

## RED CHILLI

### Spot Market Recap

- In Guntur, lower Chilli arrivals were reported during the week under review.
- New crop arrivals are progressing well. Due to high moisture content traders and local curry powder manufacturers still prefer old stocks from the cold storage in Andhra Pradesh.
- In Tamil Nadu, weeding and spraying of pesticides are in progress. The crop is in vegetative stage.
- In Madhya Pradesh, Harvesting is almost over. New crop has started entering markets all over India.
- In Bellary (Karnataka), commencement of new crop reported.
- 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. There is 45 lac bags stock of red chilli in all over Andhra Pradesh cold storage. Meanwhile, there is 25 lac bags (per bag 40 kg) stock of red chilli at Guntur cold storage.

### Fundamental Analysis

#### Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Guntur(Andhra Pradesh)	<b>-46.87</b>	85000	160000	115000

1Bag=45 Kgs

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

In Madhya Pradesh, New crop arrivals are progressing well. Due to high moisture content traders and curry powder manufacturers still prefer old stocks from the cold storage in Andhra Pradesh. Preliminary estimates of crop still around 4 to 4.5 million bags (1 bag = 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 of crop development from this region. According to the Andhra Pradesh agriculture department, chilli sowing for Rabi season has been completed in 0.30 lakh hectares as of December 12, 2012. The sown area is down by 30% against 0.43 lakh hectares reported during same time last year.

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, More than 58% Chillies grown in this region is rain-fed. Panic stricken farmers are looking for State Government to negotiate with neighbouring States for implementation of the water sharing proposal with regularity. Desperation is driving farmers to extremities.

Prices are expected to improve in the coming months but the huge carryover stocks in cold storage will cap the gains. According to agriculture department's forecast price should stabilize in the range of Rs 50 to Rs 55 per kg and may improve for premium quality.

**Spot Prices Weekly Change**

Commodity	Centre& Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)
Red Chilli	LCA 334	+7.54	5600-5700	4800-5300	5000-5500
	Teja	+2.56	7700-8000	7000-7800	7800-8100
	No.5	+3.22	6300-6400	5800-6200	5800-6200
	No.273	+3.22	6400	5800-6200	5800-6000
	Fatki	Unch	2200-2500	2000-2500	2100-2500
	Byadgi	+16.36	5700-6400	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. 6600 level may take strong supports level for short term.

**Expected Price Range of Red Chilly (INR/Qtl): 6600 - 6960.**

## **TURMERIC**

### **Spot Market Recap**

- Lower arrivals were reported in Turmeric market during the period.
- In Kerala, turmeric is in harvesting stage.
- Exporters were reported inactive during the week period. Sluggish export demand was reported in the domestic market.
- Carryover stocks are huge and estimated to be around 25- 30 lakh bags will continue to cap the upside.
- Demand from north Indian buyers has been good and is expected to stay firm in the near term.

### **Fundamental analysis**

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

Market	% Change during corresponding period last week	Arrivals during the week (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Nizamabad (AP)	<b>-51.16</b>	2100	4300	4700
Erode (TN)	-	-	31000	29000

1 bag = 75kgs

Higher arrivals were reported during the week period in the spot market. However, next crop likely to be 25% lower as farmers are not willing to invest further due to prevailing low prices.

The area under turmeric cultivation is lower due to scant rainfall during the current year and a shift in acreage to other crops. But higher carry-forward stocks are expected to keep supplies firm.

Demand from north Indian buyers has been good and is expected to stay firm in the near term.

Stockists have been the main buyers so far. Orders from North India and export enquiries have been normal and too little to outstrip supplies. New crop is looking good. Carryover stocks are huge and estimated to be around 3 million (70 Kg) bags and will continue to cap the upside.

### **Spot Prices Weekly Change**

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)	Year Ago (18-1-2012)
Turmeric	Nizamabad-Nizam Cold	<b>-1.75</b>	5600	5700	5600	5200
	Erode-Finger	-	-	5800-6100	5550-5750	4500-4800

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



Candlestick chart pattern reveals bearish sentiment in the market. RSI is moving up in overbought region which may indicate prices correct in near term. Prices closed above 9 days and 18 days EMAs indicate bullish sentiment in the market. 6500 seems like a strong resistance level.

**Expected Price Range of TMC: 6400-6100.**

### CUMIN SEED (JEERA)

#### Spot Market Recap:

- Higher arrivals were reported in the cumin seed spot market during the week period.
- Good weather condition reported in Gujarat for progressing Jeera crop and expecting better crop if it will continue another 15 days ahead. Due to this reason prices were down in the market.
- 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.

