

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained closed on Friday on account of Sankranti.
- 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.
- However sources added that dry weather conditions in A.P could assist further development of the crop.

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	14-01-11	13-01-11	Change
Cold Storage	Guntur	Closed	6600-7400	-
Teja		Closed	7700-8000	-
Bedki		Closed	8100-9100	-

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

	14-01-11	13-01-11
Arrivals	Closed	70000
Offtake	Closed	70000

CHLL334GTR 1102(NCGTRG1)2011/01/14 - Daily B:8054.00 A:8076.00
O 8130.00 H 8170.00 L 8024.00 C 8074.00 V 1,290 I 4,775 -28
EMA(9) 8361.5 (18) 8163.0



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	8100-8105	8019	8000	8157	7863	7943	8074	8236	8301

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets remained steady on Friday on subdued activity amid lower arrivals 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 and this could move the markets higher.
- 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 and could move the markets higher.
- 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 below 9 and 18-day EMA's thus supporting the firm momentum in short term.
- MACD and RSI are moving down supports bearish markets.
- Black Pepper 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 assist the harvesting of 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	14-01-11	13-01-11	Change
Ungarbled	Kochi	21400	21400	-
Garbled		22200	22200	-

Arrivals and Offtake in Tonnes:

	14-01-11	13-01-11
Arrivals	15	15
Offtake	15	17.5

Pepper 1102(NCPEPG1)2011/01/14 - Daily B:22824.00 A:22828.00
O 22899.00 H 22950.00 L 22725.00 C 22828.00 V 3,465 I 8,175 -43
EMA(9) 22936 (18) 22891



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	23000-23005	22770	22750	23132	22493	22609	22828	23159	23275

TURMERIC

Market Analysis:

- Erode and Nizam remained closed on Friday on account of Sankranti.
- Erode will remain closed till Monday on account of Sankranti and Pongal festivals.
- However sources added on Friday markets sentiments may remain weak 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.

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 above 9 and 18-day EMAs thus supporting the bullish 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:

Dry weather conditions could increase the chances of arrivals in the markets and assist the harvesting of 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	14-01-11	13-01-11	Change
Finger	Erode	Closed	15400-15600	-
Gattah		Closed	15300-15500	-
Nizam	Nizamabad	Closed	16400	-

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

	Centre	14-01-11	13-01-11
Arrivals	Erode	Closed	4000
Offtake		Closed	3000
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	10200-10205	10098	10072	10271	9851	9991	10130	10302	10475

CARDAMOM

Market Analysis:

- Cardamom markets witnessed no trade on Friday.
- Sources however added that markets may see some further uptrend due to bad weather which may hinder arrivals in the local markets.
- Markets sentiments remained firm as demand remained high at lows.
- However upcountry demand remained weak due to cold weather.
- 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 bearish sentiments.
- Prices are below 9-day EMA supporting bearish momentum in the short term.
- MACD and RSI are moving down supporting bearish market.
- Cardamom futures are likely to trade range-bound with weak bias in next trading session.

Weather:

Dry weather conditions could increase the chances of arrivals in the markets and assist the harvesting of 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	14-01-11	13-01-11	Change
Small	Max Auction Price	No Trade	1531-1551	-
	Average Auction Price	No Trade	1380.56-1388.51	-

Arrivals and Offtake in Kgs:

	14-01-11	13-01-11
Arrivals	No Trade	30594
Offtake	No Trade	29904



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	SELL	1560-1562	1544	1540	1573	1497	1524	1550.8	1580	1597

CUMIN SEED

Market Analysis:

- Unjha cash markets remained closed on Friday on account of Sankranti.
- Markets sentiments remained weak as selling pressure remained higher.
- 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 bullish sentiments.
- Prices have closed below the 9 and 18-day EMAs suggests weak trend in short term.
- MACD is flat supports sideways sentiments.
- RSI is moving up supports bullish sentiments.
- Cumin seed prices are likely to remain range bound with a weak bias in next trading session.

Weather:

Dry weather conditions could increase the chances of arrivals in the markets and assist the harvesting of 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	14-01-11	13-01-11	Change
Loose		Closed	12125	-
Machine Cut	Unjha	Closed	13600	-
NCDEX			13075-	
Quality		Closed	13100	-

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

	14-01-11	13-01-11
Arrivals	Closed	2500-3000
Offtake	Closed	3000-3500

JEERA 1102(NCJEEG1)2011/01/14 - Daily B:14470.00 A:14475.00
O 14370.00 H 14500.00 L 14310.00 C 14472.00 V 4,794 I 15,339 +10
EMA(9) 14588 (18) 14612



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	14500-14510	14355	14335	14597	14164	14237	14472	14617	14734

CORIANDER SEED

Market Analysis:

- Coriander cash markets remained closed on Friday on account of Sankranti.
- Markets sentiments remained weak as selling pressure remained higher in the markets.
- Domestic, export and stockists demand remain weak and may continue to pull the markets lower in the longer run.
- 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.
- However some sources added that this year amid the losses we could see the production to be good.

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 supporting bullish sentiments.
- Prices are above 9 and 18-day EMAs supporting bullish momentum in the short term.
- MACD is flat suggests sideways 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 weak bias in next trading session.

Weather:

Dry weather conditions could increase the chances of arrivals in the markets and assist the harvesting of 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	14-01-11	13-01-11	Change
Badami	Ramganj	Closed	3550-3750	-
Eagle		Closed	3850-3950	-

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

	14-01-11	13-01-11
Arrivals	Closed	3000-3500
Offtake	Closed	3500



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	5500-5505	5445	5431	5542	5242	5358	5474	5552	5590

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>