<table>
<thead>
<tr>
<th>CROP</th>
<th>STATUS</th>
<th>BRIEF REASONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TUR (Red Gram)</td>
<td></td>
<td>Improved demand from millers, decreasing arrival and depleting old stock remain supportive for tur market amid ongoing procurement drive. Firm tone may prevail before new crop from UP.. Marked red to indicate that prices are below MSP.</td>
</tr>
<tr>
<td>URAD (Black Gram)</td>
<td></td>
<td>Lower crop size this year, decreasing imported stock and continued procurement at MSP amid import cap till March-2020 at 1.5 lakh MT may keep market well supported at current level. Marked red to indicate that the prices are still ruling below MSP.</td>
</tr>
<tr>
<td>MOONG (Green Gram)</td>
<td></td>
<td>Despite import cap at 1.5 lakh MT till Mar-2020, attempts to export and procurement drive under PSS price may slip as new big crop expected to arrive from UP,Bihar,MP and Rajasthan.. Marked red to indicate that prices are still ruling below MSP.</td>
</tr>
<tr>
<td>CHANA</td>
<td></td>
<td>Unexpected lower arrival and improved demand may push up cash chana market up from current level By Rs 100-150 this week. Procurement drive remains supportive to upward momentum. Price recovering above MSP is unlikely in the near term as there is ample old stock with Nafed and in private hands.</td>
</tr>
<tr>
<td>TOMATO</td>
<td></td>
<td>Tomato arrivals are low across the board, and are expected to remain so for coming months. Prices are expected to remain high.</td>
</tr>
<tr>
<td>POTATO</td>
<td></td>
<td>Fresh crop is expected to last till 1st week of May. Cold storage loading is estimated to be similar to last year. Overall S&amp;D situation closely resembles that of last year. Prices are likely to sustain at relatively higher levels for few months.</td>
</tr>
<tr>
<td>ONION</td>
<td></td>
<td>Rabi crop has started arriving in market and is expected to be smaller in size in most states. Prices have started to strengthen and are expected to rise further in coming months because of lower rabi acreage in Maharashtra.</td>
</tr>
<tr>
<td>GROUNDNUT</td>
<td></td>
<td>Higher local and improved exporters demand coupled with lower supplies in open market will keep supporting prices further. Prices have recovered beyond MSP after staying subdued for several months.</td>
</tr>
<tr>
<td>PADDY</td>
<td></td>
<td>Domestic rice prices are expected to rule steady in this quarter due to all time high production expectation by govt. of India in its 2nd advance estimate however domestic and overseas demand would play major role to push price up in this quarter.</td>
</tr>
<tr>
<td>CHILLI</td>
<td></td>
<td>New chilli crop continued trading at Guntur spot market. Lower carry forward stocks likely to support chilli prices from lower levels.</td>
</tr>
<tr>
<td>TURMERIC</td>
<td></td>
<td>Turmeric prices may not fall much from current level due to lower stocks available in the spot market. New Turmeric supply continued in the Warangal, Nizamabad, Duggirala spot market.</td>
</tr>
<tr>
<td>COTTON</td>
<td></td>
<td>Prices may remain strong till end of the season due to low arrivals and Good Export demand witnessed and weakening Rupee may put incremental pressure on prices.</td>
</tr>
</tbody>
</table>
**RATIONALE BEHIND CLASSIFICATION AS RED, YELLOW, GREEN:**

**Tur (Red Gram):**
- As per Agriwatch estimates India’s carryover stocks at the beginning of current marketing season was at 8.07 lakh MT. Current year’s production is estimated at 36.21 lakh MT against last year’s 38.67 lakh MT. Private trades have pegged it below 35 lakh MT. Consumption for the year is estimated at 43.0 lakh MT. Coupled with imports that happened earlier during the year, carryover stock for the next year is estimated to decline to 2.78 lakh MT. Current year’s carry-in of 8.07 lakh MT was about 19% of consumption requirements while the carry-in of 2.78 lakh MT for next year would likely to be only about 9% of the annual requirement. This measure of beginning stock as a percentage of annual requirements is known as “stocks to use ratio” and helps determine the relative ease of availability of the commodity for the year. Stock/use of about 15% is an ideal scenario wherein the producers usually realize remunerative prices while the consumers are also not too stressed by inflation. As tur’s stock/use is expected to decline from 19% during current year to 9% next year, market is expected to find its balance in coming months and prices are likely to recover further in coming weeks. Besides, likely higher procurement at Rs.5675 due to Lok Sabha election in 2019 may remain supportive for tur market. Excessive old stock in open market has started declining now. New crop from UP is expected April onward.
  - Beyond the current S&D, the largest factor that can swing the market is the production for the crop year 2018-19. Current acreage (as on 20 Sep 2018) stands at 45.83 lakh ha, which is 9.36% higher than normal and higher by 0.58% than the acreage registered same time last year.

