AWAITING THE DRAGON

Copper’s revival hinges on Chinese demand
The union budget has been ruling the roost of news from even before Finance Minister Arun Jaitley formally presented it on February 28, 2015. While much has been changed to make India more fiscally prudent and prosper through economic growth, industry expectations have quite not been met satisfactorily.

With concern to the commodities and trading community, FCRA has been repealed in this budget and commodity derivatives have been introduced under the definition of ‘securities’ in the SCRA. This is expected to pave the way for deepening of the commodity markets through participation of banks, FIIs and mutual funds. Giving with one hand, the FM took back part of the joy as he kept the Commodity Transaction Tax (CTT) untouched even as the industry was hopeful of a cut. Many had even anticipated a removal altogether. Introduced by P Chidambaram, the CTT is a levy of 0.01% of the transactional value on the seller in the futures trading of various non-farm items. According to reports, more than 80% of trade volumes in the domestic markets takes place in bullion, metals and energy, and the imposition of CTT has resulted in a major drop in turnover at the country’s commodity exchanges. The Forwards Market Commission (FMC) pegs the cumulative value of trades fell to Rs 53.92 lakh crore in the April-February period of this fiscal from Rs 92.05 lakh crore in the same period a year ago, a drop of over 41%. Another major development is the proposed merger between Sebi and FMC, which the FM believes will help streamline the monitoring of commodity futures trading and curb speculation.

In other news, the continuation of volatility in fuel prices is edging car manufacturers to come up with fuel-efficient designs, a solution to which has been found in reduction of body weight of the automotives. This translates to a paradigm shift in the metals industry as more and more auto players move to using aluminium for car bodies. Demand is set to spike up in the next few years.

Back home, Copper prices languish with the metal declining around 13% in January, struck both fundamentally and on a macroeconomic scale. February saw gains of 5.1% that was enough to cover the losses of the previous month, but the metal still trades down 8.33% from the beginning of the year. Read our cover story on copper. We recommend selling the red metal in the medium term from higher levels, but do watch out for triggers from China.

Our commodity of the month is Mentha Oil that surged around 9% from Rs 747 to Rs 814 per Kg over the past three weeks in an otherwise dismal commodities market. The slow pace of sowing activities is indirectly creating tightness from the supply side and thereby has led to consumption of carryover stocks. Additionally, there is news of reduction in mentha oil production next crop season, which is supporting the prices to remain elevated. Our fundamental as well as technical analyses suggest a bullish trend for the price of this commodity in the near term.

EDITORIAL

The data in all charts and tables have been sourced from Bloomberg, KCTL Research, unless otherwise indicated.

Transitioning Commodities

The union budget has been ruling the roost of news from even before Finance Minister Arun Jaitley formally presented it on February 28, 2015. While much has been changed to make India more fiscally prudent and prosper through economic growth, industry expectations have quite not been met satisfactorily.

With concern to the commodities and trading community, FCRA has been repealed in this budget and commodity derivatives have been introduced under the definition of ‘securities’ in the SCRA. This is expected to pave the way for deepening of the commodity markets through participation of banks, FIIs and mutual funds. Giving with one hand, the FM took back part of the joy as he kept the Commodity Transaction Tax (CTT) untouched even as the industry was hopeful of a cut. Many had even anticipated a removal altogether. Introduced by P Chidambaram, the CTT is a levy of 0.01% of the transactional value on the seller in the futures trading of various non-farm items. According to reports, more than 80% of trade volumes in the domestic markets takes place in bullion, metals and energy, and the imposition of CTT has resulted in a major drop in turnover at the country’s commodity exchanges. The Forwards Market Commission (FMC) pegs the cumulative value of trades fell to Rs 53.92 lakh crore in the April-February period of this fiscal from Rs 92.05 lakh crore in the same period a year ago, a drop of over 41%. Another major development is the proposed merger between Sebi and FMC, which the FM believes will help streamline the monitoring of commodity futures trading and curb speculation.

In other news, the continuation of volatility in fuel prices is edging car manufacturers to come up with fuel-efficient designs, a solution to which has been found in reduction of body weight of the automotives. This translates to a paradigm shift in the metals industry as more and more auto players move to using aluminium for car bodies. Demand is set to spike up in the next few years.

Back home, Copper prices languish with the metal declining around 13% in January, struck both fundamentally and on a macroeconomic scale. February saw gains of 5.1% that was enough to cover the losses of the previous month, but the metal still trades down 8.33% from the beginning of the year. Read our cover story on copper. We recommend selling the red metal in the medium term from higher levels, but do watch out for triggers from China.

Our commodity of the month is Mentha Oil that surged around 9% from Rs 747 to Rs 814 per Kg over the past three weeks in an otherwise dismal commodities market. The slow pace of sowing activities is indirectly creating tightness from the supply side and thereby has led to consumption of carryover stocks. Additionally, there is news of reduction in mentha oil production next crop season, which is supporting the prices to remain elevated. Our fundamental as well as technical analyses suggest a bullish trend for the price of this commodity in the near term.

For more details contact:
Tel: +91-22-6686 6010 | Fax: +91-22-6686 6050
www.tickerplantindia.com | ask@tickerplantindia.com

March 2015
CONTENTS

Cover Story
Copper: Two Sides Of A Coin 12

Special Feature
Sunshine For Turmeric 22

By Invitation
Gleaming Gold - MMR Bureau 20
Lightweight Cars in Vogue; Spur Aluminum Demand - Pramod Shinde, MMR Bureau 24
Operational Risk Management - Alok Kumar Sinha, Chief Manager, SBI 30

Features & Updates
Budget And Commodities 09
Social Is The Way Even For Companies 16
Commodity Of The Month: Mentha 26

Disclaimer
The technical studies / analysis discussed here can be at odds with our fundamental views / analysis. The report contains the opinions of the author(s) that are not to be construed as investment advice. The author, directors and other employees of Karvy, and its affiliates, cannot be held responsible for the accuracy of the information presented herein or for results of the positions taken based on the opinions expressed within. The opinions are based on the information believed to be accurate, and no assurance can be given for the accuracy of this information. There is risk of loss in trading in derivatives. The author, directors and other employees of Karvy and its affiliates cannot be held responsible for any losses in trading. Commodity derivatives trading involves substantial risk. The valuation of the underlying may fluctuate, and as a result, clients may lose their entire original investment. In no event should the content of this research report be construed as an express or an implied promise, guarantee or implication by, or from, Karvy Comtrade that you will profit or that losses can, or will be, limited in any manner whatsoever. The past results are no indication of future performance. The information provided in this report is intended solely for informative purposes and is obtained from sources believed to be reliable. Information in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. We do not offer any sort of portfolio advisory, portfolio management, or investment advisory services.

STATISTICS

COMEX Gold (US$/oz)

NYMEX Crude (US$/bbl)

Major Global Commodity Index

Performers Of The Month (MCX/NCDEX)

Thomson Reuters Jefferies CRB Index

MCX Crude Oil Price Movement ($/bbl)

Rogers International Commodity Index

NCDEX Turmeric Price Movement (Rs/quintal)

S&P GSCI Commodity Index

NCDEX Barley Price Movement (Rs/quintal)
FMC-SEBI merger sounds death knell for ‘dabba’ market

The proposed merger of FMC with Sebi to create a unified markets regulator has sounded a death knell for the illicit ‘dabba trading’, estimated to have a turnover of up to Rs 1 lakh crore a day. In commodities alone, the overall dabba trading clocks turnover to the tune of Rs 50,000-1,00,000 crore a day, while the volumes for illicit stock trades outside the purview of stock exchanges also run into tens of thousands of crores. While regulators and enforcement agencies have been trying hard to curb this menace for a long time, the lack of a unified regulatory mechanism has so far made it difficult to fully control this problem. The efforts to check this menace are likely to get a major boost with Sebi being given the jurisdiction to regulate commodity markets as well following FMC merger, as the capital markets regulator already enjoys greater powers including those to conduct search and seizure, impose penalties, order arrests and take other strict actions against wrongdoers.

Subsidy late, India likely to produce only 8-10 lakh tonne raw sugar

India’s raw sugar production in the rest of this season is likely to fall way short of the 1.4 million-tonne that mills can export under a subsidy programme announced by the government last week. This is because the announcement has come "too late", with very few days remaining for cane-crushing. India is likely to produce only 8-10 lakh tonne of raw sugar, said industry executives. Of these, more than 50% is expected to be consumed by Indian sugar refiners, which would be considered as deemed exports and would come under the subsidy programme.

Soybean industry in Madhya Pradesh is facing tough time this year amid low soymeal export demand and high taxation by the state government, feel industry players. Madhya Pradesh accounts for more than 70% of the country’s soybean production and the state houses most major crushers of the country.

MP soybean braces up to tackle low demand, high tax

Soybean industry in Madhya Pradesh is facing tough time this year amid low soymeal export demand and high taxation by the state government, feel industry players. Madhya Pradesh accounts for more than 70% of the country’s soybean production and the state houses most major crushers of the country.
China’s disinflation eased in February on holiday spending
China’s consumer prices rose faster than economists forecast in February after the central bank stepped up policy easing and the Lunar New Year holiday pushed up food and transport costs. The consumer-price index climbed 1.4% from a year earlier, compared with the median projection for a 1% increase in a survey of analysts by Bloomberg News. Producer prices fell 4.8%, extending a record stretch of declines to 36 months, driven by weaker commodity prices.

