

RED CHILLI

Spot Market Recap

- In Guntur, lower Chilli arrivals were reported during the week under review.
- Average daily arrivals are around 35,000 bags of which 60-70% is being sold at auctions. Average new crop arrivals are around 3,000 bags.
- Crop outlook remains uncertain especially in some key growing regions in South India.

Fundamental Analysis

Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Guntur(Andhra Pradesh)	-5.88	160000	170000	100000

1Bag=45 Kgs

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

There is 45 lakh bags stock of red chilli in all over Andhra Pradesh cold storage. Meanwhile, there is 25 lakh bags (per bag 40 kg) stock of red chilli at Guntur cold storage. Red chilli production in Andhra Pradesh is expected around 1.25 crore bags, while red chilli production in Andhra Pradesh was recorded around 1.55 to 1.60 crore bags last year. Next year carry forward stock may be around 25-30 lakh bags.

In Madhya Pradesh, Harvests are almost over. New crop has started entering markets all over India. Traders looking for counter-sales are bulk buyers. Curry powder manufacturers are still looking for old crop from cold storage. Preliminary Crop estimates from this region are around 4 million bags (1 bag = 40 Kgs). Price-wise, there is no major variation.

In Andhra Pradesh, Dry weather prevailed in Andhra Pradesh during the week. Overall rainfall deficit this season is seen around 21%. First picking has started in some regions around Guntur. Peak arrivals are expected in March due to delay in transplanting. Area under Chillies farming has dropped and yield will also be lower. Clearer crop position will emerge in coming weeks.

In Karnataka, Small quantities of new crop have started arriving from Bellary. There are reports of farmers resorting to early harvesting due to wilt attack. Also the falling water levels in reservoirs is a matter of concern as release of water from dams has been temporarily suspended. Overall crop is likely to be 20% lower due to reduction in area and persistent water problems.

In Tamil Nadu, Water shortage in this region has reached alarming levels. Transplanting is over. Crop development is very poor due to failure of monsoon during November and December as more than 60% of the crop is under rain-fed cultivation. A more mature estimate on the crop development and yield will likely emerge by end February.

Bangladesh buyers have slowly started retreating. Internal demand remains stable. Export enquiries are likely to increase in coming weeks.

Spot Prices Weekly Change

Commodity	Centre& Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)
Red Chilli	LCA 334	-3.63	4800-5300	4500-5500	5500-5700
	Teja	Unch	7000-7800	7000-7800	7800-8200
	No.5	+1.63	5800-6200	5800-6100	6200-6400
	No.273	+1.63	5800-6200	5800-6100	5800-6100
	Fatki	Unch	2000-2500	2100-2500	2100-2400
	Byadgi	Unch	5000-5500	5000-5500	5500-6000

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


Candlesticks chart pattern reveals bullish sentiment in the market. RSI is moving up in the overbought region indicates prices may correct in the market. Prices closed above 9 days and 18 days EMAs indicates bullish sentiment in the market. 6180 level may take strong supports level for short term.

Expected Price Range of Red Chilly in Guntur spot market (INR/Qtl): 6180 - 6780.

TURMERIC

Spot Market Recap

- Higher arrivals were reported in Turmeric market during the period.
- Buyers are still stockists and local traders. Export demand is yet to pick up.
- Local market remained mixed as key growing regions are reporting shortfall in production and insufficient monsoon rains is adding to farmer's woe.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Nizamabad (AP)	+16.21	4300	3700	2700
Erode (TN)	+47.61	31000	21000	13000

1 bag = 75kgs

Higher arrivals were reported during the week period in the spot market. However, next crop likely to be 25% lower.

Lower North Indian demand was found in the spot market. As per market information, 50 - 60 percent demand comes as compared to the last year. Exporters were reported inactive during the week period. Sluggish export demand was reported in the domestic market. Alleppey Finger Turmeric arrivals are limited. Around 20-30 MT of AFT with 4-4.5 curcumin level was traded internally. Exporters are not getting the desired quality. New crop trading has not yet started.

Stockists have been the main buyers so far. Carryover stocks are huge and estimated to be around 25-30 lakh bags will continue to cap the upside. Sources revealed that, stocks were not releasing till date as per market expectations.