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**COMMODITY DASHBOARD:**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUGAR</td>
<td>No expected threat to small quantity buyers as of now due to ample sugar production within the country and huge availability of exportable surplus.</td>
</tr>
<tr>
<td>MAIZE</td>
<td>Despite the expectation of new crop arrival pressure and import relaxation; maize could trade above MSP due to high feed makers demand and low carryover stock.</td>
</tr>
<tr>
<td>CRUDE PALM OIL</td>
<td>Price situation is expected to remain comfortable for consumers on rising global demand scenario.</td>
</tr>
<tr>
<td>RBD PALMOLEIN</td>
<td>Prices are likely to remain in comfortable range for consumers on rising global demand scenario.</td>
</tr>
<tr>
<td>SUNFLOWER OIL</td>
<td>Prices may rise on firm demand and parity in imports and refining margins amid firm global supply scenario. The prices are expected to remain in a comfortable range for consumers for the next few weeks.</td>
</tr>
<tr>
<td>GROUNDNUT OIL</td>
<td>Prices are expected to remain in a comfortable range for consumers on firm retail demand.</td>
</tr>
</tbody>
</table>

**LEGEND:**
- **Red** = HIGH RISK - Strong need of intervention.
- **Yellow** = POTENTIAL RISK - Needs close watching, possibility of moving to Red
- **Green** = STABLE - No imminent risk of extreme prices.
Moisture stress in major growing region is detrimental to the standing crop. Arrival from new crop has started increasing in major growing states except UP. Procurement is on and Nafed has procured around 1.61 lakh MT so far. Total procurement may decline to 7 lakh MT this year against over 10 lakh tonne last year due to farmers unwillingness to sell at prevailing price as they think market to move beyond MSP in second half of the year. Karnataka govt has offered Rs425 as bonus over and above MSP (Rs 5675) for farmers. Emerging scenario hints market to move up from current level in the medium term

- Govt. has fixed import limit at 2 lakh MT for private trade. Besides, govt would import 1.75 lakh MT through G to G basis. If prices continue to improve and crosses MSP, import would take place as there is parity from Myanmar. As import quantity remains restricted, cash market may face tight supply side in the forth quarter of the year. Any major spike depends on planting area this kharif season, starting from July. Cash market is expected trade in the range of Rs 5000 to 5600 in April. Currently it is ruling at Rs5000-5250 in Gulbarga market. Procurement drive begins in major states except UP. Karnataka has procured around 1.35 lakh MT so far.

Urad (Black Gram):

- For the crop year 2018-19, carry over from previous year stands at 8.97 lakh MT. Further, production during the year is estimated at 24.58 lakh MT while consumption for the year is not likely to exceed 27.5 lakh MT. Coupled with imports of about 1.5 lakh MT that happened earlier in 2017-18, we expect to close the year with hefty ending stocks of about 8.25 lakh MT. A large chunk of the current stocks are held by various government agencies including private firms. Private participation remains restricted as market is well aware of huge carry in stock procured by various agencies and higher import than set quantity. If stock from central pool is provided to states for PDS and mid-day meal schemes as has been planned by central government and paused auction for open market amid import cap at 1.5 lakh MT may remain supportive for Urad cash market at current level. Besides, lower rabi acreage (10.81%) so far may act as a balancing factor for open market. Ongoing procurement drive amid restricted selling by stockists would push Urad cash market up by Rs 250-300more from current level in coming months. Currently, it is being traded at Rs 4350-4450 in Chennai market.

