

### RED CHILLIES

#### Market Analysis:

- Red chilli prices cash markets remained steady on Monday as demand remained weak at highs.
- Sentiments remained weak as fresh arrivals increased in Guntur.
- Sources also added that domestic, stockists and export demand remained weak.
- 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 lower than 1 crore bags.
- Sources say that production could be lower by 50-60% due to untimely weather in A.P.

***In the short term red chilli prices may show weakness on fresh 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 flat supports sideways market.
- RSI is moving up supports bullish sentiments.
- Red Chilli 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 and may assist further harvesting of the crop.

#### Price Drivers:

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

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

Grade	Centre	31-01-11	29-01-11	Change
Cold Storage		6950-7750	Closed	-
LCA 334 New	Guntur	7000-7500	Closed	-
Teja		8050-8350	Closed	-
Bedki		8450-9450	Closed	-

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

	31-01-11	29-01-11
Arrivals-New	50000	Closed
Arrivals-Old	10000	Closed
Offtake	60000	Closed



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	9090-9095	9186	9209	9030	8839	8977	9116	9247	9379

**BLACK PEPPER**
**Market Analysis:**

- Kochi Black pepper physical markets moved higher on Monday as demand improved at lows.
- Markets improved amid higher arrivals in Kochi.
- Black pepper market sentiments remain bearish as export demand remained weak.
- Sentiments also remained bearish as international buyers are waiting for lower prices.
- Upcountry demand also remains weak keeping the sentiments weak.
- Sources added that all market participants are waiting for the Vietnam crop which may start in late February.
- However, sources added that fresh arrivals will only start by February end which may push markets higher.
- Brazilian Pepper Board says that the expected pepper production is below 37,000-40,000 tonnes.
- However IPC says that Brazil may produce 35,000 tonnes higher by 1,000 tonnes compared to last year.

**Pepper prices may trade range bound to weak in the short term on lower demand and lower trading activity. In the medium and long term price trend will depend on the availability and production estimates globally.**

**Technical Analysis:**

- Candlestick formation reveals bullish sentiments.
- Prices closed below 9 and 18-day EMA's thus supporting the bearish momentum in short term.
- MACD is moving down supports bearish markets.
- RSI is moving up 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 may assist further development of the crop.

**Price Drivers:**

No.	Pressure Point	Favours
1	Firm domestic demand	Bulls
2	Higher arrivals	Bears
3	Weak international interest	Bears
4	Favorable weather for harvests	Bears
5	Weak export demand	Bears

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

Grade	Centre	31-01-11	29-01-11	Change
Ungarbled	Kochi	21300	21200	+100
Garbled		22100	22000	+100

**Arrivals and Offtake in Tonnes:**

	31-01-11	29-01-11
Arrivals	25	20
Offtake	20	15

Pepper 1102(NCPEPG1)2011/01/31 - Daily B:22360.00 A:22378.00  
O 22270.00 H 22485.00 L 22077.00 C 22378.00 V 5,565 18,638 +70  
EMA(9) 22615 (18) 22731


**Trade Recommendation**

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	SELL	22500-22510	22275	22245	22642	21905	22141	22378	22721	22957

## TURMERIC

### Market Analysis:

- Erode and Nizam remained steady on Monday amid higher arrivals in both markets.
- Sources however say that demand remained weak and continue to weaken the markets.
- Market activity remained low as upcountry demand remained weak and is expected to be weak till February.
- On the other hand this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.
- Mixed reactions arise for turmeric production estimates in India for 2011.
- Some sources say that production be in the range of 40-45 lakh bags, some say that production estimates could be in the range of 60-65 lakh bags.

***In the short-term turmeric prices may trade range bound to weak on lower demand and fresh arrivals 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 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:

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 export demand	Bears
4	Weak upcountry demand	Bears
5	Lower carry-over stocks	Bulls

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

Grade	Centre	31-01-11	29-01-11	Change
Finger-Old	Erode	15100-15300	Closed	-
Gattah-Old		15000-15200	Closed	-
Finger-New		12200-13200	Closed	-
Gattah-New		11700-12700	Closed	-
Nizam-New	Nizamabad	13700	Closed	-

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

	Centre	31-01-11	29-01-11
Arrivals-Old	Erode	1000	Closed
Arrivals-New		3000-4000	Closed
Offtake- Old		800	Closed
Offtake- New		2200	Closed
Arrivals	Nizamabad	10000	Closed
Offtake		10000	Closed



### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9950-9955	9851	9826	10019	9665	9783	9900	10097	10214

### CARDAMOM

#### Market Analysis:

- Cardamom markets remained steady on Monday amid lower arrivals.
- Domestic and export demand remained weak and pulled the markets lower.
- Sentiments also remained weak as arrivals have improved in Kerala.
- Sources however added that the 3<sup>rd</sup> harvest is over however arrivals could slow down due to low production estimates.
- 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 move higher following lower production estimates. 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 moving down supporting bearish market.
- RSI is moving down in the oversold region and is warranting caution to the bears.
- 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 may assist further development of the crop.