Turmeric production stood at a record high of 10.62 lakh tonnes in 2011-12 compared with 9.93 lakh tonnes in 2010-2011 and 7.93 lakh tonnes in 2009-10. Total production of turmeric in India in 2012-13 is expected to be around 50-60 percent lower compared to last year.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)	Year Ago (10-1-2012)
Turmeric	Nizamabad-Nizam Cold	Unch	5700	5700	5300	5400
	Erode-Finger	-4.68	5800-6100	6100-6400	5450-5650	4700-5000

Turmeric weekly Price Chart (Future market, Continuous chart)



Candlestick chart pattern reveals bearish sentiment in the market. RSI is moving down in neutral region which may indicates prices go down in near term. Prices closed above 9 days and 18 days EMAs indicates to bullish sentiment in the market. 6230 seems like a strong support level.

Expected Price Range of TMC Nizamabad spot market: 6230-6950.

CUMIN SEED (JEERA)

Spot Market Recap:

- Lower arrivals were reported in the cumin seed spot market during the week period.
- At higher prices buyers (stockists) were not interested for buying as they have higher stocks.
- Both Syria and Turkey are the main competitors for India in Jeera export market. Civil war in Syria may help India to boost its export.

Fundamental analysis
Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Unjha (Gujarat)	-6.66	14000	15000	27500

Unjha 1 bag = 55kgs

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

Sowing is completed and area under production is almost similar to last season. With no concerns of supply crunch in the near future given the favourable weather conditions, traders are likely to cover their requirements at a staggered pace. Export enquiries are limited.

Local buyers like stockists and Masala millers were the major buyers in the domestic market.

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.

Prices are likely to remain steady with a downward bias on reports of a good upcoming crop. Lack of offers from Syria and Turkey are keeping the optimism intact on prices.

In the international market, Indian cumin seed one percent quoted at USD 2,850-2,875 ton (cnf) Singapore. However, Turkey and Syria are not offering. Sowing in Turkey and Syria will be in March.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)	Year Ago (10-1-2012)
Cumin Seed	Unjha-Loose	-4.46	13375	13800-14000	13750	12875-13375
	Jodhpur – Loose	-3.70	13000	13500	14000	15000

Jeera weekly Price Chart (Future market, Continuous chart)


Candlestick chart pattern reveals bearish sentiment in the market. Prices closed below 9 days and 18 days EMAs in the market. RSI is moving down in neutral region indicates bearish sentiment in the market. Prices may take immediate support at 13540 levels in coming days.

Expected Price Range of Jeera at Unjha (INR/Qtl): 13540-14400.

BLACK PEPPER

Spot Market Recap

- In Kochi market, higher arrivals were reported during the week under review.
- New crop arrivals getting delayed due to cloudy weather, and expectations are that good quality/quantity of arrivals would be seen only from end of January.
- In Kerala Idduki district pepper production may increase 15 – 20 percent as compared to the last year.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Kochi (Kerala)	+40.98	86	61	97

In Kochi, pepper arrivals were reported higher by 25 tonnes to 86 tonnes against 61 tonnes during the last week.

Domestic demand was strong with all the pipelines of consuming markets empty and the end users remaining uncovered. The Pongal demand is so heavy that dealers from Madurai were covering from Kollam and Pathanamthitta districts.

On the domestic front, pepper production in India in 2012-13 is expected at around 60,000-63,000 tonne. The Spices Board has also announced plans to import high yielding Madagascar variety that was behind the record productivity in Vietnam, and which could raise productivity of Indian pepper from 2,000 kg per ha to 7,000 kg per ha.

Pepper production in Brazil, Indonesia and Vietnam are growing significantly right now, in turn, impacting Indian pepper exports negatively. With Vietnam emerging as the largest producer and exporter of pepper, any development in that country with regard to production, harvesting or quality is bound to have impact the global pepper market, including India.

From a global perspective, importing pepper from India is much costlier than importing from Vietnam and Indonesia, the two other major pepper producing countries. The world market would prefer importing pepper from low cost countries.

The low export demands from is bound to result in over supply in the domestic market, leading to a fall in pepper prices.