- Besides, higher MSP for kharif Urad (Rs.5600 per quintal) and slightly lower rabi production may push up price in the medium term. Area under kharif Urad was down by 8.97 %, at 40.37 lakh ha. Rabi urad area was down by 10.83% to 9.71 lakh ha as on 22nd Feb-2019. From April to Feb India has imported around 483893.24 MT against set quota of 1.5 lakh tonne for the whole year. If illegal import is contained, urad would move slightly up. Currently demand for dal in cash market remains weak and is expected to improve from mid-April with increasing temperature.

Moong (Green Gram):

- MY 2018-19 for Moong has started with 7.26 lakh MT of opening stocks. Production is expected to be 20.26 lakh MT while consumption for the year is projected at 23.5 lakh MT. Adding up imports that occurred earlier during the year and exports that occurred last month, we expect the carryover stocks to decrease from 7.26 to 4.52 lakh MT. Hence, stocks to use ratio for current year will decrease from 33% to 18%. It may remain supportive for cash moong market.

- Carry in may be slightly higher if farmers increase 10% area under rabi moong, encouraged by higher MSP of Rs.6975 per quintal. Retention of stocks by traders is likely to increase and it would support market to some extent in the near to medium term. Besides, govt has allowed export of moong dal too, that may help market to trade firm in the medium term. As on 22nd Feb rabi area under moong was registered at 8.55 lakh ha, down by 6.12% from last year.
- Arrival of moong in the markets of Karnataka, Gujarat, Maharashtra and Rajasthan is almost over now. New crop from UP & Bihar is expected from end April/May. State agencies have started buying moong in Karnataka and other states too.

- Moong procurement target in Rajasthan was set at 2.39 lakh tonne. Against it around 2.38 lakh tonne has been procured so far. Kharif procurement is over now and rabi has just begun. It is over 98% of the target.

- Procurement and sales strategy by government agencies and central government’s import policy would continue to influence price of Moong in 2019. DGFT has put import ceiling at 1.5 lakh MT for the whole year. However, it can be confidently maintained that retention of stocks by private players would increase on the back of higher MSP, it would remain supportive for moong price.

Chana (Bengal gram):

- Despite the lower production size of chana this year (87/88 lakh tonne) and procurement drive, cash market trades below MSP (Rs4620). However, improvement in demand from bulk buyers with rising temperature may help market to push price near MSP level in coming weeks. Arrival has not been up to the mark so far. Bulk buyers are active now. The new season started with hefty carry in (over 2.1 MMT) and it has negated the impact of lower crop size this year. Even Nafed has ample chana stock (1.8 MMT) and it would not allow market to move beyond MSP level in the near term. Due to higher availability supply side would remain at comfortable level. If Nafed stops selling through auction, chana price may cross MSP but not before June -2019. Currently, chana in Delhi market is being traded at Rs 4325-4400. Overall outlook remains firm.

- The market has recently started finding balance as Australian chana crop is pegged lower at 3.30 against 10.48 lakh tonne last year- leading to possibility of exports of 2-4 lakh MT of chana from India to neighbouring countries like Nepal, Bangladesh, Bhutan etc. Govt is considering giving export incentive once again and may be increased to 10% from 7% given earlier. As of now no decision over export incentive has been taken. India exported 275,201 MT chana and chana dal from April to Jan-2019. Chana import decreased slightly from 24,908 to 23,667 MT in Jan-2019. Volume is likely to go down due to disparity in local market. Shortage might be seen June-2019 onward, so import volume may increase to normal level of 4 to 5 lakh tonne.

Groundnut:

- Weekly average Groundnut modal prices at Adoni market closed higher at Rs. 5361.6 /qtl in the current week as compared to Rs. 4890.8/qtl in previous week on good local and exporters demand. Prices traded widely in the range of Rs. 4726/qtl to Rs. 5589 qtl during last two weeks. The pace of arrivals is registered down as farmers expect more rise in prices in coming days.

- Nafed has already finished groundnut K-17 stocks and continue in progress to sale K-18 groundnut stocks majorly in Rajasthan, Madhya Pradesh, and likely to commence soon in other states of India. It may start procurement of Groundnut R-19 soon in Telangana market.