A sustained pickup in consumer inflation would suggest companies are regaining some pricing power after the People’s Bank of China cut benchmark borrowing costs twice since November and pared banks’ reserve requirements last month. It may be too early to conclude deflation risks have abated as the Lunar New Year holiday, which fell in February, raised prices as families spent on feasts and travel in their once-a-year binge. (Source: Bloomberg)

China’s scrap copper imports seen lingering near 10-year low
China’s imports of scrap copper, the feedstock for one-third of the country’s production of the metal, are unlikely to rebound from a 10-year low as US supplies remain tight, according to the world’s largest listed metals and electronics recycler.

Scrap copper imports by the country, which accounts for about half the world’s copper consumption, fell to the least since 2004 last year as the economy expanded at the slowest pace since 1990. Scrap metal is the feedstock for about one third of China’s copper production, CLSA Ltd. estimates.

As per customs data from China, scrap copper imports fell 16% to 306,466 metric tons in January from the previous month after sliding 11% from 2013 to 3.9 million tons last year. The tight scrap supply has boosted smelter demand for copper concentrate, the raw material used to make refined metal, and downstream demand for copper cathode. (Source: Bloomberg)

Finance Minister, Arun Jaitley, came out with the fiscal budget 2015-16 recently wherein he projected a roadmap for fiscal prudence and economic growth. There were some positive takeaways for the retail and corporate sectors. Major headlines for retail included measures to enhance savings for the individuals by raising internal limits in tax exemptions mainly pertaining to health insurance, pension and transportation allowance among others whereas for the corporate, taxes are to be gradually pruned to 25% from the current 30% in the next four years was a major boost. Alongside, there were some new initiatives such as policies and schemes to be offered so as to monetise gold holdings in the country and also plans to launch sovereign bond and Indian-made gold coins to reduce dependence on gold imports. There were some draggers too such as no raise in personal income tax limit as being expected by the markets, unexpected increase in service tax and education cess from 12.36% to 14% wherein education cess and secondary and higher education cess is withdrawn. Additionally, the FM has also proposed to impose a Swachh Bharat cess on all taxable services at the rate of 2% on the value of such services for Swachh Bharat initiatives which would eventually increase the service tax rate to 16% in future. This is likely to increase the burden on the service sector and indirectly on consumers while the much awaited goods and services tax GST was pushed for implementation by April 2016. FM’s proposal for merger of FMC with SEBI
For the commodity market segment, one of the major takeaways from the budget related to the planned merger of the commodity watchdog Forward Markets Commission (FMC) with capital market regulator SEBI. The Finance Minister commented that merger of the two agencies would help streamline the monitoring of commodity futures trading and curb speculation. The Finance Minister while presenting the Finance Bill 2015 alongside the Fiscal budget laid down the roadmap for the merger of FMC and SEBI by annulling the FCRA 1925 (Forward Contracts Regulation Act) under which the FMC was set up. Additionally, the bill called
as the so-called NSEL fiasco in July 2013 deeply dent ed the image of the commodity markets participants including its regulator to an extent. It was only a mat ter of timing and the current move should be broadly taken in positive sense as it indirectly would give more teeth to the FMC. The former SEBI whole-time mem ber, M.S. Sahoo said, “There was a view that the com modity market was lightly regulated compared with the equities market and the proposed merger would remove all forms of regulatory arbitrage between the two market segments. This also confirms that the gov ernment has realised that commodity futures are also financial instruments just like shares.”

The step is backed by the feeling that SEBI, being an extremely tough regulator, might indirectly act as a deterrent against speculators/dubba traders while also leading to the entry of institutional investors in the commodity market. Adding, the merger may finally clear the long-standing demands of options trading being introduced in the commodity markets sometime in the future, increasing the depth of the market by leaps and bounds and enhance participation from FIIs’s and other domestic financial institutions. For traders and investors, it could be seen as good news as it is likely that different asset classes in India, namely stocks, mutual funds, currency derivatives and commodity derivatives could get stream-lined under one platform. Also it would most likely smoothen the investor grievance mechanism across these asset class es providing a path for single Know Your Customer (KYC) document. For Brokers working in different sectors that currently are forced to work at arm’s length, may look forward to sharing the operational costs while also paving the way for a merger of stock and commodity brokers.

Looking into the other aspects of the SEBI-FMC merger, market participants are a concerned about the challenges which SEBI might face especially when dealing with physical commodities. In commodities, mainly of agricultural nature, they see a lot of physical buying-selling, something untouched by SEBI yet, and may require major study.

for more powers to be granted to the SEBI under the SCRA (Securities Contracts Regulation Act) of 1956 so as to regulate the commodity market intermediaries. As per the plans of the government, domestic commodity market participants including exchanges and brokers will be given one year to comply with SEBI regulations once FCRA is annulled.

The action was already anticipated by the markets, as the so-called NSEL fiasco in July 2013 deeply dent ed the image of the commodity markets participants including its regulator to an extent. It was only a mat ter of timing and the current move should be broadly taken in positive sense as it indirectly would give more teeth to the FMC. The former SEBI whole-time mem ber, M.S. Sahoo said, “There was a view that the com modity market was lightly regulated compared with the equities market and the proposed merger would remove all forms of regulatory arbitrage between the two market segments. This also confirms that the gov ernment has realised that commodity futures are also financial instruments just like shares.”

The step is backed by the feeling that SEBI, being an extremely tough regulator, might indirectly act as a deterrent against speculators/dubba traders while also leading to the entry of institutional investors in the commodity market. Adding, the merger may finally clear the long-standing demands of options trading being introduced in the commodity markets sometime in the future, increasing the depth of the market by leaps and bounds and enhance participation from FIIs’s and other domestic financial institutions. For traders and investors, it could be seen as good news as it is likely that different asset classes in India, namely stocks, mutual funds, currency derivatives and commodity derivatives could get stream-lined under one platform. Also it would most likely smoothen the investor grievance mechanism across these asset class es providing a path for single Know Your Customer (KYC) document. For Brokers working in different sectors that currently are forced to work at arm’s length, may look forward to sharing the operational costs while also paving the way for a merger of stock and commodity brokers.

Looking into the other aspects of the SEBI-FMC merger, market participants are a concerned about the challenges which SEBI might face especially when dealing with physical commodities. In commodities, mainly of agricultural nature, they see a lot of physical buying-selling, something untouched by SEBI yet, and may require major study.
Copper: Two Sides Of A Coin

Sarika Agarwal

Year 2015 started under a dark shadow for Copper wherein the downside potential for the metal seemed to have no floor. The metal declined around 13% in January, struck both fundamentally and on a macroeconomic scale. The sell rallied initiated by Chinese hedge funds invested in the commodity was one of the major reasons for the downswing followed by the trimming of the global growth rate heating up the bearishness in market sentiment. Relief came in February and the metal has till date gained around 5.1% covering the losses of the previous month and down by around 8.33% from the beginning of the year. It should be noted that the gains in the metal were limited to February due a week long lunar holiday in China and also concerns that Greece might exit the Eurozone if it was unable to repay its debt within the stipulated time that restricted the metal from moving upwards.

Balloon surplus vs production cuts

A lot has been spoken and anticipated of the expected surplus for Copper during 2015 ranging from 0.45 million to the recent slashed expectation of around 0.100 million MT surplus. Some analysts have expected this surplus to actually turn into a deficit or more likely to have a balanced demand supply situation just like year 2014.

An expected glut of supply in 2015 along with the tanking oil prices drove the metal downwards. However, production cuts in many Cu mines are raising doubt about the extent of global surplus during this year and could in fact support a market rebound. As per ICSG forecasts, world mine production was expected to grow by around 3% in 2014 to 18.6 million MT and about 7% in 2015.

Refined Cu. production is likely to increase by 4% to 23.1 million MT in 2015 while refined Cu. demand is expected to grow by a mere 1%, indicating supply glut for 2015. However, the bigger picture highlights certain other issues which could in reality tighten the production levels and evade the expectation of large surplus in the metal. Post the plunge in copper prices and for various geological and technical reasons, many large miners like Rio Tinto, BHP Billiton and Glencore have trimmed their output forecast for the year. Rio Tinto announced a production cut of 0.1 million followed by BHP Billiton which lowered its production forecast by around 0.15 million and Glencore has lowered production forecast by around 0.05 million. In addition to these cuts, supply is also hindered at Chile where due to dry spells, copper mined production could be hampered and Anglo Los Brunce mine could lose around 0.03 million production; BHP Billiton also faced production cut of around 0.06 million due to the Olympic Dam outage for which repair is likely to continue for six months, thereby tightening copper supply in the near term.

The slump in Copper prices is also likely to affect the scrap supply of the metal which forms an important source of supply for the recycled metal. As per Reuters poll conducted in October 2014, Copper surplus was expected to be in the range of 0.35 million which has now been revised to a mere 94,300 MT. Macquarie has also trimmed its expectation for Cu surplus from 0.3 million to 0.09 million for 2015. Cardine Bair, a senior commodities economist expects a deficit of around 30,000 MT for 2015.

