

CUMIN SEED

Market Analysis:

- Cumin seed prices end lower as demand remained weak and arrivals remain 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.
- 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 weak in the short term on 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 below the 9 and 18-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 may assist the crop development.
- Scattered thundershowers would occur over North Rajasthan may affect the quality of the crop.

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	12-01-11	11-01-11	Change
Loose	Unjha	12225	12325	-100
Machine Cut		13700	13800	-100
NCDEX		13175-	13275-	-100
Quality		13200	13300	-100

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

	12-01-11	11-01-11
Arrivals	3000	2500-3000
Offtake	3000	3500

JEERA 1102(NCJEEG1)2011/01/12 - Daily B:14455.00 A:14465.00
O 14592.00 H 14636.00 L 14415.00 C 14465.00 V 6,789 I 14,844 -105
EMA(9) 14618 (18) 14629



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	14500-14510	14355	14319	14605	14153	14284	14465	14726	14816

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets remained steady on Wednesday as arrivals declined in Kochi.
- Upcountry demand remained weak due to cold weather in New Delhi.
- Sources added that arrivals declined as the weather remained unfavorable for harvests in Kerala.
- Sources added that there were more domestic buyers on Tuesday than sellers and that aided the price rise.
- 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 and export inquiries have come from both U.S and Europe.
- Sources also added that lower carry-forward and lower production may support the uptrend in the markets.

Pepper prices may trade range bound to firm in the short term on lower arrivals expected in the local markets. 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 EMA's thus supporting the firm momentum in short term.
- MACD and RSI are flat supports sideways markets.
- Black Pepper futures are likely to trade range bound with a firm bias in next trading session.

Weather:

Dry weather conditions could increase the chances of arrivals in the markets.

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	12-01-11	11-01-11	Change
Ungarbled	Kochi	21400	21400	-
Garbled		22200	22200	-

Arrivals and Offtake in Tonnes:

	12-01-11	11-01-11
Arrivals	12	20
Offtake	12	25

Pepper 1102(NCPEPG1)2011/01/12 - Daily B:22903.00 A:22917.00
O 23070.00 H 23220.00 L 22810.00 C 23009.00 V 6,651 I 7,368 +12
EMA(9) 22987 (18) 22887



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	22950-22955	23185	23200	22825	22603	22806	23009	23216	23423

TURMERIC

Market Analysis:

- Erode ended lower on Wednesday as demand remained weak in the markets.
- Markets also fell on anticipation of fresh crop arrivals in the markets.
- Market activity remained low as upcountry demand remained weak due to cold weather.
- Sources added that stockists demand remained weak and all the sources want to buy the new crop.
- On the other hand this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.
- However, sources 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 and fresh arrivals expected in the markets. In the medium to long-term the price trend may depend on this year's output estimates and demand.

Technical Analysis:

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

Weather:

- Heavy rainfall 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	12-01-11	11-01-11	Change
Finger	Erode	15500-	15700-	-300
		15800	16100	
Gattah	Erode	15400-	15600-	-300
		15700	16000	
Nizam	Nizamabad	16500	16500	-

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

	Centre	12-01-11	11-01-11
Arrivals	Erode	5000	5000-6000
Offtake		3000	2000-2500
Arrivals	Nizamabad	No Arrivals	No Arrivals
Offtake		No Offtake	No Offtake



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10060-10065	9959	9934	10130	9780	9890	10000	10150	10260

SPICES

DATE: 13-01-2011

RED CHILLIES

Market Analysis:

- Red chilli prices cash ended slightly higher on Wednesday as arrivals declined slightly in the domestic markets.
- Markets sentiments however remained weak as domestic, stockists and export demand remained weak.
- Markets moved higher as farmers brought in less stock in the markets seeing slightly lower prices.
- However, sources have reported crop losses in A.P due to untimely weather.
- Last year production was 1.5 crore bags and this year production could decline to 1.25 crore bags.
- Markets were also partially influenced by the weak futures counter on Monday.

In the short term red chilli prices may show weakness on higher arrivals and weak demand. 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 below 9 and 18-day EMA's thus supporting the bearish momentum in the short term.
- MACD and RSI are moving down supports bearish market.
- Red Chilli futures are likely to trade range bound with a weak bias in next trading session.

Weather:

Dry weather conditions could increase the chances of arrivals in the markets and may assist further development of the crop.

Price Drivers:

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

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	12-01-11	11-01-11	Change
Cold Storage		6650-7450	6600-7400	+50
Teja	Guntur	7750-8050	7700-8000	+50
Bedki		8150-9150	8100-9100	+50

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

	12-01-11	11-01-11
Arrivals	65000	70000
Offtake	65000	70000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	8195-8200	8113	8100	8250	7750	7950	8150	8350	8550

CARDAMOM

Market Analysis:

- Cardamom markets moved lower on Wednesday as arrivals remained high.
- Markets sentiments remained firm as demand remained high at lows.
- However upcountry demand remained weak due to cold weather.
- 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 above 9 and 18-day EMAs supporting bullish momentum in the short term.
- MACD is moving down supporting bearish market.
- RSI is moving up supporting bullish market.
- Cardamom futures are likely to trade range-bound with firm bias in next trading session.

Weather:

- Scattered thundershowers would occur over Tamil Nadu.
- This may disrupt the arrivals in the markets.
- Dry weather in Karnataka and Kerala could increase the chances of arrivals in the markets and may assist further development of the crop.

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	12-01-11	11-01-11	Change
Small	Max Auction Price	1500.5	1479	+21.5
	Average Auction Price	1333.88	1363.11	-29.23

Arrivals and Offtake in Kgs:

	12-01-11	11-01-11
Arrivals	31207	32536
Offtake	29612	27777



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	BUY	1550-1552	1568	1571	1539	1503	1534	1564.6	1580	1596

CORIANDER SEED

Market Analysis:

- Coriander seed prices remained steady on Wednesday amid weak demand and lower arrivals.
- Markets sentiments remained weak as selling pressure remained higher in the markets.
- However sources reported 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, export and stockists demand remain 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.

We expect coriander prices to move lower on higher arrivals and weak demand. In the medium to long term price trend may depend on production estimates and demand in the market.

Technical Analysis:

- Candlestick formation is revealing indecision.
- 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 Coastal A.P may assist the crop development.
- Scattered thundershowers would occur over North Rajasthan may affect the quality of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Weak stockists demand	Bears
2	Weak domestic demand	Bears
3	Firm futures counter	Bulls
4	Unfavourable weather over Rajasthan	Bulls
5	Lower arrivals	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	12-01-11	11-01-11	Change
Badami	Ramganj	3600-3800	3600-3800	-
Eagle		3900-4000	3900-4000	-

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

	12-01-11	11-01-11
Arrivals	3000	3500
Offtake	3000	3500



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	5120-5125	5069	5056	5159	4929	4994	5060	5189	5254

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>