

## RED CHILLI

### Spot Market Recap

- In Guntur, lower Chilli arrivals were reported during the week under review.
- The start of fresh crop arrivals in key spot markets of Guntur and Madhya Pradesh is likely to weigh on prices.
- In Tamil Nadu, Transplanting work is in progress and is expected to be completed by end December.

### Fundamental Analysis

#### Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Guntur(Andhra Pradesh)	<b>-1.61</b>	305000	310000	190000

1Bag=45 Kgs

Lower arrivals were reported in the spot market during the week period.

#### Crop Scenario:

**In Madhya Pradesh,** New crop arrivals are progressing well. Harvesting is in progress. Sources revealed that, crop numbers will come only by end of December or early January. Preliminary estimates are around 4 to 4.5 million bags (X 40 Kgs.) Price wise no major variation. Arrivals are already being seen in Guntur market.

**In Andhra Pradesh,** Dry weather prevailed in Andhra Pradesh state during this week. There are mixed reports from this region. According to initial reports sowing and transplanting has progressed slowly due to extreme weather conditions. New crop arrivals may be delayed by 20-30 days and yield may be lower. Production shortfall is likely 25-30% lower.

**In Karnataka,** Dry weather prevailed in the state during last week. Chillies crop is in advanced stage of development. Small quantities of new crop have started arriving. Overall a 20% reduction in crop area is foreseen as farmers have shifted to cotton cultivation.

**In Tamil Nadu,** water level in the reservoirs is substantially low. Tamil Nadu seems to be headed for one of its worst monsoons shortfalls in recent decades. The whole of Tamil Nadu, which should have got 413.6mm of rain, has got only 356.6mm, a 14% shortfall. Farmers are hoping for more rainfall. Their only hope for more rains is the trough which has been formed across the coast of Tamil Nadu but that is weak and according to meteorological department may not bring more rains. Chillies crop in Tamil Nadu is largely rain fed and soil distress may result in lower yield.

New crop has started arriving in large quantities from Madhya Pradesh, and also small quantities are trickling in from Karnataka and some villages around Guntur. Bangladesh and SriLanka remained the major export buyers. Local traders from Kerala are also active. Overall, price wise a very steady week. According to the Department of agriculture management, Dharwad, farmers have been advised to store chillies in well-dried conditions and release in March for better prices.

#### Spot Prices Weekly Change

Commodity	Centre& Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)
Red Chilli	LCA 334	<b>-1.78</b>	5000-5500	5200-5600	5700-5800
	Teja	<b>-3.61</b>	7500-8000	8100-8300	7700-8300
	No.5	<b>-6.15</b>	5800-6100	6000-6500	6400-6600
	No.273	<b>-1.61</b>	5800-6100	5800-6200	6000-6200
	Fatki	<b>Unch</b>	2100-2500	2100-2500	2100-2500
	Byadgi	<b>Unch</b>	5500-6000	5500-6000	5800-6100

## Red Chilly weekly Price Outlook (Guntur Spot market)



Candlesticks chart pattern reveals bearish sentiment in the market. RSI is moving down in the neutral region indicates prices may go down in the market. Prices closed below 9 days and 18 days EMAs indicates bearish sentiment in the market. 5180 level may take strong supports level for short term.

**Expected Price Range of Red Chilly in Guntur spot market (INR/Qtl): 5180-5410.**

## Red Chilly weekly Price Chart (Future market, Continuous chart)



Candlesticks chart pattern reveals bullish sentiment in the market. RSI is moving up in the neutral region indicates prices may go up in the market. Prices closed above 9 days and 18 days EMAs indicates bullish sentiment in the market. 5850 level may take strong supports level for short term.

**Expected Price Range of Red Chilly in Guntur spot market (INR/Qtl): 5850 - 6270.**

## **TURMERIC**

### **Spot Market Recap**

- Higher arrivals were reported in Turmeric market during the period.
- Turmeric production in 2012-13 is expected to be near 50 percent lower compared to last years historical high of 90 lakh bags. New crop arrivals expected in January- February.
- Upcountry orders pushed turmeric prices to go upside.
- Harvests in Tamil Nadu will begin after Pongal (festival of harvests) post mid-January.

### **Fundamental analysis**

#### **Turmeric Arrival Scenario:**

Market	% Change during corresponding period last week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Nizamabad (AP)	+9.61	5700	5200	4700
Erode (TN)	+11.11	30000	27000	41000

1 bag = 75kgs

Higher arrivals were reported during the week period in the spot market. New crop arrivals expected in January- February. Carryover stocks are huge and estimated to be around 3 million (70 Kg) bags and will continue to cap the upside.

Arrivals have slowed down; off-take is also limited. The little quantity that is arriving in the market is being bought by Stockists at the lows. There are no bulk export enquiries. Internal orders from North India have also dried. As the winter temperatures are dipping across North India fresh orders are scanty. Stockists are anticipating export enquiries for March-April delivery. Meanwhile farmers from Andhra Pradesh are pressing their demand for setting up of a Turmeric Board and minimum support prices.

Buyers are still looking for turmeric with higher curcumin level at 5% which is unavailable. Buyers are still stockists and local traders.