#### Fundamental analysis

##### Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Unjha (Gujarat)	+7.14	15000	14000	26500

Unjha 1 bag = 55kgs

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

In Gujarat, sowing operations are on their final stage now in most parts of the state. So far weather is favourable and supportive for sowing. Sowing in Turkey and Syria will be in March.

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

In the international market, Indian cumin seed one percent quoted at USD 2,800-2,825 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 (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)	Year Ago (18-1-2012)
Cumin Seed	Unjha-Loose	-0.93	13250	13375	-	15150-15250
	Jodhpur – Loose	-	-	13000	14500	14500-15000

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



Candlestick chart pattern reveals range bound movement 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 13500 levels in coming days.

**Expected Price Range of Jeera (INR/Qtl): 13600-14000.**

## **BLACK PEPPER**

### **Spot Market Recap**

- In Kochi market, higher arrivals were reported during the week under review.
- In Kerala, peppers are at harvesting stage. Low to moderate intensity of burrowing nematode in pepper was noticed.
- The Pongal demand is so heavy that dealers from Madurai were covering from Kollam and Pathanamthitta districts.
- 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.

### **Fundamental Analysis**

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

Market	% Change during corresponding period last week	Arrivals during the week (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Kochi (Kerala)	+132.55	200	86	36

In Kochi, pepper arrivals were reported higher by 11 tonnes to 61 tonnes against 50 tonnes during the last week.

There was good domestic demand as the pipelines in the upcountry markets are empty. Pongal demand from Tamil Nadu was also visible. End users were also said to be in need of the material. But, availability continued to remain thin. According to IPC, production and export estimates of pepper in 2012 would be around 324,000 mt and 249,000 mt respectively, as against 317,700 mt and 246,200 mt in 2011.

Taking into account of stock brought forward from 2011, import and domestic consumption in 2012, around 85,750 mt would be carried forward as stocks for 2013.

#### **Export of Pepper from Indonesia:**

Production of pepper in Indonesia increased significantly in 2012 as reflected in the development of exports in the second half of the year. Due to very tight stock at the beginning of the year, monthly exports in the first half of the year were very limited, except in February. Starting from July 2012, after new material from this year crop arrived in the market, export of pepper from Lampung increased significantly.

During July – October 2012 export of black pepper from Lampung was 25,600 mt as against 4,700 mt in the same period last year. In the case of white pepper, the export also increased at lower rate.

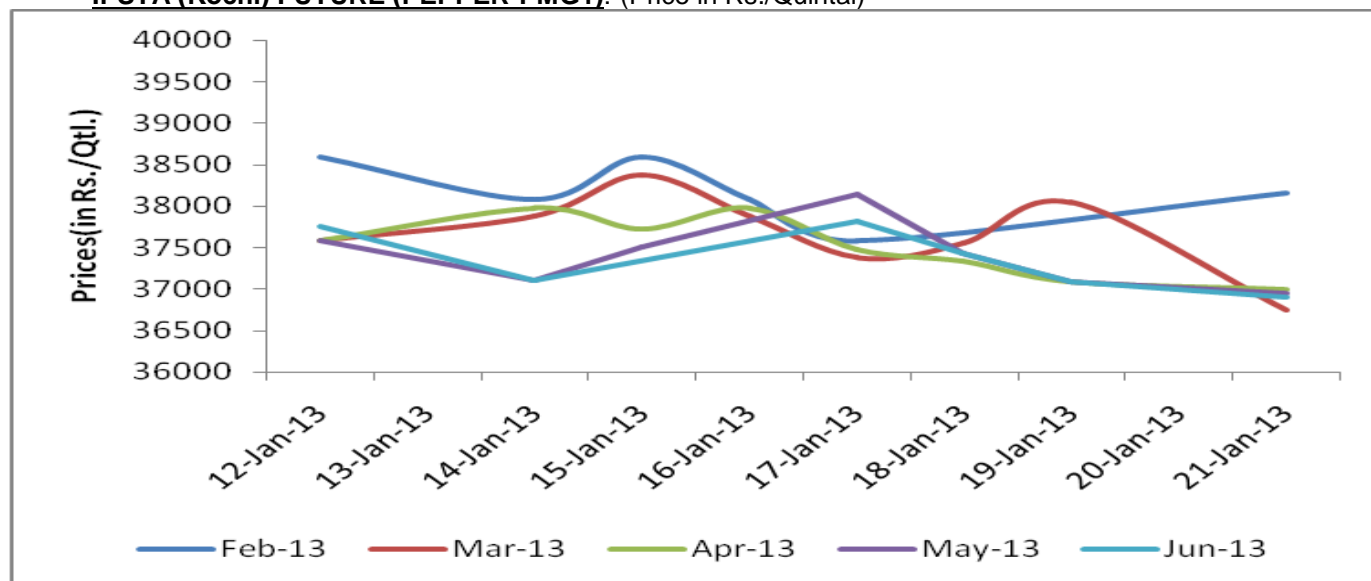
#### **International Prices:**

Country of origin	Price (in \$/ton)	Destination & Shipment Month	inco terms
Indian	8100	Europe & Jan.	C&F
	7100	New York & Feb.	
	8100	New York & Mar.	
Brazil	6600		FOB
Other Countries	7000		FOB



