However, a direct voluminous fall below 25200 may call for dips to 24800-24400 or even more.</p>		
<p>DHANIYA NCDEX OCT</p>	<p>While there prevails a positive bias, dips to 7190-7100 ranges may not be ruled out.</p>		
<p>TURMERIC NCDEX OCT</p>	<p>14600 is the immediate resistance and a voluminous rise above the same may call for 14950 or more. Inability to clear the same may call for sideways trades with support seen at 14150/13800-13500.</p>		
<p>COCU- DAKL NCDEX DEC</p>	<p>May vary inside 3090-3000 ranges and a voluminous break from either side could lend fresh direction for the day.</p>		
<p>KAPAS NCDEX APR25</p>	<p>1638 is the immediate resistance and a voluminous rise above the same may call for 1645 or more. Inability to clear the same may call for sideways to weak trades.</p>		
<p>COTTON CANDY MCX SEP</p>	<p>Choppy moves expected.</p>		
<p>CASTOR NCDEX OCT</p>	<p>While there prevails a positive bias, dips to 6340/6280 ranges may not be ruled out.</p>		
<p>GUAR- SEED NCDEX OCT</p>	<p>5430 is the immediate support, which if held downside may call for a bounce back. Slippage past the same may call for 5390-5350.</p>		
<p>GUARGUM NCDEX OCT</p>	<p>10700 ranges if held downside may call for a bounce back. Else, expect corrective moves to continue, possibly towards 10630-10560 ranges.</p>		
<p>SUNOIL NCDEX SEP</p>	<p>May trade with mild positive bias.</p>		

TECHNICAL LEVELS

Commodity	Exchange	Open*	High*	Low*	LTP*	S3	S2	S1	Pivot	R1	R2	R3
JEERAUNJHA OCT4	NCDEX	25770	26065	25600	25970	25227	25413	25692	25878	26157	26343	26622
TMCFGRNZM OCT4	NCDEX	14470	14600	14360	14424	14083	14221	14323	14461	14563	14701	14803
DHANIYA OCT4	NCDEX	7316	7372	7224	7264	7053	7139	7201	7287	7349	7435	7497
CASTORSEED OCT4	NCDEX	6398	6486	6352	6485	6262	6352	6396	6441	6530	6575	6664
GUARSEED10 OCT4	NCDEX	5505	5548	5465	5469	5357	5411	5440	5494	5523	5577	5606
GUARGUM5 OCT4	NCDEX	10945	10974	10781	10790	10530	10655	10723	10848	10916	11041	11109
MENTHAOIL SEP4	MCX	940.2	946.0	940.2	941.5	933	937	939	943	945	948	951
COCUDAKL DEC4	NCDEX	3040	3074	3026	3055	2981	3004	3029	3052	3077	3100	3125
KAPAS APR5	NCDEX	1626.0	1635.0	1626.0	1632.0	1618	1622	1627	1631	1636	1640	1645
COTTONCNDY SEP4	MCX	58900	58950	58790	58800	58583	58687	58743	58847	58903	59007	59063
SUNOIL SEP4	NCDEX	1076	1095	1075	1095	1062	1068	1082	1088	1102	1108	1122

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 OCT4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Weak	1.24%	19.7%
TMCFGRNZM OCT4	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Overbought	Weak	2.39%	38.0%
DHANIYA OCT4	NCDEX	FLAT/CHOPPY	POSITIVE	POSITIVE	Neutral	Strong	1.13%	18.0%
GUARSEED10 OCT4	NCDEX	NEGATIVE	POSITIVE	POSITIVE	Neutral	Strong	0.71%	11.2%
GUARGUM5 OCT4	NCDEX	NEGATIVE	POSITIVE	POSITIVE	Neutral	Strong	0.98%	15.5%
CASTORSEED OCT4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Overbought	Strong	0.73%	11.5%
KAPAS APR5	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	0.60%	9.5%
COTTONCNDY SEP4	MCX	POSITIVE	POSITIVE	POSITIVE	Neutral	Weak	0.48%	7.6%
COCUDAKL DEC4	NCDEX	POSITIVE	POSITIVE	POSITIVE	Neutral	Strong	2.38%	37.8%
MENTHAOIL SEP4	MCX	NEGATIVE	NEGATIVE	NEGATIVE	Neutral	Strong	0.77%	12.2%
SUNOIL SEP4	MCX	POSITIVE	POSITIVE	POSITIVE	Overbought	Strong	1.41%	22.3%

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



Mild bullish bias



Choppy with positive note



Choppy or Sideways



Weak bias or bearish



Mild bearish bias



Choppy with negative note

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