Next crop likely to be 25% lower as farmers are not willing to invest further due to prevailing low prices.

In the short-term there is no respite as there is no palate for the huge carryover stocks. Despite the low arrivals and low prices, buying is absent. Stockists are the only buyers who are hopeful of a long-term recovery in prices. Farmers have abandoned their fields and some have planted alternate crops. New season crop is likely to be 50- 60% lower. New crop arrivals though expected to be lower may not have any immediate impact on the supplies.

### **Spot Prices Weekly Change**

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)	Year Ago (21-12-2011)
Turmeric	Nizamabad-Nizam Cold	Unch	5400	5400	5100	5400
	Erode-Finger	+6.25	5550-5950	5400-5600	5000-5500	4100-4400

## Turmeric Weekly Price Outlook (Nizamabad Spot market)



Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving up in neutral region which may indicates bullish sentiment in near term. Prices closed above 9 days and 18 days EMAs indicates to bullish sentiment in the market. 5180 seems like a strong support level.

**Expected Price Range of TMC Nizamabad spot market: 5180-5360.**

## Turmeric weekly Price Chart (Future market, Continuous chart)



Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving down in neutral region which may indicates bearish sentiment in near term. Prices closed above 9 days and 18 days EMAs indicates to bullish sentiment in the market. 6120 seems like a strong support level.

**Expected Price Range of TMC Nizamabad spot market: 6120-6460.**



### CUMIN SEED (JEERA)

#### Spot Market Recap:

- Trading activities were dull due to Assembly Election in Gujarat during the week period.

#### Fundamental analysis

##### Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Unjha (Gujarat)	<b>-63.63</b>	6000	16500	21500

Unjha 1 bag = 55kgs

Lower arrivals were reported during the week period as against the last week.

Local buyers like stockists and Masala millers were the major buyers in the domestic market. Sources revealed that fresh enquiries are coming from Bangladesh for the Indian origin jeera. Export demand should rise in the coming days as supplies from Syria and Turkey are negligible in the global market. According to markets sources, about 75 per cent of the export target has been achieved due to a supply crunch in the global markets.

In the international market, Indian cumin seed one percent quoted at USD 2,750-2,850 ton (cnf) Singapore. However, Turkey and Syria are not offering.

#### Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)	Year Ago (21-12-2011)
Cumin Seed	Unjha-Loose	--	14000	Closed	13500-14000	13050-13250
	Jodhpur – Loose	<b>+2.83</b>	14500	14100	14000	13900

#### Jeera weekly Price Outlook (Unjha Spot market)



Candlestick chart pattern reveals bullish sentiment in the market. Prices closed above 9 days and 18 days EMAs in the market. RSI is also moving up in neutral region indicates bullish sentiment in the market. Prices may take immediate support at 14870 levels in coming days.

**Expected Price Range of Jeera at Unjha (INR/Qtl): 14870-15200.**

**Jeera weekly Price Chart (Future market, Continuous chart)**


Candlestick chart pattern reveals bullish sentiment in the market. Prices closed above 9 days and 18 days EMAs in the market. RSI is moving up in neutral region indicates bullish sentiment in the market. Prices may take immediate support at 15080 levels in coming days.

**Expected Price Range of Jeera at Unjha (INR/Qtl): 15080-15710.**

## **BLACK PEPPER**

### **Spot Market Recap**

- In Kochi market, higher arrivals were reported during the week under review.
- Overseas demand in pepper has been weak as Indian origin pepper is offered at a high premium over its competitors in the international market.
- Pepper output is expected to be higher next year due to a likely good yield in the top producer state Kerala and Karnataka.

### **Fundamental Analysis**

#### **Black Pepper Arrival Scenario**

Market	% Change during corresponding period last week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Kochi (Kerala)	<b>+140.00</b>	132	55	95

In Kochi, pepper arrivals were reported higher by 77 tonnes to 132 tonnes against 55 tonnes during the last week.

Fresh pepper started trickling in though in small quantity. Dealers from Tamil Nadu were covering directly from the primary markets and the farmers. Good quantity of pepper is coming started Kerala's main pepper growing districts of Idukki, Pathanamthitta and Kollam. Thus, daily an estimated 5-7 tonnes of pepper is moved out directly. Some of the upcountry demand is met by supplies from Erode in Tamil Nadu.

**International Prices:**

In the international market Indian black pepper for Europe quoted at USD 7,250 per ton New York. Brazil black pepper offered at USD 6,000-6,500 per ton December shipment. Meanwhile, January shipment offered at USD 6,200-6,300 per ton.

From January to November 2012 Brazil shipped approx 25,900 tons - a drop of around 20% compared to same period of 2011 when 32,650 tons were shipped. Overall market is very dull and expectations are postponed for next year, more precisely second half of January.

