

CUMIN SEED

Market Analysis:

- Cumin seed prices remained steady as demand remained weak.
- However sources added that markets sentiments may remain weak as weather has cleared in Gujarat.
- Markets sentiments also remained weak as stockists demand remained weak
- Sources added that carryover stocks of jeera with the local stockiest is around 7-8 lakh bags and this is low.
- India's production this year could be lower compared to last year due to bad weather conditions in Gujarat and Rajasthan.
- Gujarat is expected to produce 30% less compared to last year.
- However Rajasthan is expected to produce little more due to increase in sowing intentions from farmers this year.

We expect Cumin seed prices to trade range bound to weak in the short term due to weak demand and clear weather over Gujarat. Price trend in the medium to long term may depend on weather over growing regions, production estimates and export demand.

Technical Analysis:

- Candlestick formation reveals bullish sentiments.
- Prices have closed above the 9 and 18-day EMAs suggests firm trend in short term.
- MACD and RSI are moving up supports bullish sentiments.
- Cumin seed prices are likely to remain range bound with a firm bias in next trading session.

Weather:

Dry weather conditions over Gujarat and Rajasthan may assist the crop development.

Price Drivers:

No.	Pressure Point	Favours
1	Weak stockists demand	Bears
2	Favourable weather over Gujarat	Bears
3	Weak futures counter	Bears
4	Weak export demand	Bears
5	Lower productions estimates	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	04-01-11	03-01-11	Change
Loose	Unjha	12675	12675	-
Machine Cut		14150	14150	-
NCDEX		13625-	13625-	-
Quality		13750	13750	-

Arrivals and Offtake in bags: (1 bag=55 Kg)

	04-01-11	03-01-11
Arrivals	3500	3500
Offtake	5000	5000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	14795-14800	14948	14985	14700	14509	14682	14855	15057	15259

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets ended lower as stockist's offloaded stocks at higher prices.
- Markets sentiments remained firm as domestic demand also remained weak.
- Sources added that profit taking in the futures have influenced the selling in the cash markets on Tuesday.
- Markets sources however added that demand would outweigh supply in the long term this may keep supporting the uptrend.
- Export demand is weak due to holiday season in the U.S and Europe.
- However lower carry-forward and lower production may limit losses in the markets.

Pepper prices may trade range bound in the short term. In the medium and long term price trend will depend on the availability and production estimates in India.

Technical Analysis:

- Candlestick formation reveals bearish sentiments.
- Prices closed above 9 and 18-day EMAs thus supporting the firm momentum in short term.
- MACD is moving up supports bullish sentiments.
- RSI is moving down supports bearish sentiments.
- Black Pepper futures are likely to trade range bound with a weak bias in next trading session.

Weather:

- Isolated thundershowers would occur over Tamil Nadu, Karnataka and Kerala.
- This may disrupt the arrivals in the markets.
- This may also lower the quality of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Lower arrivals	Bulls
2	Unfavorable weather for harvests	Bulls
3	Firm domestic demand	Bulls
4	Lower carry-forward stocks	Bulls
5	Weak export demand	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	04-01-11	03-01-11	Change
Ungarbled	Kochi	21500	21800	-300
Garbled		22000	22300	-300

Arrivals and Offtake in Tonnes:

	04-01-11	03-01-11
Arrivals	25	30
Offtake	20	35

Pepper 1101(NCPEPF1)2011/01/04 - Daily B:22878.00 A:22890.00
O 23350.00 H 23456.00 L 22753.00 C 22890.00 V 10,027 I 9,355 -513
EMA(9) 22719 (18) 22519



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Jan	SELL	23000-23010	22770	22712	23159	22330	22610	22890	23313	23736

TURMERIC

Market Analysis:

- Erode and Nizam market remained closed on Tuesday on separate reasons.
- Erode was closed due to Hanuman Jayanthi and Nizam was closed due to Amavasya.
- However traders in Nizam market say that trade may be slow till the fresh crops arrive in 2nd week of January.
- Sources added that stockists demand remained weak and all the sources want to buy the new crop.
- Sources however added that this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.
- However, traders still estimate a rise in production to 60-65 lakh bags vs. 40-45 lakh bags last year due to higher sowing intentions.
- Weak export demand due to the holiday season in U.S and Europe could also weaken the prices.
- Carry-forward in Erode remains between 50,000-75,000 bags.

In the short-term turmeric prices may trade range bound to weak on lower demand. In the medium to long-term the price trend may depend on this year's output estimates and demand.

Technical Analysis:

- Candlestick formation reveals bullish sentiments.
- Prices closed below 9 and 18-day EMAs thus supporting the bearish momentum in short term.
- MACD is flat suggests sideways market.
- RSI is moving down suggests bearish market.
- Turmeric futures are likely to trade range bound with a weak bias in next trading session.

Weather:

- Isolated thundershowers would occur over Tamil Nadu and certain parts of A.P.
- This may disrupt harvesting of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Higher output estimation	Bears
2	Higher acreage estimates	Bears
2	Weak stockists demand	Bears
4	Losses could be seen	Bulls
5	Lower carry-over stocks	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	04-01-11	03-01-11	Change
Finger	Erode	Closed	16150-16550	-
Gattah		Closed	16050-16450	-
Nizam	Nizamabad	Closed	16800	-

Arrivals and Offtake in bags: (1 bag=90 Kg)

	Centre	04-01-11	03-01-11
Arrivals	Erode	Closed	3000-3500
Offtake		Closed	2500
Arrivals	Nizamabad	Closed	No Arrivals
Offtake		Closed	No Offtake



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10220-10225	10118	10092	10291	9924	9998	10072	10364	10530

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained steady on Tuesday as reports of crop losses in A.P have started to push the markets higher.
- Sources added that seeing higher prices stockists and farmers released more stocks which have not caused weakness.
- Markets also remain firm as traders say that firm futures have partially influenced buying in the cash markets.
- Sources however say that due to the untimely rains losses could be seen.
- Last year production was 1.5 crore bags and this year production could decline to 1.25 crore bags.
- Export demand remains weak and could take the markets further down.
- However over the last few days' weather conditions has remained better and could help the crop development.