#### Price Drivers:

No.	Pressure Point	Favours
1	Weak domestic and export demand	Bears
2	Anticipation of fresh arrivals	Bears
3	Favourable weather conditions for harvesting	Bears
4	Lower arrivals	Bulls
5	Lower production from India and Guatemala	Bulls

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

Spot Market Prices: (Rs/kg)					
Grade		Centre	31-01-11	29-01-11	Change
Small	Max Auction Price	Santhan para &	1257-1295	No Trade	-
	Average Auction Price	Bodinay akanur	1181.13-1196.03	No Trade	-

#### Arrivals and Offtake in Kgs:

	31-01-11	29-01-11
Arrivals	12928	No Trade
Offtake	12424	No Trade



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Feb	SELL	1375-1376	1361	1354	1387	1332	1347	1362.1	1391	1420



### CUMIN SEED

#### Market Analysis:

- Unjha cash markets moved lower amid lower arrivals in the domestic markets.
- Markets sentiments remained bearish on Monday as fresh arrivals have started even though the quality of the stocks is lower.
- This year's production in Gujarat is expected at 25 lakh bags same as last year which could move the markets higher in the long term even though initially sowing was higher.
- However sources add that this year Rajasthan could make for the loss in Gujarat and produce between 3-4 lakh bags.
- Carryover stocks are low about 6-8 lakh bags and this may push the markets higher.

**We expect Cumin seed prices to trade range bound to on weak demand and fresh arrival expectations. 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 bearish trend in short term.
- MACD and RSI are 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 in Gujarat and Rajasthan may assist in further development of the crop.

#### Price Drivers:

No.	Pressure Point	Favours
1	Weak export demand	Bears
2	Favourable weather over Gujarat	Bears
3	Fresh arrivals	Bears
4	Lower carry over	Bulls
5	Lower productions estimates	Bulls

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

Grade	Centre	31-01-11	29-01-11	Change
Loose		12125	12225	-100
Machine Cut	Unjha	13600	13700	-100
NCDEX		13075-	13175-	-100
Quality		13100	13200	

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

	31-01-11	29-01-11
Arrivals	2000	3500
Offtake	3000	4000

JEERA 1103(NCJEEH1)2011/01/31 - Daily B:15035.00 A:15049.00  
O 15200.00 H 15298.00 L 14900.00 C 15040.00 V 7,188 I 16,341 -216  
EMA(9) 15341 (18) 15271



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	15080-15085	14929	14909	15173	14681	14860	15040	15258	15477

**CORIANDER SEED**
**Market Analysis:**

- Coriander cash markets moved lower on Monday as arrivals improved in Ramganj.
- Markets sentiments remained weak as production estimates remain higher.
- 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 weak as stockists have offloaded more stocks in the market.
- Weak export and north Indian demand have also pulled the markets down.
- Markets also fell partially influenced by weak futures counter.

*We expect coriander prices to remain range bound to firm on lower arrivals. In the medium to long term price trend may depend on production estimates and demand in the market.*

**Technical Analysis:**

- Candlestick formation reveals bearish sentiments.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD and RSI are moving down supports bearish markets.
- Coriander seed futures are likely to trade range-bound with 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 export demand	Bears
2	Higher production estimates	Bears
3	Planters bringing in les stock	Bulls
4	Unfavourable weather over Rajasthan	Bulls
5	Lower arrivals	Bulls

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

Grade	Centre	31-01-11	29-01-11	Change
Badami	Ramganj	3550	3600	-50
Eagle		3660	3700	-50

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

	31-01-11	29-01-11
Arrivals	2000	1500
Offtake	2000	1500

CORIANDER 1103(NCCODH1)2011/01/31 - Daily B:4729.00 A:4748.00  
O 4790.00 H 4870.00 L 4641.00 C 4734.00 V 6,070 I 11,030 -31  
EMA(9) 4983.7 (18) 5040.4


**Trade Recommendation**

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	4900-4905	4954	4969	4865	4519	4627	4734	4977	5085

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