

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.
- All market participants are going along with the wait and watch policy.
- 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 steady in the short term amid 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 bearish sentiments.
- Prices have closed above the 9 and 18-day EMAs suggests firm trend in short term.
- MACD is moving up supports bullish sentiments.
- RSI is moving up supports bearish sentiments
- Cumin seed prices are likely to remain range bound with a weak 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 export demand	Bears
4	Lower carry over	Bulls
5	Lower productions estimates	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	06-01-11	05-01-11	Change
Loose		12675	12675	-
Machine Cut	Unjha	14150	14150	-
NCDEX		13625-	13625-	-
Quality		13750	13750	-

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

	06-01-11	05-01-11
Arrivals	3000	3000-3500
Offtake	4000	4000-5000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	14915-14920	14766	14729	15015	14513	14640	14845	15098	15200

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets ended lower as arrivals improve in Kochi.
- However, untimely rains in the interior part of Kerala have disrupted harvest.
- Markets sentiments remained firm as domestic demand also remained firm at lows.
- Sources added that selling in the futures have partially influenced the selling in the cash markets on Thursday.
- Markets sources however added that demand would outweigh supply in the long term this may keep supporting the uptrend.
- Export demand is could see a rebound this week as U.S and Europe have come out of the holiday season.
- Sources also added that lower carry-forward and lower production may support the uptrend 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 firm 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	06-01-11	05-01-11	Change
Ungarbled	Kochi	21500	21700	-200
Garbled		22000	22200	-200

Arrivals and Offtake in Tonnes:

	06-01-11	05-01-11
Arrivals	30	20
Offtake	20	30



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Jan	BUY	22800-22805	23033	23090	22655	22400	22610	22820	23174	23528

TURMERIC

Market Analysis:

- Cash markets remained weak as demand remained weak in the markets.
- However traders are waiting for 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 bearish sentiments.
- Prices closed below 9 and 18-day EMAs thus supporting the bearish momentum in short term.
- MACD and RSI are moving down supports 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	06-01-11	05-01-11	Change
Finger	Erode	15750-16150	Closed	-400
Gattah		15650-16050	Closed	-400
Nizam	Nizamabad	16700	16800	-100

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

	Centre	06-01-11	05-01-11
Arrivals	Erode	3600	Closed
Offtake		2000	Closed
Arrivals	Nizamabad	300	No Arrivals
Offtake		300	No Offtake



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9780-9785	9682	9658	9848	9471	9605	9740	9969	10198

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained steady on Thursday amid higher arrivals.
- Traders have reported crop losses in A.P due to untimely weather.
- Stockists demand remained firm which has supported the current uptrend.
- 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.
- Markets were also partially influenced by the firm futures counter over last week.

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:

- 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 moving down 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	Crop losses expected	Bulls
3	Firm stockists demand	Bulls
4	Weak export demand	Bears
5	Favourable weather conditions	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	06-01-11	05-01-11	Change
Cold Storage	Guntur	7000-7800	7100-7800	-
Teja		8100-8400	8200-8400	-
Bedki		8500-9500	8600-9500	-

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

	06-01-11	05-01-11
Arrivals	70000	65000
Offtake	70000	65000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	9025-9030	9120	9143	8966	8740	8930	9120	9250	9380

CARDAMOM

Market Analysis:

- Cardamom markets ended lower on Thursday as arrivals remain higher 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 and 18-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 firm 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	Higher arrivals	Bears
4	Lower production from India and Guatemala	Bulls
5	Unfavourable weather conditions for harvesting	Bulls

SPOT MARKET PRICES: (Rs/Kg)

Small Market - Auction Price					
Grade		Centre	06-01-11	05-01-11	Change
Small	Max Auction Price	Kumily & Nedumkandam	1441-1529	1601.5	-72.5
	Average Auction Price		1327.91-1365.15	1371.58	-6.43

Arrivals and Offtake in Kgs:

	06-01-11	05-01-11
Arrivals	55869	43666
Offtake	49273	43254



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	BUY	1500-1502	1517	1521	1489.5	1430	1471	1513.4	1550	1591

CORIANDER SEED

Market Analysis:

- Coriander seed prices surged higher on Thursday on reports of crops losses expected in Rajasthan and M.P.
- Sources say that M.P is expected to lose about 25% of the crop and Rajasthan about 5-10% due to untimely rains.
- Sources say that the cash markets are being influenced by firm futures counter on Thursday.
- Domestic and stockists demand remain weak due to higher prices.
- Export demand remains weak and may continue to pull the markets lower in the longer run.
- However some sources added if the weather remains stable and cold weather progresses into January then the losses could be reduced.
- 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 flat in the overbought zone and is warranting caution to the bulls.
- Coriander seed futures are likely to trade range-bound with weak 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	06-01-11	05-01-11	Change
Badami	Ramganj	4400-4500	3900-4000	+500
Eagle		4600-4700	4100-4200	+500

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

	06-01-11	05-01-11
Arrivals	3000	3000
Offtake	3000	3000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	5180-5185	5128	5115	5220	4941	5065	5188	5250	5311

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