



A Study on Performance Evaluation on Selected Commodities at NCDEX

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ABSTRACT

This paper illustrates the performance of the various Commodities at NCDEX. The aim of the study is to know performance in the past five years and to have an idea about which mutual fund is doing good in selected commodities. The analysis carried out based on the objective of study, which are resulted in knowing various type of measures that are used. The performance of commodities is showing a positive return in all the funds taken. The efforts of all the fund manager are appreciated.

INTRODUCTION

The internship program is a resourcefulness which bridges the gap between the knowledge and its application through a series of interventions which enables the learners to obtain awareness and experience to the business. The program extends for a period of 6 weeks which provides a good opportunity to experience the practicality in terms of subjects studied. It also gives practical exposures.

National Commodity & Derivatives Exchange Limited (NCDEX) (NCDEX/ the Exchange) is a leading agricultural commodity exchange in India, with a market share of 78.0%, 81.5%, 79.9% and 78.1% in the agricultural commodity segments, based on average daily turnover (by value) for the six-month period ended September 30, 2019, Fiscal 2019, Fiscal 2018 and Fiscal 2017, respectively. The Exchange has maintained its leadership position since 2005, in the agricultural commodity derivatives market, in terms of ADTV. Further, the Exchange is a professionally managed company, which is driven by technology

Literature review

1. World Wellbeing Association (WHO), 2020., the WHO created systems for managing the condition from both a clinical and mental point of view. Different examinations on Coronavirus have zeroed in on infection spread, regulation techniques, and likely antibodies, and analysts are simply starting to investigate its effect on psychological wellness and conceivable treatment. Expanded tension gives off an impression of being the most common side effect followed by trouble and rest hardships as indicated by another concentrate on the Chinese populace¹.

2. Huang and Zhao, 2020. In mid-2020, huge quantities of Chinese associations and examination bunches started investigating the pandemic's general negative mental effect.

In a definite web-based study led toward the beginning of the flare-up in China it was uncovered that almost 50% of the respondents were experiencing moderate to extreme mental impacts; 29% of respondents revealed moderate to serious nervousness side effects, 17% detailed moderate to serious burdensome side effects, and 9% detailed moderate to serious feelings of anxiety

3. Wang C. et al., (2020). Another cross-sectional investigation discovered that a month after the pandemic the frequency of post-horrendous pressure side effects in China's Hubei district was near 10% with higher rates in ladies and those with unfortunate rest quality

Limitation of the study

- the result may no longer be accurate in the future as this funds based on market performance
- The present study depends solely on historical data
- Due to time constraint a comprehensive examination of all component of investment fund is not possible

RESEARCH METHODOLOGY

The fundamental plan, which guides the data gathering analysis and phrase, is the framework. That specify the kind of information to be collected the sources of facts and collection process.

RESEARCH INSTRUMENT

The following instruments are used in analysing the data collected from primary and secondary methods.

1. Coefficient of correlation
2. Coefficient of Regression

Source of data

1) Primary Data:

Data are collected from manager and other employees

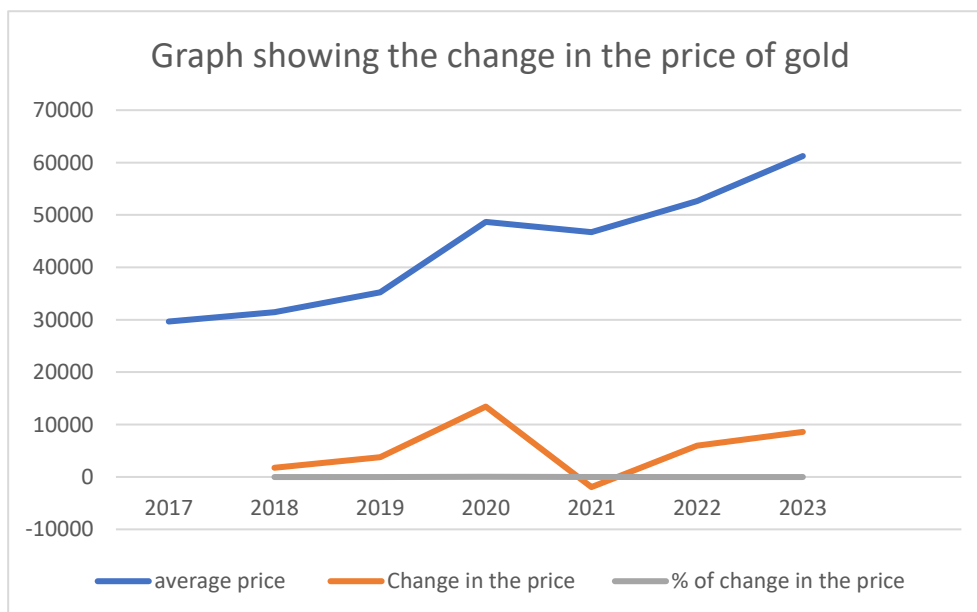
2) Secondary Data:

Data was collected through various Books, Records, Journals, Brochure, and Company Websites.

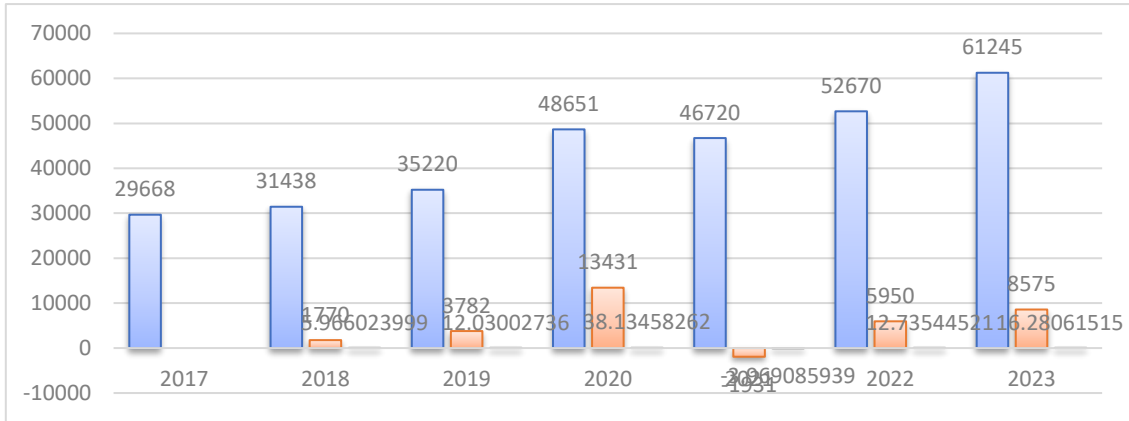
Analysis and Interpretation:

Table Showing the price of gold Each year

year	average price(10gr)	Change in the price	% Of change in the price
2017	29668		
2018	31438	1770	5.966023999
2019	35220	3782	12.03002736
2020	48651	13431	38.13458262
2021	46720	-1931	-3.969085939
2022	52670	5950	12.73544521
2023	61245	8575	16.28061515



Graph showing the changes in the price of Gold



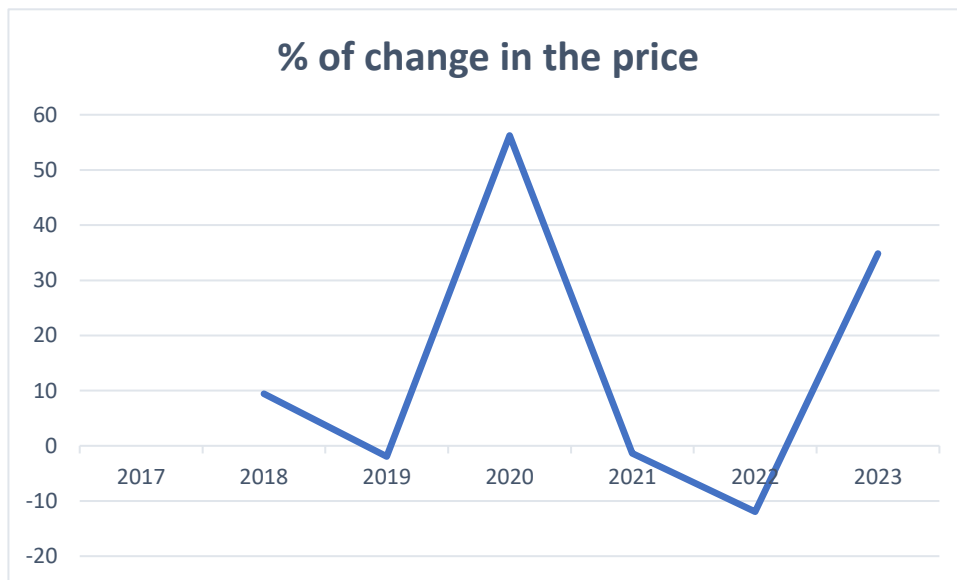
Graph showing the Average changes in the price of the gold