**Spot Prices Weekly Change**

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)	Year Ago (21-12-2011)
Black Pepper	Kochi-Ungarbled	-1.07	36800	37200	37200	34000
	Kochi-Garbled	-1.03	38300	38700	38700	35500
	New Delhi-Unpolished	Unch	42500	42500	42500	33800
	New Delhi-Number 11.5	--	--	--	--	37000

**Black Pepper weekly Price Outlook (Kochi Spot market)**


Candlesticks chart pattern indicates bearish sentiment in the market. RSI is moving down in neutral zone indicates prices may go down in the near term. Prices closed below 9 days and 18 days EMAs. Prices may take immediate support at Rs. 37760 level in coming days.

**Expected weekly black pepper price range: 37760 – 38940.**

**Black Pepper weekly Price Chart (Future market, Continuous chart)**


Candlesticks chart pattern indicates bearish sentiment in prices in the market. RSI is moving down in overbought zone indicates prices may correct in the near term. Prices closed below 9 days and 18 days EMAs. Prices may take immediate support at Rs.33880 level in coming days.

**Expected weekly black pepper price range: 338800 – 35700.**

**CARDAMOM**
**Spot Market Recap**

- In Kochi, Cardamom arrivals were reported lower during the week period.
- At higher levels buyers were inactive in the market. Stockists were inactive at higher prices level as they have sufficient stock in quantity.
- The domestic production is likely to drop by 20-25 percent from the last years crop due to bad weather in the major belts

**Fundamental Analysis:**
**Cardamom Arrival Scenario**

Market	%Change during corresponding period last week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur (Kerala)	<b>-23.33</b>	282276	368183	--

Lower arrivals were reported during the week period.

Sources revealed that, India produced a bumper crop of 22,000 tonnes during 2011-12. However, current year expected at only 18,000 tonnes because of delayed rain and crop damage. Carry forward stocks expected 4000 – 5000 tonnes during the current period.



Higher global production prospects may limit sharp rise in prices. Guatemala is estimated to produce around 32000 tonnes. Guatemala crop may come to India by January first week. Sources revealed that, more than 50 containers were booked during the November month; two other importers were Pakistan and Bangladesh.

## Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)	Year Ago (21-12-2011)
Vandanmedu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-0.76	804.29	810.51	824.23	--

## Cardamom Weekly Price Outlook (Future market, Continuous chart)



Candlesticks chart pattern reveals bullish sentiment in the market. RSI is moving up in neutral zone indicates prices may go up in the market. Prices closed above 9 days and 18 days EMAs also indicates bullish sentiment in the market. 980 might act as strong support level.

**Expected weekly cardamom price range: 980-1080.**

## CORIANDER SEED

### Spot Market Recap

- Lower arrivals were reported in major coriander market during the week.
- Crop in Eastern Europe is also believed to be 20% lower.
- In Madhya Pradesh lower coriander stocks were reported during the current period as compared to the last year.
- The area covered under coriander in Madhya Pradesh and Rajasthan is estimated to be lower by around 30-40 percent.

**Fundamental analysis**
**Coriander Arrival Scenario:**

Market	% Change during corresponding period last week	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2012) in bags	Arrivals during the week (8 <sup>th</sup> Dec – 14 <sup>th</sup> Dec 2012) in bags	Arrivals during the week (15 <sup>th</sup> Dec – 21 <sup>st</sup> Dec 2011) in bags
Kota	-2.08	23500	24000	8700
Ramganj	-30.00	14000	20000	6000
Baran	-5.00	19000	20000	6500

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were down by 500 bags to 23500 bags against 24000 bags last week.

In Mandsour mandi daily 200 – 300 bags arrival reported which were lower as compared to the last year 2000 – 3000 bags daily arrivals in the same period. Coriander new crop arrivals will start from end of January from MP region.

Sowing is complete in major growing regions. North India is reeling under severe cold and this might impact the yield. A 50% reduction is seen in the next crop as farmers unhappy with the low price levels have already shifted to cultivation of Wheat and Bengal Gram. Prices are likely to remain stable despite the huge carry-over due to good internal demand from curry powder manufacturers. Crop in Eastern Europe is also believed to be 20% lower.

**Spot Prices Weekly Change**

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (21-12-2012)	Week Ago (14-12-2012)	Month Ago (21-11-2012)
Coriander Seed	Ramganj	Badami	+2.38	4150-4300	4100-4200	Closed
		Eagle	+1.14	4300-4400	4300-4350	Closed
		Scotter	-1.08	4550	4600	Closed
	Kota	Badami	+1.21	4150	4100	4050
		Eagle	+3.57	4350	4200	4150
	Baran	Badami	+2.43	4200	4100	3900
		Eagle	+2.32	4400	4300	3950

**Coriander weekly Price Outlook (Kota Spot market)**


Candlestick chart pattern reveals bullish trend in the market. RSI is moving up to overbought zone indicates prices may correct in short term. Prices closed above 9 days and 18 days EMAs in the market. 5010 level is a strong supports level in short term.

**Expected Price Range of Coriander Kota spot market: 5010-5320.**

**Coriander Weekly Price Chart (Future market, Continuous chart)**


Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving up to neutral zone indicates prices may go up in short term. Prices closed above 9 days and 18 days EMAs in the market. 5170 level is a strong supports level in short term.

**Expected Price Range of Coriander Kota spot market: 5170-5410.**

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