The other side of the coin baffles the positivity brought in to due likely tightness of the supply as U.S. miner Freeport-McMoRan Copper & Gold Inc agreed to pay Chinese smelters term treatment and refining charges (TC/RC) of $107 per tonne or 10.7 cents per pound for copper concentrate shipments in 2015, up from $92 per tonne and 9.2 cents per pound for term shipments in 2014. The treatment and refining charges is the amount paid to the smelters in order to process the ores into a refined metal. Based on the supply status the TC/RC charges differ, in case of heavy supply expected the TC/RC charges rise as more number of miners would want their metal ores to be processed and therefore the smelters have the ability to demand higher charges in case the supply is more and vice versa. Additionally, due to such rise in the TC/RC charges, it is likely that the smelters may boost the capacity this year by around 8% or 0.8 million, flooding the copper market. Separately, Indonesia might push back the ban on copper exports due in Jan 2017 if the miners are unable to setup the domestic smelter capacity by that time frame. Chile’s Coldeco also plans to boost efficiency of its smelting and refining operations and produce 35,000 MT of refined Cu at Chuaquicamata and Potrerillos smelters. These factors could cap the gains and lead to a more balanced demand supply situation for the metal.

China and Copper: Dwindling domestic demand

China, the world’s second largest economy, has grown at an exponential rate since 2000 pushing the country to become the largest consumer of Copper utilising around 40% of the global refined metal. However, the growth pattern has lowered to around 7% in recent times that has in turn affected demand for the metal. As per the trade balance data, China’s imports of Copper ore and concentrate fell for the first time in three months and declined by around 2.4% MoM to 410,000 MT in Jan 2015 compared with an import level of 740,000 MT during 2006. Inbound shipment in Jan fell to 930,000 MT, down by 20% as the smelters increased the processing fee amid growing global ore supply.

Full year data for 2014 and comparison

As per Reuters update, China has introduced a new export tax rebate for some Copper products and increased rebate for other copper products. Ministry of finance said that China has introduced rebate of 9% for copper bars, rods, cathodes and increased the rebate from 13% to 17% for copper foils. On one hand the introduction of new rebates could push up the exports of rods and bars as much as 0.1 million a year whereas on the other hand the new rebate would drive up domestic demand for refined copper to make products supporting China’s refined copper consumption by 6% and would also ease off the pressure on China’s local market from an over-supply of rods after producers expanded capacity to 11.3 million MT.
Earlier importers in the free trade zone in China used to import Copper and other base metals, storing them in bonded warehouses and use it as collateral for cheaper short term loans from foreign banks. However, as per the latest developments from People’s Bank of China (PBOC), companies in Shanghai free trade zone would be allowed freer access to financing from abroad which means a likely cutback on using Copper imports as financing tool, thereby creating an additional glut situation in the metal as the metal which was once tied up in financing deals would also be available for trade purposes. This would maintain a downward pressure on the metal in the medium to long term.

In contrast, we are now witnessing small green shoots in the Chinese economy. Recent data from HSBC manufacturing PMI showed an increased from 49.7 in January to 50.1 in February; the index reached a four-month high. This return to expansion bodes well for copper, which is often used as a semiconductor in production. This would maintain a downward pressure on the metal in the medium to long term.

Fundamental Analysis
Moving towards the metal specific factors it is important to understand the impact and relative importance of the inventories and the divergence between the spot and future prices. On a monthly basis, the inventories for Copper at LME have grown around 19% or 46,900 MT whereas cancelled warrants rose by a mere 7000 MT if we look at the rise in the inventory levels of copper at LME since the beginning of the year, the rise has been of 118,000 MT or around 67% whereas the cancelled warrants rose by a negligible amount of 3000 MT. This figure indicates that despite supply disruptions, the actual utilisation of the metal remains very low in comparison to production levels.

Copper’s backwardation at LME is yet another indicator in support of the expected surplus in the metal. On the monthly basis, backwardation for the metal at LME has trickled down to $29.5 MT from $46 whereas on an annual basis the picture looks even more gloomy as the divergence narrows down from $68 to a recent $29.5 MT. This factor indicates that the immediate demand for the metal remains in the lows which dampen the outlook for the metal in the near term.

Another key indicator revealing the near future of the metal is the level of premiums that various countries pay for procuring the metal over and above the LME price. Higher premium paid indicates rising demand in the near term and vice versa. The premiums paid by the US Free Market continued to rise for the month of February as well reaching to $144.7 MT from $136.9 in December 2014. However the rise in the premiums from US has been overcome by the decline in the premiums from European free markets from $79.3 MT in December 2014 to $46.2 MT during Feb 2015. The decline in premium paid by European regions is mainly due to sufficient supply of Copper to the region from China and other neighbouring regions indicating that demand for the metal has been surpassed by the supply or availability of the metal and therefore is likely to maintain its downward pressure on the metal.

Overall, on the fundamental note, the metal continues to show signs of bearishness to remain intact for the medium term. However, the intensity of the bearishness seems to have reduced, yet is negative as the macro and micro factors are likely maintain downward pressure on the metal for the medium term.

Balance Sheet Analysis
On a cumulative perspective, ICSG projects 2015 mined growth to be around 6.7% to 19.85 million MT along with the world refined copper production for 2015 to rise by 4.3% to 23.1 million MT whereas total refined copper demand growing by a meagre 1% mark to 22.69 million MT. This is likely to leave the markets with a surplus situation of around 393,000 MT. The ICSG has also hinted a probable downside bias to global copper demand-supply balance for 2014 and 2015 amid economic slowdown in the second half of 2014. However, the current situation for Copper does not appear to be anywhere close to being as in surplus as per the figure suggested by ICSG in its former reports.

Outlook
Understanding the various macro and micro market dynamics that are likely to rule the Copper market for the near to medium term, we conclude that although imminent supply disruptions and forecasted production cuts are anticipated, the overall bearishness in the intrinsic factors like the rising inventories and nearly stagnant demand are likely to cap any major gains in the metal. The fact that the market is an oversupplied situation especially from China and declining premiums especially in Asia and Europe, indicate that the upward movement of the metal is likely to be restricted in the medium term. However, it is likely that the supply of Copper may not be as much as it had been anticipated by ICSG during October 2014 and the Copper market may remain largely balanced in the medium to long term. Although, we recommend selling Copper in the medium term from higher levels, we suggest a close watch on the macro data from China especially about the stimulus which could hype the demand for the metal.
Social Is The Way Even For Companies

— Smita, Priya and Abhilasha Sinha, Managers at Karvy

In today’s fast-paced life, time and money have become the most precious assets. People are now living a tight-scheduled life which provides them with little opportunity to interact with others face-to-face like in the earlier days. Thanks to the IT revolution which has made the world a global village, it has removed not only geographical but also political and traditional boundaries. We have easy access to a plethora of information while remaining confined to our own four walls. The newest revolution in this stream is Social Networking application/Social media. People can now interact with a larger audience with just a tap of the finger. It has become ubiquitous and an integral part of everybody’s life. The social networking platforms provide a virtual arena to people from different parts of the world to interact with each other, to express their views, carry out discussions and to share information. The most established social networking sites are Facebook, Twitter, Linkedin and YouTube. Now-a-days, mobile apps are also coming out as useful tools which allow persons to connect and meet a particular objective.

The above graph shows that around 50% people visit their account at least once in a month. It not only has teenagers present on it, but the retired populace too is enjoying its attributes. People aged between 25 years and 50 years are the most active on these platforms. The newest revolution in this stream is Social Networking application/Social media. People can now interact with a larger audience with just a tap of the finger. It has become ubiquitous and an integral part of everybody’s life. The social networking platforms provide a virtual arena to people from different parts of the world to interact with each other, to express their views, carry out discussions and to share information. The most established social networking sites are Facebook, Twitter, Linkedin and YouTube. Now-a-days, mobile apps are also coming out as useful tools which allow persons to connect and meet a particular objective.

Due to its free-of-cost services and easy accessibility, social media has become the new vogue among people across society.

This gives immense potential for services where one wants to reach out to a mass at the earliest and at a minimum cost. With soaring popularity and access to a large audience, social media has become the foremost choice for various companies to reach out to large customer bases. Thus, social media marketing is one of the imperative instruments available for a company to make contact with its targeted audience. Social media marketing is basically the use of social media/social networking sites to promote a company and its products. It is one of the sub-sets of online marketing and is extensively used by companies these days.

Like other things, social media marketing too has many benefits and drawbacks too. The first and foremost advantage of social media marketing is its negligible cost. It is much cheaper compared with other ways of marketing and promotional activities. Most of the social networking sites are free-to-use even for business purposes. Instead of spending large amounts of cash, with little or almost no cost, any company can share information with the large population. The best part of this marketing tool is that you are able to connect with your target audience based on your criteria.

Through such channels, when you share persuasive and associated information regarding your product, people who are interested willingly join you or start to follow you, which itself is a great benefit. The viral nature of this media also helps you by providing not only word of mouth publicity but also each individual associated with you act as a marketer on your behalf.

As the amount of time people spend on these networking sites have increased, the level of interaction and communication have also greatly increased. By providing a virtual platform for discussion and exchange of information, not only a deep relation is formed between the customer and company but also loyalty gets enhanced. Same applies to the potential customers as they gain more confidence because of the transparency.