- From the above table we can see the price of gold drastically changes after covid because the insecurity that creates in the mind of investors, As the reason the investors shifted towards gold so the price of gold has been Increased a lot after the covid and also it is a scarce resource to, so the covid positively effect on the price of the gold.
- We can see that the price in the year 2020 as increases up to 38% because of covid and then in the next year 2021 the price Decreases by 3.96% But we can say that till there is increases in the price of gold Before covid and after covid

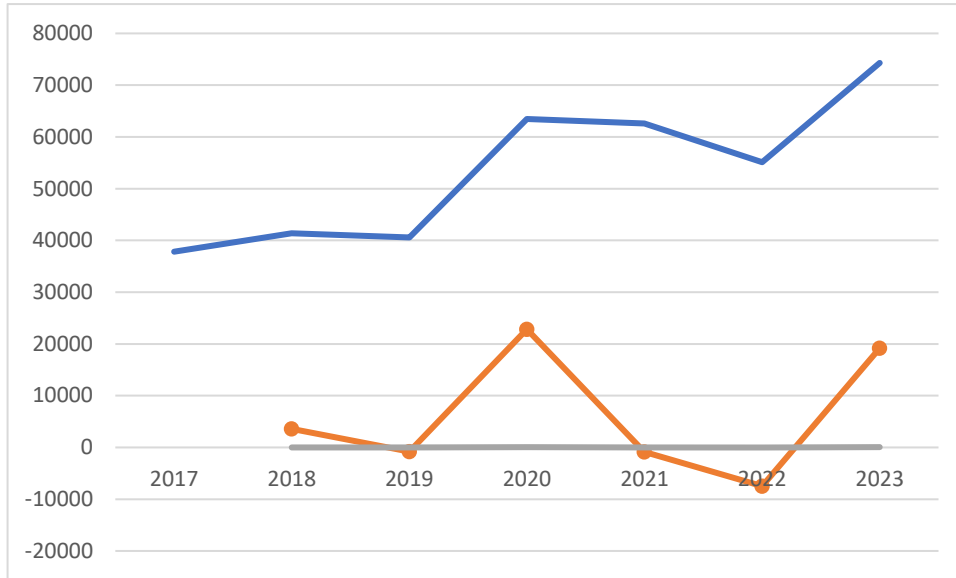
Table Showing the price of Silver Each year

year	average price (Per Kg)	Change in the price	% Of change in the price
2017	37825		
2018	41400	3575	9.451421018
2019	40600	-800	-1.93236715
2020	63435	22835	56.24384236
2021	62572	-863	-1.360447702
2022	55100	-7472	-11.94144346
2023	74300	19200	34.84573503