- According to the second advanced estimate released by Ministry of Agriculture groundnut production is down by 15.27 lakh tons for the kharif and Rabi season y-o-y and is projected at 69.70 lakh tons. Solvent extractors association has indicated the all India Kharif production to be down by 29% y-o-y and is estimated at 37.70 lakh tons. SEA estimates AP/Telangana groundnut Kharif crop size at 3.40 for 2018/19 lower from 3.60 lakh tonnes in previous year.

- In the second advanced estimates AP has downward revised the Kharif production estimate of GN to 3.29 lakh tons as against 4.05 lakh tons in 1st Advanced estimates. Rabi groundnut
production is estimated at 1.49 lakh tons. We expect 2018/19 AP groundnut crop size (Kharif and Rabi season) at 4.21 lakh tonnes lower from the previous estimates due to less rainfall in key growing states. Lower rainfall has damaged yield on a higher note.

**Onion:**
- Prices in coming months are expected to remain on higher side because of lower Rabi acreage in major producing regions.
- Onion producing regions (M.P, Maharashtra) were large deficit (-99% to -70%) by rains during period 1st October to 26th December which has resulted into lower acreage for Rabi season. Also lower prices for onion changed the mind-set of onion growing farmers and shifted to other crops.
- According to trade sources lower acreage and lower yield is expected to be in Maharashtra for Rabi crop because of deficit rainfall which may result into lower and prices are likely to move upward in coming days.

**Potato:**
- Loading in all the producing regions is almost completed and estimated to be lower in most of the producing regions except U.P compared to last year.
- In West Bengal, capacity utilization is almost 85% compared to last year 92% because of lower yield in late crop. Yield reported lower because of rains at later stage as crop was damaged during crop maturity stage.
- All India, potato prices are expected to trade on lower side compared to last year but are likely to be above normal.

**Tomato:**
- Arrivals from Madhya Pradesh, Gujarat, U.P, Rajasthan and smaller quantity from Southern States is coming in the markets in lower quantity compared to normal arrivals. Arrivals are expected to improve in a couple of weeks.
- Crop from U.P (Amroha, Moradabad) is expected to pick up pace in couple of days and supply from Madhya Pradesh is expected to decline in coming weeks.
- Tomato crop is continuously coming in market from different producing regions though the arrivals are lesser and the prices are trading on upper side and expected to remain on upper side for next two weeks. In couple of weeks arrivals from Andhra Pradesh and Karnataka is expected to pick up pace and are the major supplier to other states during May to July month period.
Paddy:

- India’s rice stocks in the central pool as on April-1, 2019 stood at 39.81 million tons up by 32.52% from 30.04 million tons recorded during the corresponding period last year, according to data from the Food Corporation of India (FCI). India's rice stocks in the central pool are down by 0.69% by from 40.09 million tons recorded on Feb-01, 2019. Highest stock could be seen in the state of Punjab (108.94 lakh tons) followed by A.P (26.37 lakh tons) Uttar Pradesh (25.89 Lakh Tons) and Haryana (24.04 lakh tons).
- As per latest IGC report, the outlook for global 2018/19 rice output is raised by 5 million tons m/m, to a record 500 million tons, a 1% y/y rise. Although uptake is lifted, most of the net increase in supplies is channeled to stocks, pegged 4 million tons higher m/m, at 157 million tons, a 4% y/y gain. World trade in 2019 is predicted little-changed, at 47 million tons.
- Despite a weak 2018 monsoon, MY 2018/19 rice production is estimated at a record 114 MMT, from 43.5 MHa due to higher yields of kharif (fall harvested) rice in southern and eastern states. Relatively good rains during June/July supported timely planting of rice in the largely un-irrigated peninsular and southern India. Overall, monsoon rainfall in the southern states was only 2 percent below normal, providing favorable planting and growth conditions for the crop.
- According to the latest IGC report, the world can produce 505 million tons (last year 499 million tons) rice in 2019-20. The opening stock in the world will be 156.9 million tons (last year 150.5 million). After importing 48.1 million tons (last year 47 million tons) in the current year 661.8 million (last year 650.3 million tons) will be available for supply of rice whereas consumption of 499.3 million (last year 493.3 million tons) will be available.