Through social media marketing, customer service can get enhanced to a totally different level. By providing two-way communication, the customer’s query can be easily and solved in a timely manner. Their valuable feedback can be taken into consideration for further enhancing the services. Also social media provides lightening speed with which the information can reach your customers. You can inform your customers about updates and new releases and keep them engaged.

Although social media provides a range of benefits, it has its flip side. Transparency provided by this channel has to be regularly monitored by marketers as it can sometimes go against too. To indulge in social media marketing one needs commitment, not only it is time intensive but also requires careful handling of critical situations. The image and brand value of a company depends on the way in which its social network account is being handled.

Using social media for building strong bonds and ultimately increasing your customer base is a long-term strategy. Consistency and innovations have to be maintained; over a period of time one will be able to reap its benefits.

Due to mushrooming of this media, there always remains an issue regarding misuse of company’s trade-mark and copyrights. Any company’s brand, logo and other intellectual property is as valuable as its services/products. Being in a virtual world also creates trust issue with customers. It’s not easy for the customer to trust the company with whom they have not been in direct contact. Although most social networking sites have their own privacy policy and guard sensitive information of their users be it customer or a business, sometimes, the privacy of the account holder comes under the scanner. News of accounts hacking is on the rise and therefore safeguarding privacy and security of information is a herculean and critical task.

In nutshell, one can say that social media is a very powerful and important tool for any company. But it should be handled properly with utmost care to leverage its benefits. It takes commitment and dedication as by using this platform, new bonds can be formed with potential customers and the old ones could be further strengthened. It takes time and patience to maintain relationships and to enhance customer base.

By using social media, a company can reach directly to the dissatisfied customers and clear their doubt about the product and services, and in this way, the company can clear their image immediately and can once again attract their audience. It also helps the company in making new customers. It would be wise for any business to develop and adopt sustainable social media strategy in order to successfully run the business in this changing environment.

Social media marketing is part of doing business. We, at Karvy Comtrade, have always embraced the new technology making our services more user-friendly and in the future too will continue to do so. Our Knowledge Resource App is one of our small efforts in that direction.
Finally, a Forward Contract that will empower farmers, buyers and brokers.

The NCDEX Edge
- Reduction of Bilateral Agreement Risks
- Flexible Contracts
- Reduced Operating Costs
- Access to National Market Place

Email: askus@ncdex.com
Toll Free: 1800 210 2339
www.ncdex.com
2014 saw a stabilisation of the gold market as it pulled back from the extremes of 2013, according to the latest Gold Demand Trends full year report from the World Gold Council. Annual gold demand was 3,924 tonnes, 4% lower than 2013. The year ended strongly, with gold demand in Q4 2014 up 6% year on year to 987 t, driven by demand for jewellery and central bank buying.

Jewellery remains the biggest source of demand for gold. Total jewellery demand for the year was 2,153 t, down 10% compared with the previous year, which is not surprising given the price-driven jewellery demand surge in 2013. India – one of the two largest gold markets in the world – had its strongest year for jewellery demand since the World Gold Council’s records began in 1995, up 8% on a year ago to 662 t. This was driven by wedding and festival buying despite the presence of government restrictions on gold imports for most of the year, as consumers who purchased in 2013 held back from further purchases. This was offset by a dramatic slowdown in outflows from exchange traded funds (ETFs), from 880 t in 2013 to 159 t in 2014.

Central banks continued to see the value of gold as a reserve asset in 2014. Annual central bank demand was up 17% to 477 t. This was particularly evident in the last quarter of 2014, when demand was up 40% year on year to 119 t, making Q4 2014 the 16th consecutive quarter that banks were net purchasers of gold.

Total supply in 2014 was virtually unchanged compared to 2013 at 4,278 t. ETF outflows slowed significantly, from 880 t in 2013 to 159 t in 2014.

The key findings of the report are as follows:

- Following an exceptional 2013, gold demand stabilised in 2014, declining just 4% to 3,924 t.
- Jewellery remains the biggest component of demand for gold. Indian demand for jewellery was up 8% to 662 t, the best year of jewellery demand since records began in 1995 and China’s jewellery demand whilst down 33% was still the second best on record.
- There was also strong jewellery demand in the UK and US, driven by improved economic performance, up 18% to 28 t and 9% to 132 t respectively.
- However, overall jewellery demand fell by 10% to 2,153 t as China digested the record breaking levels of jewellery accumulated in 2013.
- Annual central bank demand was up 17% to 477 t, the fifth consecutive year and 16th consecutive quarter that banks were net purchasers of gold.
- Investment was up 2% to 905 t last year, despite a fall of 40% in bar and coin investment to 1,064 t as consumers who purchased in 2013 held back from further buying. ETF outflows slowed significantly, from 880 t in 2013 to 159 t in 2014.
- Total supply in 2014 was virtually unchanged compared to 2013 at 4,278 t. Recycling contracted to a seven year low, down 11% to 1,222 t. This offset the increase in annual mine production, up 2% to a record 3,114 t - a level that we expect will signal a plateau over 2015.

Additional gold demand and supply statistics for full year and Q4 2014

- Global demand for jewellery was 2,153 t for the year, down 10% on 2013. Q4 global jewellery demand was 757 t up 1% from Q4 2013.
- Fourth quarter gold demand of 987 t was up 6% versus Q4 2013.
- Investment demand was 905 t up 2% on 2013, with a 40% drop in bar and coin demand to 1,064 t. The quarterly figure was up 10% to 198 t.
- ETF outflows slowed for the full year from 880 t in 2013 to 159 t in 2014.
- Full year demand in the technology sector was 389 t, down 5% on 2013. Technology for Q4 saw modest declines, totalling 95 t, down 3% year on year.
- Total supply for the year was 4,278 t, virtually unchanged compared to 2013. The quarterly picture saw total supply at 1,091 t, down 2% on Q4 2013.
- Net central bank purchases totalled 119 t for Q4 up 40% on Q4 2013.

The Full Year 2014 Gold Demand Trends report can be viewed at http://www.gold.org/supply-and-demand/gold-demand-trends
Sunshine For Turmeric

Turmeric prices have surged around 40% in a span of three month from December 2014 tracking bullish fundamental factors such as emergence of winter season demand from the North Indian traders and exporters in December. From Rs 6400 per quintal, prices soared to a high of Rs 9600 per quintal in December and subsequently have declined a bit following increased supplies from the farmers as they offloaded their old stocks ahead of harvesting season of new crop in January.

Turmeric prices have since been bearish through the month. We have seen the spot prices falling from the level of Rs 8000 to Rs 6800 per quintal. Futures market followed the trend seen in the spot market, hence, the futures prices declined from the level Rs 9600 to Rs 8072 per quintal. Fresh arrivals along with huge carryover stocks from the previous year kept the prices under pressure during January. The turmeric production for the year 2014-15 is estimated at 4.12 lakh tonne and carry forward stocks are estimated at 3.12 lakh tonne thus marking total supplies of 7.24 lakh tonne. Lackluster demand from the domestic and overseas markets at higher price levels also pressured turmeric prices. However, in February, prices saw a small recovery on reports of export demand from North India. Traders received good orders from North Indian buyers, which resulted in heavy buying from traders to fulfill their commitments. Demand for fresh crop came in higher which further supported the uptrend.

Despite some intermittent corrections, positive trend remained intact.

Price Seasonality Index

As per price seasonality index, turmeric prices remained under pressure January to February 2014 as fresh crop arrivals hit the market. Starting March, prices recovered following emergence of fresh crop buying from local masala buyers and stockist. July to August, prices moved higher with the end of the arrivals season and improved domestic demand ahead of the festive season. With the peak sawing season over, prices resumed their downtrend during September and October. However, strong festive season demand at the domestic and export fronts supported a recovery in the prices from the losses in November-December.

Domestic Area and Production

India is the largest producer and exporter of turmeric in the world. On an average, India produces 45 to 55 lakh bags of turmeric per annum (1 bag=70Kg). As per the latest data by the Government and from secondary sources, acreage for Turmeric in 2014-2015 in India has declined sharply. As of January 2015, estimated crop production is around 4,12,000 tonne, down by 2% from previous year production. The actual figures would be revealed by end of March.

As per our crop survey, we have estimated the production number of 2014-2015 to be around 4,12,000 tonne which itself is lower from the last two year’s average production. Main reason for decreased in production is lower acreage. Due to lower returns during 2013-2014, the farmers put less area under turmeric sowing. Exports have declined marginally in last three years. However, the estimated carry forward stocks are likely to be around 3,35,000 tonne. Hence, the total supply in the year 2014-2015 is expected to be around 7,24,000 tonne which is much higher than the yearly consumption. As we understand the commodity’s local consumption have been steady while the exports are also lower so we could see the net consumption would be more than 3,89,000 to 4,00,000.

Export

Other aspects of looking at the market would be the export demand. India is the major supplier of turmeric in the global market. Other major producers are China, Myanmar, Nigeria and Bangladesh. Export of turmeric from India during 2012-2013 is an all time high in terms of quantity. The major buyers for Indian turmeric are UAE, Malaysia, Japan and USA. Domestic consumption has always been higher than the exports. The export destinations from India which had enough stocks with them to use until last year, might show some interest in buying for fresh consumption.