Graph showing the Average changes in the price of the Sliver



Graph showing the changes in the price of Sliver



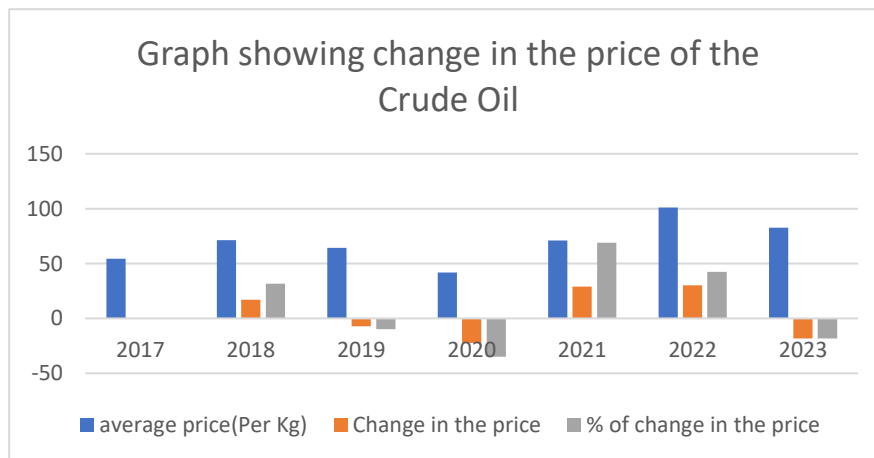
Analysis and Interpretation

- From the above table we can conclude that the price of silver has been increased a lot as of Indians are having same love towards this metal too so as they have invested more in silver so the price also been increased as the supply is low but demand is high
- The covid as started in India in the year 2020 we can see that the price of the silver has been increased from 40600 to 63435. About 56% of the silver price has been up during this year.
- In the year 2021 and 2022 the price is less compared to 2020 but the price remains high then the covid
- In the year 2023 the price of the silver as drastically increases up to 74300 from 55100 in the year 2022

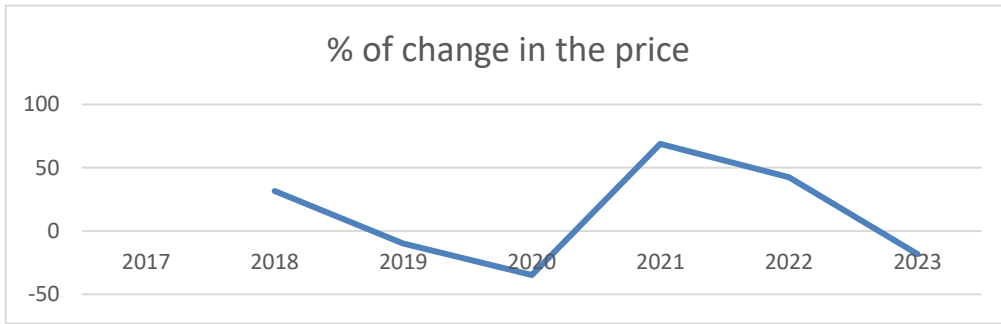
Table Showing the price of Crude oil Each year

year	average price (Per Barrel)	Change in the price	% Of change in the price
2017	54.25		
2018	71.34	17.09	31.5023
2019	64.3	-7.04	-9.86824
2020	41.96	-22.34	-34.7434
2021	70.86	28.9	68.87512
2022	100.93	30.07	42.43579
2023	82.55	-18.38	-18.2106

