

### RED CHILLIES

#### Market Analysis:

- Red chilli prices cash markets remained steady to firm on Monday as arrivals remained on the higher side in Guntur.
- Markets sentiments however remained weak as domestic, stockists and export demand remained weak.
- Upcountry demand remained firm and may push markets higher.
- Markets also moved higher as 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 bullish sentiments.
- Prices closed above 9 and 18-day EMA's thus supporting the bullish momentum in the short term.
- MACD is moving down supports bearish market.
- RSI is moving up supports bullish 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	17-01-11	15-01-11	Change
Cold Storage	Guntur	6600-7400	Closed	-
Teja		7700-8000	Closed	-
Bedki		8100-9100	Closed	-

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

	17-01-11	15-01-11
Arrivals	70000	Closed
Offtake	70000	Closed



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	8500-8505	8415	8394	8560	7865	8135	8406	8541	8677

### BLACK PEPPER

#### Market Analysis:

- Kochi Black pepper physical markets ended lower on Monday as stockists offloaded stocks at high.
- Pepper market sentiments continue to remain firm with arrivals on the lower side amid good domestic demand.
- Globally prices in the major markets increased due to limited stock as material with farmers has exhausted.
- Markets also moved higher after reports of low production in India and farmers are holding on to the stocks.
- However IPC says that India's production will be around 48,000 tonnes lower by just 2,000 tonnes.
- Markets sources added that harvesting in many place of Idukki has been delayed due to labour shortage.
- Sources however added that harvesting will start in India and this may bring in arrivals which may lower markets next week.

**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 weak 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	17-01-11	15-01-11	Change
Ungarbled	Kochi	21400	21500	-100
Garbled		22200	22300	-100

#### Arrivals and Offtake in Tonnes:

	17-01-11	15-01-11
Arrivals	1.5	20
Offtake	1	40

Pepper 1102(NCPEPG1)2011/01/17 - Daily B:22829.00 A:22830.00  
O 22945.00 H 22985.00 L 22750.00 C 22830.00 V 5,577 I 9,609 -161  
EMA(9) 22924 (18) 22894



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	22910-22915	22681	22656	23044	22490	22620	22830	23090	23195

### TURMERIC

#### Market Analysis:

- Erode remained closed on Monday on account of the Pongal festival.
- Nizam remained weak on weak demand.
- Market sentiments have remained 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 bearish 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 flat supports sideways 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	Weak upcountry demand	Bears
5	Lower carry-over stocks	Bulls

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

Grade	Centre	17-01-11	15-01-11	Change
Finger	Erode	Closed	Closed	-
Gattah	Erode	Closed	Closed	-
Nizam	Nizamabad	16200	Closed	-200

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

	Centre	17-01-11	15-01-11
Arrivals	Erode	Closed	Closed
Offtake	Erode	Closed	Closed
Arrivals	Nizamabad	No Arrivals	Closed
Offtake	Nizamabad	No Offtake	Closed



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10070-10075	9969	9944	10140	9677	9811	9944	10233	10350

### CARDAMOM

#### Market Analysis:

- Cardamom markets ended lower on Monday amid lower arrivals in the domestic markets.
- Sources added that markets may move higher due to bad weather which may hinder arrivals in the local markets.
- Markets sentiments remained weak as demand remained weak.
- 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 above 9 and 18-day EMAs supporting bullish 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	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	17-01-11	15-01-11	Change
Small	Max Auction Price	1417.5-1444.5	1557.5	-113
	Average Auction Price	1335.73-1350.61	1406.79	-56.18

#### Arrivals and Offtake in Kgs:

	17-01-11	15-01-11
Arrivals	16427	23891
Offtake	13124	23454



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	SELL	1570-1572	1554	1550	1583	1527	1541	1556	1602	1616



### CUMIN SEED

#### Market Analysis:

- Unjha cash markets remained traded steady on Monday as arrivals improved slightly in the markets.
- Markets sentiments however 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.
- Upcountry demand also remained weak and could take the markets further down.
- 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 as demand remains weak. 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 bullish trend in short term.
- MACD is moving down supports bearish sentiments.
- RSI is 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 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	17-01-11	15-01-11	Change
Loose		12125	12125	-
Machine Cut	Unjha	13600	13600	-
NCDEX		13075-	13075-	-
Quality		13100	13100	-

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

	17-01-11	15-01-11
Arrivals	3000	1500
Offtake	4000	3000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	15000-15010	15160	15185	14907	14390	14730	15070	15305	15540

### CORIANDER SEED

#### Market Analysis:

- Coriander cash markets remained steady on Monday on continued reports of crop losses in M.P, A.P and Rajasthan.
- 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.
- Markets sentiments remained firm as stockists were buying at lows.
- However upcountry demand remained weak and could weaken the markets.
- However some sources added that this year amid the losses we could see the production to be good.

***We expect coriander prices to move higher on crop losses anticipations. 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 region 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	Firm stockists demand	Bulls
2	Firm domestic demand	Bulls
3	Firm futures counter	Bulls
4	Favourable weather over Rajasthan	Bears
5	Higher arrivals	Bears

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

Grade	Centre	17-01-11	15-01-11	Change
Badami	Ramganj	3700-3900	3700-3900	-
Eagle		4000-4100	4000-4100	-

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

	17-01-11	15-01-11
Arrivals	3000	3500
Offtake	3000	3500



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	5500-5505	5445	5431	5542	5041	5238	5435	5557	5679

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