According to International Pepper Community, global pepper production in 2012 was projected at 3.27 lakh tonne compared with 3.18 lakh tonne in 2011. Production for 2013 is projected at 3.17 lakh tonne. Indonesian pepper output is expected to rise by 24 per cent and Vietnam's by 10 per cent. According to original estimates, pepper output in Vietnam is estimated to be 1 lakh tonne in 2012 compared with 1.1 lakh tonne in 2011. Brazil is also expected to produce 22,000 tonne this year.

International Prices:

In the international market Indian black pepper for Europe quoted at USD 7,400 per ton and February shipment offered at USD 6,700 per ton C&F

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)	Year Ago (10-1-2012)
Black Pepper	Kochi-Ungarbled	Unch	37300	37300	37200	30700
	Kochi-Garbled	Unch	38800	38800	38700	32200
	New Delhi-Unpolished	Unch	42500	42500	42500	33200
	New Delhi-Number 11.5	--	--	--	--	--

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 go down in the near term. Prices closed below 9 days and 18 days EMAs. Prices may take immediate support at Rs.34800 level in coming days.

Expected weekly black pepper price range: 34800 – 36350.

CARDAMOM

Spot Market Recap

- In Kochi, Cardamom arrivals were reported lower during the week period.
- Cold wave conditions and sharp fall in temperatures in the North have virtually stopped retail demand.
- 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.

**Fundamental Analysis:
Cardamom Arrival Scenario**

Market	%Change during corresponding period last week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur (Kerala)	-11.92	197964	224759	624281

Lower arrivals were reported during the week period.

Currently, last round of picking is under way and that would come to a close by the end of this month. Dry weather conditions prevailed in the growing areas which have not received any showers for last couple of days. At present, the plants are healthy but they require one or two showers now and if the growing areas received it in the coming days then that would have a positive impact on the next crop.

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.

The severe cold wave conditions and sharp fall in temperatures in the North have virtually stopped retail buying and impacted the buying trend of upcountry dealers.

Current crop is less by about 50 per cent, the trade is maintaining a sentiment that the growers are holding back their produce on anticipation that the prices would move up once the harvesting came to an end, they said. Therefore, the buyers believe they can cover later as there would be a spread in supply.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)	Year Ago (10-1-2012)
Vandanmedu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-7.33	745.91	804.93	825.74	523.4

Cardamom Weekly Price Outlook (Future market, Continuous chart)


Candlesticks chart pattern reveals sideways movement in the market. RSI is moving down in neutral zone indicates prices may go down in the market. Prices closed above 9 days and 18 days EMAs also indicates bullish sentiment in the market. 935 might act as strong support level.

Expected weekly cardamom price range: 935-1025.

CORIANDER SEED

Spot Market Recap

- Higher arrivals were reported in major coriander market during the week.
- North India is reeling under severe cold and this might impact the yield.
- Prices have been consistently going up due to reports of crop damage in major producing regions.
- Coriander new crop may come to the market after 15th February till prices may support to go up in the spot market.

Fundamental analysis

Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2013) in bags	Arrivals during the week (29 th Dec 2012 – 4 th Jan 2013) in bags	Arrivals during the week (5 th Jan 2012 – 10 th Jan 2012) in bags
Kota	+19.44	21500	18000	8200
Ramganj	+35.24	16500	12200	20500
Baran	+35.71	19000	14000	7300

1 bag=40 kg

Higher arrivals were reported in the coriander spot market. At higher price level producers were releasing their produce in the spot market.

Coriander Area Expectation During the current year sowing period:

State	Area 2011-12 (in Ha)	Area 2012-13 (in Ha)
Rajasthan	268310.20	160986.12
Madhya Pradesh	105855.00	68805.75

Source – Agriwatch.