Graph showing the changes in the price of Crude Oil



Graph showing the Average changes in the price of the Crude Oil



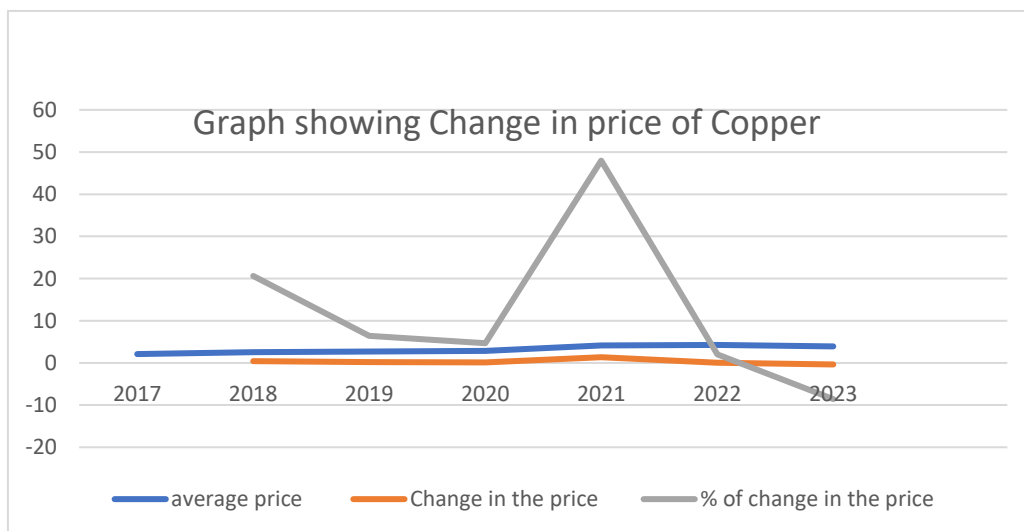
Analysis and Interpretation

- From the above table we can say that covid has been negatively impacted on the price of Crude oil because many of the countries as Imposed Lockdown so that the demand for the crude oil is become less then the supply is high.
- After covid in the year 2021 and 2022 the price of the crude oil is more because people are not restricted by the government to move from one place to the anther place
- In the year 2022 the price of Crude oil cross 100 dollars per barrel because movement of the people become high
- This year we can see the price is less than Previous year that there are decreases of 18% in the price of the crude oi

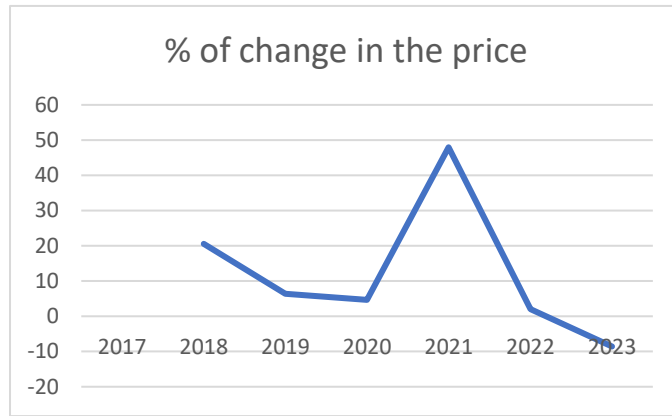
Table Showing the price of Copper Each year

year	average price	Change in the price	% Of change in the price
2017	2.1035		
2018	2.5365	0.433	20.58474
2019	2.699	0.1625	6.406466
2020	2.825	0.126	4.668396
2021	4.18	1.355	47.9646
2022	4.264	0.084	2.009569
2023	3.8985	-0.3655	-8.57176

Graph showing the changes in the price of copper



Graph showing the Average changes in the price of the Copper



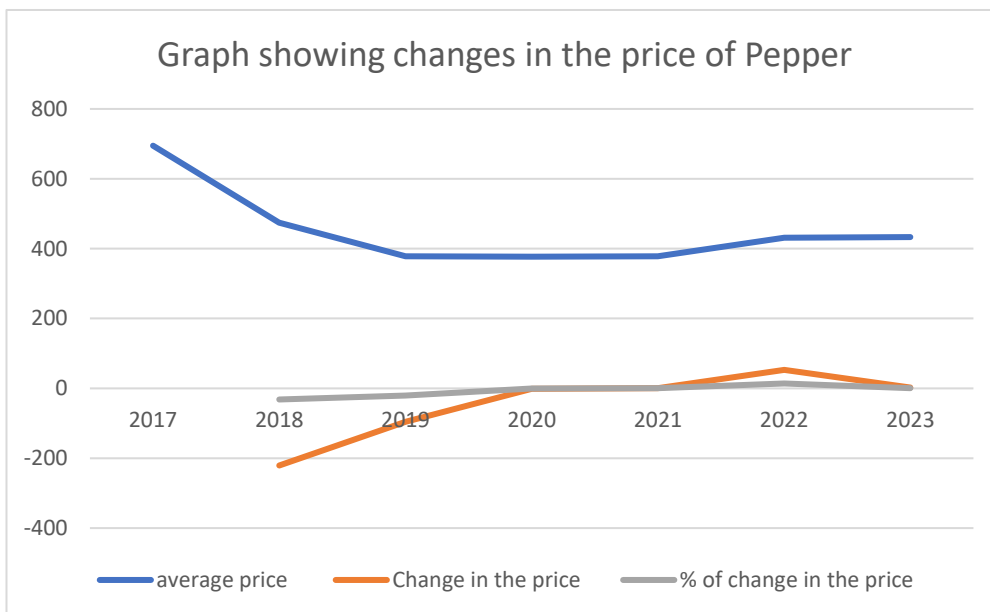
Analysis and Interpretation

- From the above table we can see that the covid is not able impact on the price of the copper there is a consistent price change before and after the covid
- The year 2021,2022 and 2023 shows the consistent changes in the price of the copper
- The year 2021 Witnessed high changes in the price of the copper that is 48%

