

### CUMIN SEED

#### Market Analysis:

- Cumin seed prices fell as demand remained weak and arrivals remained on the higher side.
- Sources also added that markets sentiments may remain weak as weather has cleared in Gujarat aiding the crop development.
- Markets sentiments also remained weak as stockists demand remained weak.
- All market participants are going along with the wait and watch policy and want to buy the fresh crop which may come in February.
- However lower carryover stocks and lower production estimates this year may reduce losses.
- India's production this year could be lower compared to last year due to untimely rainfall 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 as weak demand and clear weather over Gujarat could take prices lower. 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-day EMAs suggests weak trend in short term.
- MACD is moving up supports bullish sentiments.
- RSI is moving down 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	07-01-11	06-01-11	Change
Loose		12625	12675	-50
Machine Cut	Unjha	14100	14150	-50
NCDEX		13575-	13625-	
Quality		13600	13650	-50

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

	07-01-11	06-01-11
Arrivals	3000	3000
Offtake	5000	4000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	14750-14755	14603	14566	14849	14388	14514	14708	14960	15057

### BLACK PEPPER

#### Market Analysis:

- Kochi Black pepper physical markets remained sideways as arrivals remain higher 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 there were more domestic buyers than sellers and that aided the price rise of spot market.
- 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 indecision.
- 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 flat reveals sideways market.
- Black Pepper futures are likely to trade range bound with a weak bias in next trading session.

#### Weather:

- Scattered thundershowers would occur over South Interior 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	Unfavorable weather for harvests	Bulls
2	Firm domestic demand	Bulls
3	Lower carry-forward stocks	Bulls
4	Weak export demand	Bears
5	Higher arrivals	Bears

#### SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	07-01-11	06-01-11	Change
Ungarbled	Kochi	21500	21500	-
Garbled		22000	22000	-

#### Arrivals and Offtake in Tonnes:

	07-01-11	06-01-11
Arrivals	30	30
Offtake	30	20

Pepper 1101(NCPEPF1)2011/01/07 - Daily B:22820.00 A:22836.00  
O 22821.00 H 23037.00 L 22710.00 C 22834.00 V 4,611 | 8,093



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Jan	SELL	22950-22955	22721	22663	23101	22356	22533	22834	23187	23337

## TURMERIC

### Market Analysis:

- Erode remained steady, Nizam witnessed no trade on Friday.
- However traders in Nizam are waiting for the fresh crops arrive in 2<sup>nd</sup> 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 moving down supports bearish sentiments.
- RSI is moving up supports bullish sentiments.
- Turmeric futures are likely to trade range bound with a weak bias in next trading session.

### Weather:

- Scattered thundershowers would occur over Tamil Nadu.
- 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	07-01-11	06-01-11	Change
Finger	Erode	15750-	15750-	-
		16150	16150	-
Gattah	Erode	15650-	15650-	-
		16050	16050	-
Nizam	Nizamabad	16700	16700	-

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

	Centre	07-01-11	06-01-11
Arrivals	Erode	3000-4000	3600
Offtake		3000	2000
Arrivals	Nizamabad	No Arrivals	300
Offtake		No Offtake	300



### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10100-10110	9999	9974	10178	9524	9762	10000	10188	10356

### RED CHILLIES

#### Market Analysis:

- Red chilli prices cash markets fell on Friday on higher arrivals in Guntur.
- 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 bearish 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 supports bearish sentiments.
- Red Chilli futures are likely to trade range bound with a weak bias in next trading session.

#### Weather:

- Scattered thundershowers would occur over Tamil Nadu, Coastal A.P 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	07-01-11	06-01-11	Change
Cold Storage	Guntur	6900-7700	7000-7800	-100
Teja		8000-8300	8100-8400	-100
Bedki		8400-9400	8500-9500	-100

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

	07-01-11	06-01-11
Arrivals	70000	70000
Offtake	70000	70000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	8750-8755	8663	8641	8812	8503	8613	8722	8941	9159



### CARDAMOM

#### Market Analysis:

- Cardamom markets ended lower on Friday as arrivals declined in the local markets.
- Sources however added that markets may see some further uptrend due to bad weather which may hinder arrivals in the local markets.
- Stockists and export demand remained weak, pulling the markets lower.
- 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.

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

#### Weather:

- Scattered thundershowers would occur over Tamil Nadu, South Interior 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)

Grade	Centre	07-01-11	06-01-11	Change
Small	Max Auction Price	1508.5	1441-1529	-20.5
	Average Auction Price	1353.78	1327.91-1365.15	-11.37

#### Arrivals and Offtake in Kgs:

	07-01-11	06-01-11
Arrivals	28607	55869
Offtake	28607	49273



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	SELL	1598-1600	1582	1577	1611.5	1480	1523	1567	1614	1657

## SPICES

DATE: 08-01-2011

### CORIANDER SEED

#### Market Analysis:

- Coriander seed prices surged higher on Friday as well on reports of crops losses expected in Rajasthan, M.P and A.P.
- Sources say that M.P is expected to lose about 25% of the crop and Rajasthan about 5-10% and A.P about 5-10% due to untimely rains.
- 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 the crop development could be better.
- 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:

- Candlestick formation is revealing bearish 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 firm bias in next trading session.

#### Weather:

- Dry weather conditions over M.P and Rajasthan may assist the crop development.
- Scattered thundershowers would occur over Coastal A.P which could hinder the development of the crop.

#### 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	07-01-11	06-01-11	Change
Badami	Ramganj	4900-5000	4400-4500	+500
Eagle		5100-5200	4600-4700	+500

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

	07-01-11	06-01-11
Arrivals	6000	3000
Offtake	6000	3000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	5200-5205	5257	5270	5165	4860	5049	5239	5412	5586

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