Outlook

Looking at the above scenario, we believe Turmeric prices will remain in the upside in the near term. Good domestic demand ahead of the upcoming festive season is likely to support the prices in the short term. From the above mentioned analysis, we understand that a continuous decline in production consecutively for the past three years might create space to generate its own intrinsic demand that might help the commodity to trade higher amid higher carry forward stocks.

Prices at the spot market are trading in the range of Rs 8200-8400 per quintal for Fingur variety and Rs 7400-7500 per quintal for Gattah variety. Lower production for the current year might support turmeric prices to move up in short to medium term.

Technical Analysis

As on March 2, 2015 Turmeric April delivery futures at the NCDEX platform are trading around Rs 8400 per quintal. The next active contracts May, June and July are available with a premium of Rs 100-120. Based on the below discussed technical study, we are anticipating TMC futures to extend gains up to 9960 then 11500 in the near to medium term.

Prices are trading above the monthly and weekly 8, 13 and 21 exponential moving averages, moving average’s bullish crossover 13/8 EMA had occurred. In the month of December, 2014 TMC futures prices had broken the long term consolidation phase resistance levels at 7600; thereafter it had made a high of 9680 in the month of January, 2015. In the above mentioned price chart it is visible that prices are moving higher along with trend channel supports and resistance levels, at present it is providing resistance at 11070 levels. The monthly momentum indicator RSI-14 is treading at 0.620, it has a potential to move higher up to 0.700 in the near term. By combining above technical factors we are anticipating TMC futures to move higher up to 9960 then 11500 levels which are the Fibonacci 50% and 61.8% resistance levels of the 16570-3358 respectively. Lower side consolidation break out point 7600 may act as immediate support levels and the 21 EMA support levels 7000 might be act as major support levels.

Please read the Disclaimer carefully on page 4

Strategy

Buy 50% of investment at 8150-8100 and remaining at 7500-7600
Target Price Rs 9600 and Rs 11500
Stop loss below Rs 7000.
(Note: Above call is also applicable for far month contracts (May, June, July). While initiating the long positions kindly add premium of Rs 100-120 at entry and exit levels since far month contracts are trading with a premium of Rs 100-120.)
The global metal commodity market is passing through a slowdown phase but aluminium is likely to stage a comeback as automakers are under pressure to build more fuel-efficient cars thereby increasing the use of this light-weight metal. Continued volatile fuel prices in the past five years had been forcing auto companies to reduce car fuel consumption, the solution to which can be only through change over to a light weight concept as per various studies conducted by automobile companies.

Based on this innovative concept, global aluminium giants like Alcoa Inc. and Rio Tinto Group expect demand to rise over the next few years as the metal grows in importance. Rusal expects consumption from automakers to rise 65% to 23 million metric tonne by 2020 as announced by Steve Hodgson, Director of Sales and Marketing.

Aluminium has long been used in car doors and roofs, but unlike steel, it’s difficult to weld, limiting its usage in other automobile parts. Innovative research and breakthroughs in welding technology has actually helped the aluminium industry. The new stamping processes have enabled automakers to produce aluminium body parts that meet stringent specifications. They can also make them in intricate shapes. Consequently, the demand for aluminium auto sheets in North America will almost quadruple to 1.78 million tonne in the decade through 2025, according to Alcoa, the largest US-based producer. Increasing orders from airplanes are also boosting consumption.

As per the European Aluminium Association latest data indicates that in Europe new cars already contain an average of 309 pounds (140 kilograms) of aluminium each and transport accounts for 40% of the use of the metal. The region’s third-largest producer, Norsk Hydro ASA, working with customers including Daimler’s Mercedes-Benz unit, has succeeded in manufacturing a large side panel in one piece, reducing the welding requirements and cutting assembly costs.

“The real decider of vehicle purchase is the consumer.”

Similarly, Honda Motor Co. is also using more of the lightweight metal to improve fuel mileage. As more carmakers follow suit, there will be a “tectonic shift” in demand from the auto industry for the metal, according to Sean Stack, executive vice president and head of North America rolled products at Alcoa Corp., a US aluminium producer.

The continued decline in global oil prices appeal of shifting from cheaper steel to aluminium due to lower gasoline costs mean consumers get less benefit from fuel efficiency. Average US gasoline prices fell to $2.033 a gallon on Jan. 25, the lowest since March 2009 while crude futures in New York plunged 53% in the past year.

“There’s going to be less pressure to put aluminium on vehicles if oil prices stay lower because current lower prices of gas will reduce pressure by customers,” Kevin Moore, president of All Raw Materials Consulting in Clarkson, Michigan, said. “The real decider of vehicle purchase is the consumer.”

Even as gasoline costs drop, fuel mileage will remain a goal for carmakers. In September, President Barack Obama urged world leaders at a United Nations summit to reach a global agreement to combat climate change. The administration worked with automakers to agree on fuel-efficiency standards that will require an average of 54.5 miles per gallon for cars and light trucks in the US by 2025. Morgan Stanley estimates US aluminium demand will jump 28% by 2020 as carmakers continue the push to make lighter vehicles.

“It’s only a matter of time until other auto companies move to light-weighting with aluminium,” Silverso Colalancia, recycling director at Novelis North America, said. “Everybody’s got binoculars, and they’re watching the F-150.”

The F-150 is the largest production ever of an aluminium-bodied vehicle, with the metal previously found mostly on luxury cars such as Jaguars. Replacing steel with aluminium means the pickup achieves as much as 26 miles (42 kilometers) per gallon on the highway, a 29% improvement from the older model. The F-series line is the nation’s top-selling vehicle and accounts for about 90% of Dearborn—Michigan-based Ford’s global automotive profits, Morgan Stanley has estimated.

As auto use increases, US consumption of the metal will rise about 7% in 2015 from 2014 to 5.38 million tonnes, the highest since 2006, according to Morgan Stanley. Ford’s move to go with the light-weight metal that helps to improve fuel mileage is a “line in the sand” for carmakers, Michelle Krebs, senior analyst at AutoTrader.com, said after the F-150 took the North American Truck of the Year award.

Similarly, Honda Motor Co. is also using more of the lightweight metal to improve fuel mileage. As more carmakers follow suit, there will be a “tectonic shift” in demand from the auto industry for the metal, according to Sean Stack, executive vice president and head of North America rolled products at Alcoa Corp., a US aluminium producer.

The continued decline in global oil prices appeal of shifting from cheaper steel to aluminium due to lower gasoline costs mean consumers get less benefit from fuel efficiency. Average US gasoline prices fell to $2.033 a gallon on Jan. 25, the lowest since March 2009 while crude futures in New York plunged 53% in the past year.
COMMODITY OF THE MONTH

Mentha: Hopes Rife Of Remunerative Gains

— Sonali Patnaik and Sujal Shah

In the benchmark market of UP, mentha oil prices surged around 9% from Rs 747 to Rs 814 per Kg over the past three weeks. The main reason behind the rise in mentha oil prices was late sowing. The slow pace of sowing activities is indirectly creating tightness from the supply side and thereby has led to consumption of carryover stocks due to which the price of the commodity has surged to this extent. Along with this, as per market sources, production of mentha oil is likely to decline in the next crop season which has provided additional support to the rise in the price levels of the commodity.

We understand that as the farmers continue to remain reluctant to sell their produce which has led to the decline in the arrivals, the domestic stockiest are refraining from further selling the produce in anticipation of remunerative gains in the near future.

Mentha crop output in India is estimated to be lower by 20-25% to 35,000 to 40,000 tonne for 2014-2015 compared with 55,000 tonne last year. So far the weather conditions have been favorable for crop development in the major mentha growing regions in UP. According to trade sources, acreage under mentha is expected to decline by 20-25% to 1.75 lakh ha compared to last year’s acreage of 2.10 lakh ha. However, if production declines in line with our expectations, the carryover stocks will protect the markets from a supply crunch. Nevertheless, this might lead to a surge in mentha oil prices in the short-term. Overall, in the near term, we expect Mentha prices to move on a bullish trend.

Technical analysis

The price trend of Mentha was channeling down as shown in the figure below. After making five reversals in the channel, it breached its upper boundary line at 781 zones with a breakaway gap. The breakaway gap was associated with decent volume beneath, thus indicates a legitimate breakout.

In the daily chart the price, we see a consolidation pattern – symmetrical triangle. Its upper boundary line is a part of multi-month channel. This consolidated triangle pattern aims a target of 830.

RSI (14) is reading at 70 and price is trading well above 50 week SMA – indicates a bullish trend.

Recommendation

Buy at Rs 775-780
Target Rs 970
Stop loss below Rs 680

Introducing a smart platform for the SMART trader

Smart Mobile Trading
- Trade on your finger tips from anywhere.
- Place your order on live market.
- Track your net positions in real time.
- Save your call charges and save your time.
- View order and trade book.

Karvy Diet
- Track trends, enhance trades.
- Admin & research massages.
- Trade execution and order.
- Management.
- Funds transfer facilities for Smart.
- Trade clients.

Web Based Trading (Net. Net)
- Enable connection to commodities trading without installing software.
- Especially useful for infrequent traders.
- Very convenient for people on the move.
- User friendly navigation.
- Makes trading an effortless experience.