Chilli:

- New crop supply continued in Guntur market. Currently, mostly medium quality new crop supply reported due to lower rainfall and virus infection.
- As per Agriwatch’s second advance production estimate, Red Chilli all India production for 2019-20 is estimated at 12.22 lakh MT. Previous year’s production was 10.50 lakh MT. As carry forward stocks reported lower current year as a result of lower production last year (2018-19) chilli prices will take support in the spot market.

Turmeric:

- In Telangana, Warangal market new turmeric crop entered in the market.
- As per Agriwatch’s Second advance production estimate, Turmeric all India production for 2019-20 is estimated at 532,353 MT (basis dry crop) compared to previous year’s 476,771 MT. Turmeric production may go down as Maharashtra standing crop is at very crucial stage.
Cotton:
- As per the latest estimates by Agriwatch, cotton output in the country during the season 2018-19 would be around 336.53 lakh bales (of 170 kg each) which is lower compared to 365 lakh bales of last season. AW has reduced the crop estimate for Gujarat to around 92.82 lakh bales (from 108 lakh bales last year), Maharashtra to around 72 lakh bales (83 lakh last year), Telangana and AP by 52.00 lakh and 16.50 lakh bales respectively. The main reason for reduction in cotton crop is that farmers have uprooted more than 50% of their cotton crop after second picking and foregone the third and fourth pickings due to moisture deficiency and pest attacks. Dry spells in the initial stages of the crop, too, led to stunted growth of bolls, were the major reasons to decline in cotton yield in India.
- International Cotton Advisory Committee (ICAC), the apex cotton body in their April 2019 report, have projected a 6% rise in global production for 2019-20 at 276 lakh tonne.
- All India daily cotton arrivals are reported to be about 55,000 to 70,000 bales according to CAI.

Sugar:
- ISMA has lowered India’s 2018-19 sugar production estimate by 2.5% to 307 lakh tonnes from first advance estimate of 315 lakh tonnes issued in October 2018.
- As per the Agriwatch latest estimate, India’s sugar production is expected to decline to 320 LT in 2018/19 than 322LT last year. A couple of major cane growing regions of Maharashtra, including Marthawada, had poor rainfall this season. And mild white grub infestation has been reported in States of Karnataka and few parts of Maharashtra. Apart from that, cane yield and sugar recovery is increased in Uttar Pradesh whereas declined in Maharashtra this season.
- Sugar mills in the country would be able to attain the export target of 5 mt unless the government puts pressure or levy penalty on the mills which fail to achieve their quota. As of now, the export target that would be achieved is 3.5 mt.

Maize:
- Maize is trading firm due to high demand of industrial feed makers amid low stock availability of good quality material. Besides, Rabi crop arrival is also expected to be less, due to low rainfall, less soil moisture and fall armyworm affect.
- However, new crop arrival pressure and relaxation in imports could limit the firmness.

Crude Palm Oil/ RBD Palmolein:
- Prices will rise in India due to firm domestic demand and rising global palm oil demand.
- RBD palmolein prices are expected to rise on firm domestic demand and rising global demand scenario.
- Margins in refining CPO are higher than those in directly selling refined oil. As a result, import demand of CPO is estimated to remain higher than that of RBD palmolein for the coming months.

Sunflower Oil:
- Sunflower oil prices are expected to be supported on firm demand and falling premium over palm oil and high discount over groundnut oil.
- Prices of sunflower oil are supported due to stability in prices and parity in imports and parity in refining margins.
- The international market is well supplied; as a result we do not expect prices to rise much in April.
Groundnut oil:

- Groundnut oil prices are expected to be supported by firm demand. Retail demand of groundnut oil improved due to stability in prices while demand is there at these levels. High premium over palm oil and soy oil may cap prices. Prices will stay moderate as peak demand season is over. Lower volatility in prices may lead to strengthening of demand.
- In Andhra Pradesh, groundnut oil prices rose on parity with Gujarat and firm demand amid firm stocks position. High premium over palm oil may weaken demand. There is no parity in crush of groundnut.

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