Coriander area down due to following reasons –

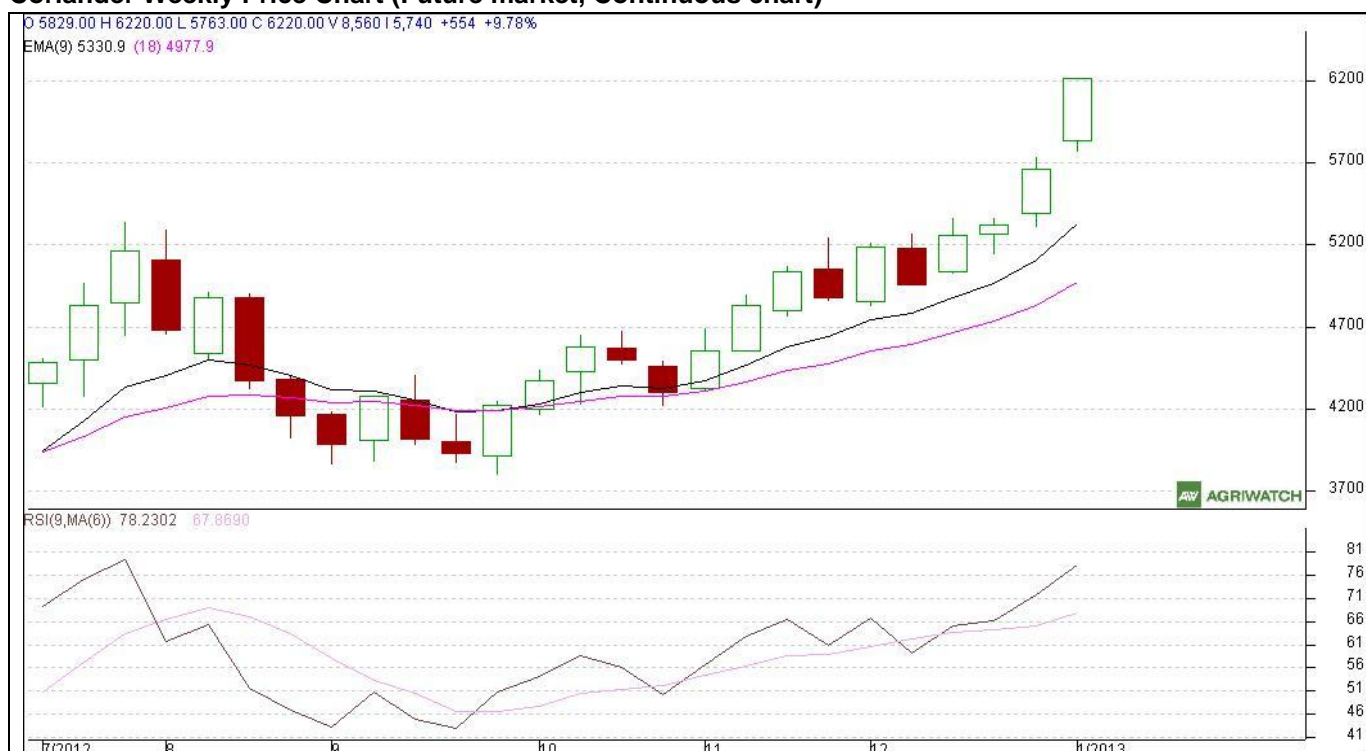
1. Coriander prices were reported lower at the time of sowing period.
2. Higher prices in other competing crop like Chana, Mustard and Wheat.
3. Higher carry forward stocks as compared to the last year.
4. Higher risk involved in crop damage.

In Kota mandi, 1 lakh bag stocks were reported. At higher prices buyers were inactive in the spot market. Total in Rajasthan and Madhya Pradesh 35 - 40 lakh bags total stocks expected with traders.

Around 50% less sowing reported during the current period. Ongoing cold wave in Rajasthan and Madhya Pradesh the crop is expected to get damaged further 10 percent. Coriander output, as a result, is estimated to decline further from the previous forecast between 55 - 60 lakh bags.

Spot Prices Weekly Change

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (10-1-2013)	Week Ago (4-1-2013)	Month Ago (10-12-2012)
Coriander Seed	Ramganj	Badami	+5.49	4800	4500-4550	4150-4350
		Eagle	+8.51	5000-5100	4700	4350-4450
		Scotter	+9.09	5300-5400	4950	4700
	Kota	Badami	+9.89	5000	4550	4100
		Eagle	+9.67	5100	4650	4200
	Baran	Badami	+8.51	5100	4700	4100
		Eagle	+8.16	5300	4900	4300

Coriander Weekly Price Chart (Future market, Continuous chart)


Candlestick chart pattern reveals bullish sentiment 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. 5720 level is a strong supports level in short term.

Expected Price Range of Coriander Kota spot market: 5720-5970.

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2005 Indian Agribusiness Systems Pvt Ltd.