Market View Mobile
- Watch online price movement of desired scrip on the mobile.
- View intraday interactive chart.
- with indicators like Moving.
- Average, Pivot Point and Super.
- Trend for your selected scrip.
- Create your own watch list.
- Preferences for font and market watch orientation available.
- View market depth displaying best 5 bids and offers in the market.

Karvy Resource Centre APPs
Get updated news / information on agri / non agri commodities along with currencies.

Come explore our new enhanced platform.

Registered Office: Karvy Commodities Broking, Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034.
Phone: +91-40-23388707/23431669/23440621
Fax: +91-40-86259955
Email: commodity@karvy.com

FMC Registration No.: MCX - 10775, MCX/TMC/COMP/10021, NCDEX/100236.
NCDX/TMC/COMP/101800, Acel/2012, ACCEL/TMC/COMP/10225.
NMCE/GS-0269, NMCE/TMC/COMP/10186; ICEX/1007, ICEX/TMC/COMP/10103

March 2015 Karvy Contrade’s Invest & Harvest 26
# International Commodities Monthly Supports And Resistance

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Contract</th>
<th>S3</th>
<th>S2</th>
<th>S1</th>
<th>Close</th>
<th>R1</th>
<th>R2</th>
<th>R3</th>
<th>Direction</th>
<th>Recommendation/Range</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BULLION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold Comex</td>
<td>Apr-15</td>
<td>1136</td>
<td>1162</td>
<td>1217</td>
<td>1279</td>
<td>1321</td>
<td>1359</td>
<td>1396</td>
<td>Down</td>
<td>Sell at 1185 TP 122 SL 1240</td>
</tr>
<tr>
<td>Silver Comex</td>
<td>Mar-14</td>
<td>14.37</td>
<td>15.02</td>
<td>15.05</td>
<td>15.21</td>
<td>15.36</td>
<td>15.48</td>
<td>15.58</td>
<td>Down</td>
<td>Sell at 16.10 TP 14.80 SL 17.50</td>
</tr>
<tr>
<td><strong>METALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper Comex</td>
<td>Mar-15</td>
<td>2.149</td>
<td>2.261</td>
<td>2.377</td>
<td>2.495</td>
<td>2.684</td>
<td>2.852</td>
<td>2.930</td>
<td>Down</td>
<td>Sell at 2.7541 TP 2.62 SL 2.857</td>
</tr>
<tr>
<td>Copper LME 3M</td>
<td>Feb</td>
<td>4711</td>
<td>4969</td>
<td>5221</td>
<td>5494</td>
<td>5931</td>
<td>6319</td>
<td>6495</td>
<td>Down</td>
<td>Sell at 6000 TP 5700/5400 SL 6300</td>
</tr>
<tr>
<td>Lead LME 3M</td>
<td>Feb</td>
<td>1687</td>
<td>1723</td>
<td>1787</td>
<td>1859</td>
<td>1916</td>
<td>1968</td>
<td>2011</td>
<td>Down</td>
<td>Buy at 1800 TP 1840/1900 SL 1730</td>
</tr>
<tr>
<td>Zinc LME 3M</td>
<td>Feb</td>
<td>1924</td>
<td>1970</td>
<td>2041</td>
<td>2120</td>
<td>2194</td>
<td>2265</td>
<td>2309</td>
<td>Down</td>
<td>Sell at 2065 TP 1920 SL 2200</td>
</tr>
<tr>
<td>Nickel LME 3M</td>
<td>Feb</td>
<td>13448</td>
<td>13792</td>
<td>14442</td>
<td>15170</td>
<td>15718</td>
<td>16218</td>
<td>16652</td>
<td>Up</td>
<td>Sell at 14450 TP 13500 SL 14700</td>
</tr>
<tr>
<td><strong>ENERGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crude Nymex</td>
<td>Mar-15</td>
<td>37.64</td>
<td>40.48</td>
<td>44.17</td>
<td>48.24</td>
<td>52.96</td>
<td>57.19</td>
<td>59.71</td>
<td>Sideways</td>
<td>Buy at 3200 TP 3400/3600 SL 2970</td>
</tr>
<tr>
<td>Natural Gas Nymex</td>
<td>Mar-15</td>
<td>316</td>
<td>325</td>
<td>343</td>
<td>365</td>
<td>385</td>
<td>406</td>
<td>426</td>
<td>Down</td>
<td>Buy at 3200 TP 3400/3600 SL 2970</td>
</tr>
<tr>
<td><strong>EDIBLE OILS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soybean NCDEX</td>
<td>Apr-15</td>
<td>3160</td>
<td>3234</td>
<td>3329</td>
<td>3434</td>
<td>3556</td>
<td>3665</td>
<td>3700</td>
<td>Sideways</td>
<td>Buy at 3200 TP 3400/3600 SL 2970</td>
</tr>
<tr>
<td>Soy Oil NCDEX</td>
<td>Apr-15</td>
<td>526</td>
<td>545</td>
<td>563</td>
<td>583</td>
<td>616</td>
<td>645</td>
<td>658</td>
<td>Down</td>
<td>Buy at 610 TP 520/470 SL 680</td>
</tr>
<tr>
<td>RM Seed NCDEX</td>
<td>Apr-15</td>
<td>3073</td>
<td>3162</td>
<td>3250</td>
<td>3345</td>
<td>3497</td>
<td>3631</td>
<td>3620</td>
<td>Down</td>
<td>Sell at 3470 TP 3700 SL 3500</td>
</tr>
<tr>
<td>CPO MCX</td>
<td>Mar-15</td>
<td>384</td>
<td>401</td>
<td>418</td>
<td>436</td>
<td>461</td>
<td>490</td>
<td>502</td>
<td>Down</td>
<td>Sell at 465 TP 420 SL 480</td>
</tr>
<tr>
<td>Castor seed NCDEX</td>
<td>Mar-15</td>
<td>3669</td>
<td>3833</td>
<td>4011</td>
<td>4205</td>
<td>4482</td>
<td>4728</td>
<td>4851</td>
<td>Down</td>
<td>Sell at 3600 TP 3300 SL 3700</td>
</tr>
<tr>
<td><strong>SPICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dhanya NCDEX</td>
<td>Apr-15</td>
<td>6533</td>
<td>6834</td>
<td>7307</td>
<td>7833</td>
<td>8327</td>
<td>8765</td>
<td>9084</td>
<td>Down</td>
<td>Sell at 7000 TP 5100-4800 SL 7000</td>
</tr>
<tr>
<td>Turmeric NCDEX</td>
<td>Apr-15</td>
<td>6435</td>
<td>6960</td>
<td>7472</td>
<td>8028</td>
<td>8919</td>
<td>9711</td>
<td>10066</td>
<td>Down</td>
<td>Sell at 9100-8200</td>
</tr>
<tr>
<td>Jeera NCDEX</td>
<td>Mar-15</td>
<td>12584</td>
<td>13309</td>
<td>14027</td>
<td>14720</td>
<td>16087</td>
<td>17295</td>
<td>17755</td>
<td>Down</td>
<td>Sell at 14700 TP 1260 SL 15520</td>
</tr>
<tr>
<td>Cardamon MCX</td>
<td>Mar-15</td>
<td>993</td>
<td>1028</td>
<td>1076</td>
<td>1129</td>
<td>1187</td>
<td>1239</td>
<td>1271</td>
<td>Up</td>
<td>Sell at 1164-1160 TP 800 SL 1270</td>
</tr>
<tr>
<td><strong>OTHERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chana NCDEX</td>
<td>Apr-15</td>
<td>3287</td>
<td>3535</td>
<td>3453</td>
<td>3562</td>
<td>3674</td>
<td>3775</td>
<td>3842</td>
<td>Up</td>
<td>Trading Range: 3600-3400</td>
</tr>
<tr>
<td>Mentha Oil MCX</td>
<td>Feb-15</td>
<td>680</td>
<td>700</td>
<td>720</td>
<td>743</td>
<td>780</td>
<td>815</td>
<td>835</td>
<td>Up</td>
<td>Buy at 770-765 TP 630 SL 730</td>
</tr>
<tr>
<td>Wheat NCDEX</td>
<td>Feb-15</td>
<td>1559</td>
<td>1582</td>
<td>1609</td>
<td>1640</td>
<td>1677</td>
<td>1710</td>
<td>1729</td>
<td>Sideways</td>
<td>Sell at 1600 TP 1450 SL 1750</td>
</tr>
<tr>
<td>Sugar NCDEX</td>
<td>Mar-15</td>
<td>2637</td>
<td>2666</td>
<td>2698</td>
<td>2723</td>
<td>2761</td>
<td>2794</td>
<td>2815</td>
<td>Sideways</td>
<td>Sell at 2950 TP 2500 SL 3120</td>
</tr>
</tbody>
</table>
Operational Risk Management

— Alok Kumar Sinha, Chief Manager, SBI

Deregulation and globalisation of financial services, together with the phenomenal increase in the complexity and volume of financial transactions, high degree of structural changes and complex technological support systems are making the activities of financial sectors more complex. Recent regulations, industry trends, new types of threats and exposures and a growing number of high profile operational losses have underscored the importance of operational risk management as a comprehensive discipline.

**Definition**

Operational risk is ‘the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events’.