In the short term red chilli prices show some range bound to firm movements supported by firm futures.

In the long term market trend may depend on weather conditions, export demand and production of the crop.

Technical Analysis:

- Red Chilli chart is charting into uncharted territories.
- Candlestick formation reveals bullish sentiments.
- Prices closed above 9 and 18-day EMAs thus supporting the bullish momentum in the short term.
- MACD is flat suggests sideways market.
- RSI is flat in the overbought zone and is warranting caution to the bulls.
- Red Chilli futures are likely to trade range bound with a firm bias in next trading session.

Weather:

- Isolated thundershowers would occur over Tamil Nadu and Rayalaseema may hinder harvesting of the crop.
- This may also lower the quality of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Lower production estimates	Bulls
2	Firm export demand	Bulls
3	Crop losses expected	Bulls
4	Weak domestic demand	Bears
5	Favourable weather conditions	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	04-01-11	03-01-11	Change
Cold Storage	Guntur	6800-7800	6800-7800	-
Teja		8300-8400	8300-8400	-
Bedki		8500-9500	8500-9500	-

Arrivals and Offtake in bags: (1 bag=45 Kg)

	04-01-11	03-01-11
Arrivals	60000	60000
Offtake	60000	60000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	9080-9085	9176	9199	9020	8813	8977	9140	9291	9441

CARDAMOM

Market Analysis:

- Cardamom markets ended lower on Tuesday as arrivals improved in the local markets.
- Sources however added that markets may see some further uptrend due to bad weather.
- On the other hand, weak production in India and Guatemala is however likely to support any uptrend in the market.
- India is expected to produce 10,000 tonnes compared to 13,000 tonnes.
- Guatemala is expected to produce 20,000 tonnes compared to 23,000 tonnes.
- Export demand has also remained weak due to holiday season abroad.

We believe that cash markets may rebound following lower arrivals. In the longer run markets could remain firm on lower output from Guatemala and India.

Technical Analysis:

- Candlestick formation is revealing bearish sentiments.
- Prices are below 9-day EMAs supporting bearish momentum in the short term.
- MACD is flat suggesting sideways market.
- RSI is moving down suggests bearish market.
- Cardamom futures are likely to trade range-bound with weak bias in next trading session.

Weather:

- Isolated thundershowers would occur over Tamil Nadu, Karnataka and Kerala.
- This may disrupt the arrivals in the markets.

Price Drivers:

No.	Pressure Point	Favours
1	Weak demand	Bears
2	Weak export demand	Bears
3	Lower arrivals	Bulls
4	Lower production from India and Guatemala	Bulls
5	Unfavourable weather conditions for harvesting	Bulls

SPOT MARKET PRICES: (Rs/Kg)

Grade	Centre	04-01-11	03-01-11	Change
Small	Max Auction Price	1598	1392.5-1551	+47
	Average Auction Price	1407.08	1290.61-1428.48	-21.4

Arrivals and Offtake in Kgs:

	04-01-11	03-01-11
Arrivals	44774	16933
Offtake	40108	16314



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Jan	SELL	1552-1554	1536	1533	1564	1485	1520	1554.7	1589	1624

CORIANDER SEED

Market Analysis:

- Coriander seed prices ended steady on Tuesday as arrivals declined in Ramganj.
- Sources say that the cash markets are being influenced by firm futures counter on Tuesday.
- Domestic and stockists demand has declined due to higher prices.
- Markets sentiments however look bearish in the longer run after sources revealed that this year production will be higher.
- Export demand remains weak and may continue to pull the markets lower in the longer run.
- Sources also added that rains in Rajasthan could aid the crop.
- Production this year is expect to cross 1 crore bags this year which also lead to further weakness in prices.

We expect coriander prices to move higher influenced by higher futures counter. In the medium to long term price trend may depend on production estimates and demand in the market.

Technical Analysis:

- Coriander chart is moving up into uncharted territories.
- Candlestick formation is revealing bullish sentiments.
- Prices are above 9 and 18-day EMAs supporting bullish momentum in the short term.
- MACD is moving up suggests bullish market.
- RSI is moving up in the overbought zone and is warranting caution to the bulls.
- Coriander seed futures are likely to trade range-bound with firm bias in next trading session.

Weather:

Dry weather conditions over M.P and Rajasthan may assist the crop development.

Price Drivers:

No.	Pressure Point	Favours
1	Lower arrivals	Bulls
2	Firm futures counter	Bulls
3	Weak stockists demand	Bears
4	Favourable weather over growing regions	Bears
5	Higher carry-over stocks	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	04-01-11	03-01-11	Change
Badami	Ramganj	3350	3350	-
Eagle		3400	3400	-

Arrivals and Offtake in bags: (1 bag=40 Kg)

	04-01-11	03-01-11
Arrivals	3000	3500-4000
Offtake	3000	4000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	4775-4780	4828	4840	4742	4567	4689	4810	4913	5015

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