**Spot Prices Weekly Change**

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)	Year Ago (18-1-2012)
Black Pepper	Kochi-Ungarbled	+2.41	38200	37300	37200	30300
	Kochi-Garbled	+2.31	39700	38800	38700	31800
	New Delhi-Unpolished	+3.52	44000	42500	42500	34000
	New Delhi-Number 11.5	-	-	-	-	-

**IPSTA (Kochi) FUTURE (PEPPER-PMG1):- (Price in Rs./Quintal)**

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


Candlesticks chart pattern indicates range-bound movement 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.37000 level in coming days.

**Expected weekly black pepper price range: 37220 – 38000.**



## CARDAMOM

### Spot Market Recap

- In Kochi, Cardamom arrivals were reported lower during the week period.
- Adequate stocks position following increased arrivals from producing regions put cap on prices at higher levels.
- 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.
- Currently, last round of picking is under way and that would come to a close by the end of this month.
- 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 (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur (Kerala)	-16.62	165057	197964	699863

Higher arrivals were reported during the week period.

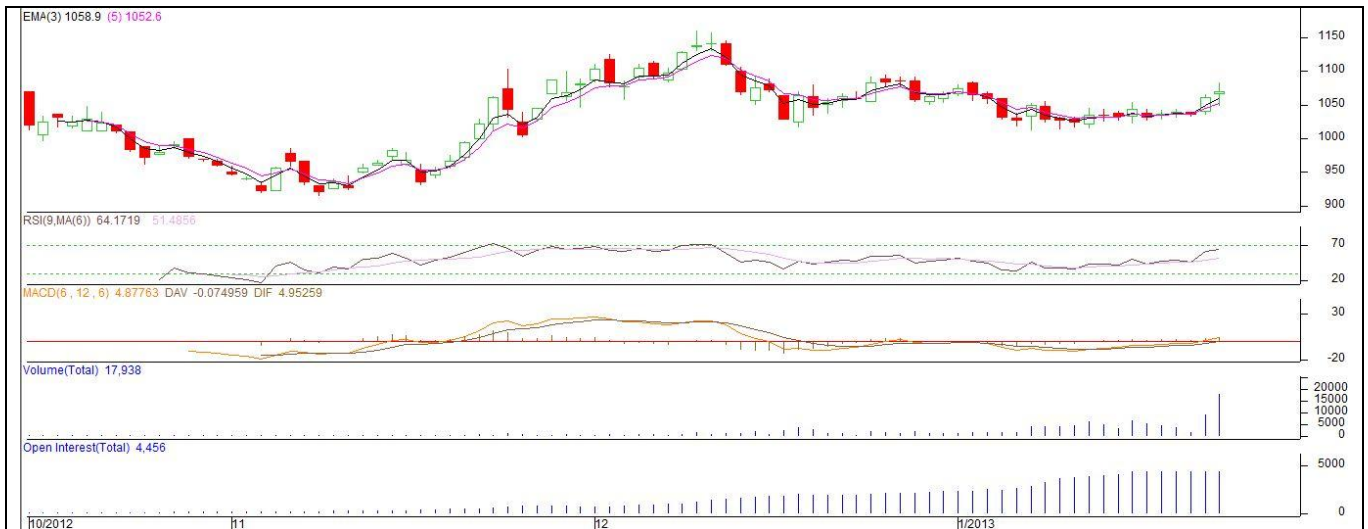
Sources revealed that, India produced a bumper crop of 22,000 tonnes during 2011-12. However, current year expected at only 18,000 tonnes because of delayed rain and crop damage. Carry forward stocks expected 4000 – 5000 tonnes during the current period.

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 (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)	Year Ago (18-1-2012)
Vandanmedu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	+5.22	784.85	745.91	790.93	489.31

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



Candlesticks chart pattern reveals bullish 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. 1000 might act as strong support level.

**Expected weekly cardamom price range: 1015-1100.**

## CORIANDER SEED

### Spot Market Recap

- Mostly higher arrivals were reported in major coriander market during the week.
- National Commodity & Derivatives Exchange Limited (NCDEX) imposed a special Margin of 10% on Coriander long side and on all running contracts and yet to be launched contracts in Coriander (SYMBOL: DHANIYA) with effect from beginning of day Monday, January 14, 2013.
- Ongoing cold wave in Rajasthan and Madhya Pradesh the crop is expected to get damaged further 10 percent, which may supports the prices in coming days.
- Internal demand from local curry manufactures support the prices.
- Coriander output, as a result, is estimated to decline further from the previous forecast between 55 - 60 lakh bags.
- In Madhya Pradesh lower coriander stocks were reported during the current period as compared to the last year.