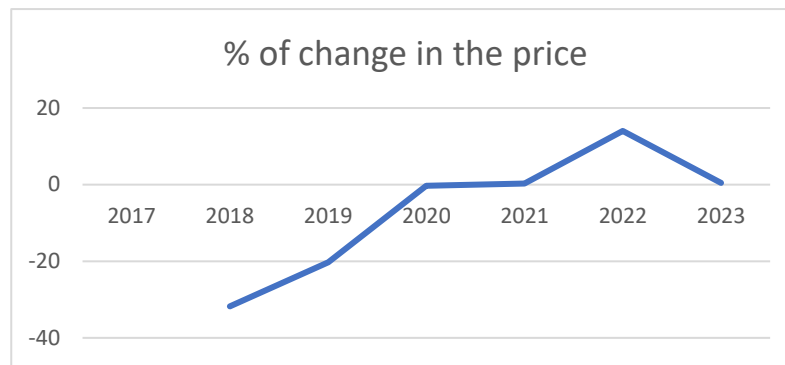
Table Showing the price of Pepper Each year

year	average price	Change in the price	% Of change in the price
2017	694.77		
2018	474	-220.77	-31.776
2019	378	-96	-20.2532
2020	377	-1	-0.26455
2021	378	1	0.265252
2022	431	53	14.02116
2023	433	2	0.464037

Graph showing the changes in the price of copper



Graph showing the Average changes in the price of the Copper



Analysis and Interpretation

- The price of the pepper is more constant even before the covid and also after the covid but we can see that after covid the price of pepper as increased in a small number
- Before covid we can see the price of Pepper is getting low consistently like 1 rupee in the year 2021 and 2020.
- Then we can see that the price in the year 2022 as changed a lot from 378 per Kg to 431 per Kg
- We can see the price of pepper in the year 2023 as slightly increased

Findings

The Impact of covid has affect a lot on the Indian commodity market especially towards the price of the silver and gold The crude oil price may decreases because of the other changes like Russia AND Ukraine war also place a major Important role in the lower price of the crude oil.

- The price of gold drastically changes after covid because the insecurity that creates in the mind of investors, As the reason the investors shifted towards gold so the price of gold has been Increased a lot after the covid and also it is a scarce resource to, so the covid positively effect on the price of the gold.
- The price of silver has been increased a lot as of Indians are having same love towards this metal too so as they have invested more in silver so the price also been increased as the supply is low but demand is high.
- that covid has been negatively Impacted on the price of Crude oil because many of the countries as Imposed Lockdown so that the demand for the crude oil is become less then the supply is high.
- From the above table we can see that the covid is not able impact on the price of the copper there is a consistent price change before and after the covid
- The price of the peeper is more constant even before the covid and also after the covid but we can see that after covid the price of pepper as Increased in a small number

Suggestion

I would like to give sugeestions to the investors as that the commodity market is giving more returns we could better to purchase the commodities in order get high returns

- The price of the commodities are going more higher from day to day we can trust the commodity market in order to get good returns
- I would like to suggest the people to buy more gold because it is showing good returns over a period of Time, and I would like to say that invest for a long term not for the short term
- The price of the silver is also going high over a past period being invested in the silver will also provide a good return its more than 50% over the past years
- The crude oil price may increase in the future the barrel price is also drastically changes more for some years and less for certain I would be bullish on this market that the crude oil price may increase
- The value of the copper is consistently in constant the price may not fluctuate but the long term we can see the returns on the copper will be good
- Pepper is the one of the spices that other people would love to eat it the rather than Indian so that the price will going to be good in coming years

Conclusions

The price of all the commodity has been increased over the past period I would like to conclude this study by saying the following points

- This study is including only the top 5 commodities which is traded in the Indian commodity market.
- I would be having the assumption that the price of this commodity will never going to give the negative returns for the investors
- The price of gold from past 20 years has been changed a lot so that the people who have bought the golds before covid they have taken high returns in the year 2021,2022,2023
- The price of other commodity like silver, crude oil, Pepper, copper also shows that the price movement as increased the covid may affect the price but not much on crude oil, copper, pepper The study is basically done by basically considering the price of commodity before and after the Covid