The definition given above is based on the underlying causes of operational risk and includes legal risk but excludes strategic and reputation risk. It seeks to identify why a loss happened and at the broadest level classify the cause of the loss event under one of the following heads viz. people, process, systems and external factors.

**Risk Events**

An operational risk event is defined as an incident/experience that has caused or has the potential to cause material loss to the bank either directly or indirectly with other incidents. Risk events are associated with people, process and technology involved with the product. All operational loss events may be classified under the following heads:

- **Internal fraud**
  - Losses on account of intentional misreporting of positions, employee theft, and insider trading on an employee’s own account, etc
- **External fraud**
  - Losses on account of robbery, forgery, kite-flying, damage from computer hacking, etc
- **Employment practices and workplace safety**
  - Losses on account of workers compensation claims, violation of employee health and safety rules, organised labour activities, discrimination claims, and general liability, etc
- **Clients, products and business practices**
  - Losses on account of fiduciary breaches, misuse of confidential customer information, improper trading activities on the bank’s account, money laundering, sale of unauthorised products, etc
- **Damage to physical assets**
  - For example, terrorism, vandalism, earthquakes, fires and floods, etc
- **Business disruption and system failures**
  - Losses on account of hardware and software failures, telecommunication problems, utility outages, etc
- **Execution, delivery and process management**
  - Losses due to data entry errors, collateral management failures, incomplete legal documentation, and unauthorized access given to client accounts, non-client counterparty mis-performance, vendor disputes, etc

**Operational risk measurement system (ORMS)**

ORMS consists of the mathematical and statistical models, technological support systems, data and validation processes used to measure operational risk to estimate the regulatory capital.

ORMS comprises of the following:

- Model used to estimate the capital for operational risk
- Operational risk management solution which will be used to capture, compute and report the operational risk levels to senior management
- Validation process to validate the model used to compute the capital for operational risk

ORMS would play an integral role in risk management and decision making processes and it should be independently validated and reviewed on a periodic basis.

**Risk identification and assessment**

(A) **Risk identification**

Risk control self-assessment (RCSA) process:

Risk identification and assessment together with control assessment are keys to the risk management process. Regulators, Board of Directors, shareholders, require that the Bank consistently and periodically identifies, assesses and monitors its key operational risks in achieving its objectives.

The objectives of the RCSA process are as follows:

- Early detection of unidentified, uncontrolled and/or underestimated risks
- Assess the acceptability level of identified risks and controls
- Evaluation of effectiveness of controls
- Identify material changes in the risk profile
- Establish a relationship between changes in the business environment and controls with the risk profile
- Involve the business groups/support groups (IT, Legal, Human Resources) in their risk assessment, thereby creating responsibility from respective management to proactively manage and monitor its operational risks, framing and implementation of mitigation plans. The common RCSA framework captures the specifics of the business, while retaining a certain level of uniformity where possible and desired.

(B) **Risk assessment**

The risks and existing controls identified in the identification phase of the RCSA is required to be assessed in detail, to determine the level of acceptability or unacceptability, by measuring their probability and impact. From the bottom-left corner up to the top-right corner, the impact/probability of risks gradually increase. The goal of operational risk management is essentially to bring high probability/high impact risks down to the bottom-left corner as much as possible by reducing the risks or by implementing adequate controls.

**Risk monitoring and risk measurement**

(A) **Key risk indicators (KRI)**

KRI are statistics and/or metrics, often financial, which can provide insight into the organization’s risk position. Reviewed on a periodic basis (quarterly), KRIs can alert the organization to changes that may be indicative of risk concerns. Such indicators may include the number of failed trades, staff turnover rates and the frequency of and/or severity of errors and omissions.

(B) **Risk Measurement**

Loss data and incident management (LDM)

Its objectives are as follows:

- Timely and immediate reporting of incident
- Preventing recurrence of similar loss events, by identifying control weakness and initiating root cause analysis
- Complying with the regulatory requirements
- Meeting the loss data collection standard
- Facilitating the calculation of regulatory capital
- Providing a transparent and uniform framework for LDM

**Advantage of structural incident reporting**

- Improved risk management
- Increasing risk awareness and mitigation capability by improving the insight in the costs of operational risk
- Better incident response
- Risk sensitive regulatory capital
- Compliance to regulatory requirements

**Risk Mitigation**

The following measures/tools shall be used to control and mitigate the operational risks:

- Internal controls and systems;
- Placement and rotation of staff;
- Risk focused internal audit;
- Fraud monitoring;
- Disciplinary proceedings system;
- Training;
- Insurance;
- Business continuity management (BCM);
- IT security;
- Outsourcing;
- Physical security;
- Approval of new products and changes in existing products and services;
- Best practices

*The views expressed in this article are personal in nature and for information purpose only.

Please read the Disclaimer carefully on page 4
<table>
<thead>
<tr>
<th>Date</th>
<th>Region</th>
<th>Event</th>
<th>Period</th>
<th>Survey (M)</th>
<th>Prior</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/01/15</td>
<td>CH</td>
<td>Manufacturing PMI</td>
<td>Feb</td>
<td>49.7</td>
<td>49.8</td>
</tr>
<tr>
<td>03/01/15</td>
<td>CH</td>
<td>Non-manufacturing PMI</td>
<td>Feb</td>
<td>--</td>
<td>53.7</td>
</tr>
<tr>
<td>03/02/15</td>
<td>CH</td>
<td>HSBC China Manufacturing PMI</td>
<td>Feb F</td>
<td>50.1</td>
<td>50.1</td>
</tr>
<tr>
<td>03/02/15</td>
<td>GE</td>
<td>Markit/BME Germany Manufacturing PMI</td>
<td>Feb F</td>
<td>50.9</td>
<td>50.9</td>
</tr>
<tr>
<td>03/02/15</td>
<td>EC</td>
<td>Markit Eurozone Manufacturing PMI</td>
<td>Feb F</td>
<td>51.1</td>
<td>51.1</td>
</tr>
<tr>
<td>03/02/15</td>
<td>UK</td>
<td>Markit UK PMI Manufacturing SA</td>
<td>Feb</td>
<td>53.3</td>
<td>53</td>
</tr>
<tr>
<td>03/02/15</td>
<td>EC</td>
<td>Unemployment Rate</td>
<td>Jan</td>
<td>11.40%</td>
<td>11.40%</td>
</tr>
<tr>
<td>03/02/15</td>
<td>EC</td>
<td>CPI Core YoY</td>
<td>Feb A</td>
<td>0.60%</td>
<td>0.60%</td>
</tr>
<tr>
<td>03/02/15</td>
<td>US</td>
<td>ISM Manufacturing</td>
<td>Feb</td>
<td>53</td>
<td>53.5</td>
</tr>
<tr>
<td>03/03/15</td>
<td>CH</td>
<td>Retail Sales MoM</td>
<td>Jan</td>
<td>0.40%</td>
<td>0.20%</td>
</tr>
<tr>
<td>03/03/15</td>
<td>EC</td>
<td>PPI YoY</td>
<td>Jan</td>
<td>-3.00%</td>
<td>-2.70%</td>
</tr>
<tr>
<td>03/04/15</td>
<td>CH</td>
<td>HSBC China Services PMI</td>
<td>Feb</td>
<td>--</td>
<td>51.8</td>
</tr>
<tr>
<td>03/04/15</td>
<td>EC</td>
<td>Retail Sales MoM</td>
<td>Jan</td>
<td>0.20%</td>
<td>0.30%</td>
</tr>
<tr>
<td>03/04/15</td>
<td>US</td>
<td>ISM Non-Manuf Composite</td>
<td>Feb</td>
<td>56.5</td>
<td>56.7</td>
</tr>
<tr>
<td>03/05/15</td>
<td>GE</td>
<td>Factory Orders MoM</td>
<td>Jan</td>
<td>-1.00%</td>
<td>4.20%</td>
</tr>
<tr>
<td>03/05/15</td>
<td>UK</td>
<td>Bank of England Bank Rate</td>
<td>Mar-05</td>
<td>0.50%</td>
<td>0.50%</td>
</tr>
<tr>
<td>03/05/15</td>
<td>US</td>
<td>Nonfarm productivity</td>
<td>4Q F</td>
<td>-2.30%</td>
<td>-1.80%</td>
</tr>
<tr>
<td>03/05/15</td>
<td>US</td>
<td>Factory Orders</td>
<td>Jan</td>
<td>0.20%</td>
<td>-3.40%</td>
</tr>
<tr>
<td>03/06/15</td>
<td>GE</td>
<td>Industrial Production SA MoM</td>
<td>Jan</td>
<td>0.50%</td>
<td>0.10%</td>
</tr>
<tr>
<td>03/06/15</td>
<td>EC</td>
<td>GDP SA QoQ</td>
<td>4Q P</td>
<td>0.30%</td>
<td>0.30%</td>
</tr>
<tr>
<td>03/06/15</td>
<td>CH</td>
<td>Change in Nonfarm Payrolls</td>
<td>Feb</td>
<td>235K</td>
<td>257K</td>
</tr>
<tr>
<td>03/06/15</td>
<td>US</td>
<td>Unemployment Rate</td>
<td>Feb</td>
<td>5.60%</td>
<td>5.70%</td>
</tr>
<tr>
<td>03/06/15</td>
<td>US</td>
<td>Trade Balance</td>
<td>Jan</td>
<td>-541.1B</td>
<td>-546.6B</td>
</tr>
<tr>
<td>03/08/15</td>
<td>CH</td>
<td>Trade Balance CNY</td>
<td>Feb</td>
<td>20.08B</td>
<td>366.90B</td>
</tr>
<tr>
<td>03/09/15</td>
<td>CH</td>
<td>GDP SA QoQ</td>
<td>4Q F</td>
<td>0.50%</td>
<td>0.60%</td>
</tr>
<tr>
<td>03/09/15</td>
<td>GE</td>
<td>Trade Balance</td>
<td>Jan</td>
<td>19.5B</td>
<td>19.1B</td>
</tr>
<tr>
<td>03/10/15</td>
<td>CH</td>
<td>CPI YoY</td>
<td>Feb</td>
<td>1.00%</td>
<td>0.80%</td>
</tr>
<tr>
<td>03/10/15</td>
<td>CH</td>
<td>PPI YoY</td>
<td>Feb</td>
<td>-4.30%</td>
<td>-4.30%</td>
</tr>
<tr>
<td>03/10/15</td>
<td>US</td>
<td>Wholesale Inventories MoM</td>
<td>Jan</td>
<td>-0.10%</td>
<td>0.10%</td>
</tr>
<tr>
<td>03/11/15</td>
<td>CH</td>
<td>Machine Orders MoM</td>
<td>Jan</td>
<td>-4.00%</td>
<td>8.30%</td>
</tr>
<tr>
<td>03/11/15</td>
<td>CH</td>
<td>PPI YoY</td>
<td>Feb</td>
<td>0.40%</td>
<td>0.30%</td>
</tr>
<tr>
<td>03/11/15</td>
<td>CH</td>
<td>Industrial Production YTD YoY</td>
<td>Feb</td>
<td>7.70%</td>
<td>--</td>
</tr>
<tr>
<td>03/12/15</td>
<td>CH</td>
<td>CPI YoY</td>
<td>Feb F</td>
<td>0.10%</td>
<td>0.10%</td>
</tr>
<tr>
<td>03/12/15</td>
<td>UK</td>
<td>Trade Balance</td>
<td>Jan</td>
<td>-Â£2300</td>
<td>-Â£2895</td>
</tr>
</tbody>
</table>