### Fundamental analysis

#### Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (11 <sup>th</sup> Jan 2013 – 18 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (5 <sup>th</sup> Jan 2013 – 10 <sup>th</sup> Jan 2013) in bags	Arrivals during the week (11 <sup>th</sup> Jan 2012 – 18 <sup>th</sup> Jan 2012) in bags
Kota	<b>+41.86</b>	30500	21500	10700
Ramganj	<b>+57.57</b>	26000	16500	16700
Baran	<b>+26.31</b>	24000	19000	7900

1 bag=40 kg

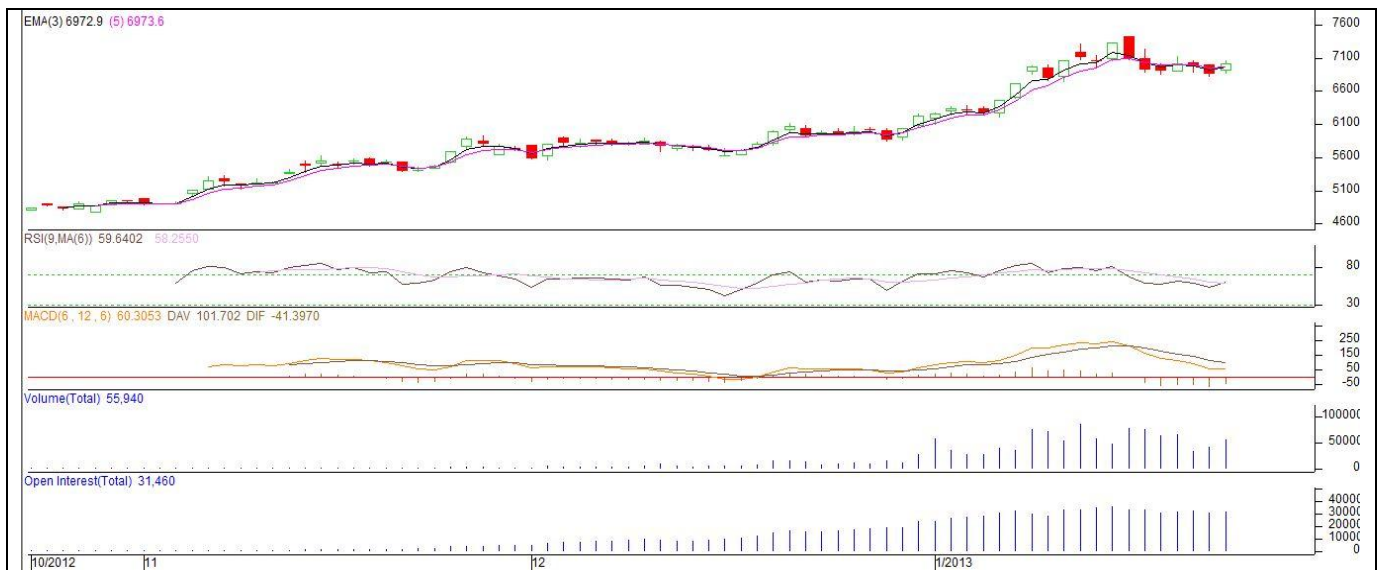
Lower arrivals were reported in the coriander spot market. At lower price level producers were not releasing their produce in the spot market.

Internal demand from local curry manufactures as well global demand is likely to rise in coming months.

There are unofficial reports of a lower production in Eastern European countries. Crop in Eastern Europe is also believed to be 20% lower. Carryover stocks are high. Prices may recover in the long run as internal demand from local curry manufactures as well global demand is likely to rise in coming months.

### Spot Prices Weekly Change

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (18-1-2013)	Week Ago (10-1-2013)	Month Ago (18-12-2012)
Coriander Seed	Ramganj	Badami	<b>+4.16</b>	5000	4800	4100-4250
		Eagle	<b>+1.96</b>	5100-5200	5000-5100	4300
		Scotter	<b>Unch</b>	5400	5300-5400	4500
	Kota	Badami	<b>-3.00</b>	4850	5000	4050
		Eagle	<b>-2.94</b>	4950	5100	4250
	Baran	Badami	<b>Unch</b>	5100	5100	4100
		Eagle	<b>-1.88</b>	5200	5300	4300

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


Candlestick chart pattern reveals sideways movement 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: 6800-7200.**

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