Source: Bloomberg; EC: European Union; IN: India; UK: United States; CH: China; GE: Germany; UK: United Kingdom; JN: Japan
# February International Commodity Price Trends

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Jan 30, 2015</th>
<th>Feb 27, 2015</th>
<th>% Change</th>
<th>52 Week High</th>
<th>% Change from 52 Week High</th>
<th>52 Week Low</th>
<th>% Change from 52 Week Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nymex Crude Oil (S/bbl)</td>
<td>48.24</td>
<td>49.76</td>
<td>3.15%</td>
<td>107.73</td>
<td>-53.81%</td>
<td>43.58</td>
<td>14.18%</td>
</tr>
<tr>
<td>CBOT Soy Oil (cents/b)</td>
<td>30.00</td>
<td>32.80</td>
<td>9.33%</td>
<td>44.23</td>
<td>-25.84%</td>
<td>29.32</td>
<td>11.87%</td>
</tr>
<tr>
<td>ICE Cotton (cents/lb)</td>
<td>59.36</td>
<td>64.73</td>
<td>9.05%</td>
<td>97.35</td>
<td>-33.51%</td>
<td>57.05</td>
<td>13.46%</td>
</tr>
<tr>
<td>LME Copper 3 Month ($/t)</td>
<td>5495.00</td>
<td>5895.00</td>
<td>7.28%</td>
<td>7212.00</td>
<td>-18.26%</td>
<td>5339.50</td>
<td>10.40%</td>
</tr>
<tr>
<td>LME Zinc 3 Month ($/t)</td>
<td>2125.00</td>
<td>2065.00</td>
<td>-2.82%</td>
<td>2416.00</td>
<td>-14.53%</td>
<td>1937.00</td>
<td>6.61%</td>
</tr>
<tr>
<td>Comex Silver (S.oz)</td>
<td>17.21</td>
<td>16.51</td>
<td>-4.04%</td>
<td>21.71</td>
<td>-23.94%</td>
<td>14.10</td>
<td>17.11%</td>
</tr>
<tr>
<td>LIFFE Sugar ($/t)</td>
<td>383.40</td>
<td>371.80</td>
<td>-3.03%</td>
<td>495.90</td>
<td>-25.03%</td>
<td>364.20</td>
<td>2.09%</td>
</tr>
<tr>
<td>CBOT Soybean (cents/bushel)</td>
<td>961.00</td>
<td>1030.75</td>
<td>7.26%</td>
<td>1536.75</td>
<td>-32.93%</td>
<td>904.00</td>
<td>14.02%</td>
</tr>
<tr>
<td>ICE Sugar (cents/lb)</td>
<td>14.79</td>
<td>13.93</td>
<td>-5.81%</td>
<td>18.37</td>
<td>-24.17%</td>
<td>13.18</td>
<td>5.69%</td>
</tr>
<tr>
<td>LME Aluminium 3 Month ($/t)</td>
<td>1864.00</td>
<td>1815.00</td>
<td>-2.63%</td>
<td>2119.50</td>
<td>-14.37%</td>
<td>1704.25</td>
<td>6.50%</td>
</tr>
<tr>
<td>ICE Coffee (cents/lb)</td>
<td>161.90</td>
<td>136.75</td>
<td>-15.53%</td>
<td>225.50</td>
<td>-39.36%</td>
<td>129.05</td>
<td>5.97%</td>
</tr>
<tr>
<td>CBOT Corn (cents/bushel)</td>
<td>370.00</td>
<td>384.50</td>
<td>3.92%</td>
<td>519.50</td>
<td>-25.99%</td>
<td>318.25</td>
<td>20.82%</td>
</tr>
<tr>
<td>Comex Gold (S/oz)</td>
<td>1278.50</td>
<td>1213.10</td>
<td>-5.12%</td>
<td>1392.60</td>
<td>-12.89%</td>
<td>1130.40</td>
<td>7.32%</td>
</tr>
<tr>
<td>CBOT Soy Meal ($/t)</td>
<td>329.90</td>
<td>353.70</td>
<td>7.21%</td>
<td>509.40</td>
<td>-30.57%</td>
<td>302.00</td>
<td>17.12%</td>
</tr>
<tr>
<td>LME Lead 3 Month ($/t)</td>
<td>1859.50</td>
<td>1728.00</td>
<td>-7.07%</td>
<td>2307.00</td>
<td>-25.10%</td>
<td>1725.00</td>
<td>0.17%</td>
</tr>
<tr>
<td>LME Nickel 3 Month ($/t)</td>
<td>15165.00</td>
<td>14095.00</td>
<td>-7.96%</td>
<td>21625.00</td>
<td>-34.82%</td>
<td>13610.00</td>
<td>3.56%</td>
</tr>
<tr>
<td>Nymex Natural Gas ($/mbtu)</td>
<td>2.69</td>
<td>2.73</td>
<td>1.60%</td>
<td>4.89</td>
<td>-44.04%</td>
<td>2.57</td>
<td>6.51%</td>
</tr>
<tr>
<td>CBOT Wheat (cents/bushel)</td>
<td>502.75</td>
<td>517.50</td>
<td>2.93%</td>
<td>735.00</td>
<td>-29.59%</td>
<td>466.25</td>
<td>10.99%</td>
</tr>
</tbody>
</table>

## February Gainers and Losers (M/M%)**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>MCX</th>
<th>NCDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude Oil</td>
<td>6.3%</td>
<td></td>
</tr>
<tr>
<td>Mentha Oil, 4.0%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Cardamom, -1.0%</td>
<td>-2.3%</td>
<td></td>
</tr>
<tr>
<td>Zinc, -2.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nickel, -5.7%</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Lead, -6.5%</td>
<td></td>
<td>-6.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity</th>
<th>MCX</th>
<th>NCDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copper, 7.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cotton, 4.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas, 0.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aluminum, -2.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Silver, 4.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold, 6.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeera, 1.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rm Seed, 0.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soybean, -0.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soy Oil, -3.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wheat, -4.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barley, -7.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Conditions apply*

**New 917 purity gold ornaments. No Making Charges. No deductions in Rate or Weight. For more details: 90376 90376
THE BIG WIN
A BRILLIANT REASON TO USHER IN,
THE END OF YEAR CELEBRATIONS.

Dear Customer,

We have bagged the award for Best Agri. Analyst (2014) at the prestigious Best Market Analyst Awards (2014) of the Zee Business Awards.

It was an honour to accept the award in the presence of Chief Guest, Mr. Amit Shah (President, BJP)
Mr. Suresh Prabhu (Union Minister for Railways)
Dr. Harsh Vardhan (Union Minister for Science & Technology)
Mr. Devendra Fadnavis (Chief Minister, Maharashtra)

This is our third, having previously won the trophy for other sectors of Commodity Futures markets.

A big thank you to all for making this possible.
We are committed to delivering significant and reliable research to benefit you more and more by making the right calls and taking timely decisions.

Cheers,
Karvy Comtrade Ltd.