

### RED CHILLIES

#### Market Analysis:

- Red chilli prices cash markets remained steady on Thursday as new arrivals remained on the lower side.
- Sources said that spot demand continues to be higher and will continue to support the uptrend.
- Firm sentiments were also partially influenced by firm futures counter over the last week.
- Sources added that markets remained higher as participants this year are expecting a shortage of stocks due to lower production.
- Last year production was 1.5 crore bags and this year production could decline to lower than 1 crore bags.
- Sources have reported crop losses and upto 50-60% in A.P due to untimely weather.

***In the short term red chilli prices may move higher supported by lower arrivals in the markets and firm 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 above 9 and 18-day EMA's thus supporting the bullish momentum in the short term.
- MACD is moving up supports bullish market.
- RSI is moving down in the overbought region and warranting caution to the bulls.
- 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 harvesting of the crop.

#### Price Drivers:

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

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

Grade	Centre	10-02-11	09-02-11	Change
Cold Storage		7650-8450	7650-8450	-
LCA 334 New	Guntur	7900-8400	7900-8400	-
Teja		8750-9050	8750-9050	-
Bedki		9150-10050	9150-10050	-

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

	10-02-11	09-02-11
Arrivals-New	30000	30000
Arrivals-Old	20000	30000
Offtake	50000	60000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	10755-10760	10647	10621	10829	10472	10597	10722	10971	11220

### BLACK PEPPER

#### Market Analysis:

- Kochi Black pepper physical markets continue its uptrend as arrivals remain weak on Thursday.
- Sentiments remained firm on reports of lower stocks available this year.
- Black pepper sentiments remain bullish supported by strong demand against the shortage of pepper.
- However due to untimely rain we saw a delay in harvest so we could some delay in arrivals as well which may move the markets higher in the short term.
- Vietnam is expected to produce 100,000 tonnes higher by 5,000 tonnes compared to last year at 95,000 tonnes.
- IPC says that Indonesia may produce 37,000 tonnes lower by 15,000 tonnes compared to last year at 52,000 tonnes.

**Pepper prices may trade range bound to firm in the short term on shortage of crop this year. 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 above 9 and 18-day EMAs supporting the bullish momentum in short term.
- MACD and RSI are moving up supports the bullish sentiments.
- 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 and may assist further development of the crop.

#### Price Drivers:

No.	Pressure Point	Favours
1	Harvesting delayed due to untimely rains	Bulls
2	Lower production from Indonesia	Bulls
3	Lower supplies	Bulls
4	Stockists offloading stocks	Bears
5	Weak export demand	Bears

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

Grade	Centre	10-02-11	09-02-11	Change
Ungarbled	Kochi	22100	22000	+100
Garbled		22900	22800	+100

#### Arrivals and Offtake in Tonnes:

	10-02-11	09-02-11
Arrivals	15	20
Offtake	15	30

Pepper 1102(NCPEPG1)2011/02/10 - Daily B:23450.00 A:23499.00  
O 23368.00 H 23618.00 L 22850.00 C 23452.00 V 10,223 I 8,436 +146  
EMA(9) 23063 (18) 22931



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Feb	BUY	23300-23310	23543	23601	23150	22538	22995	23452	23763	24074

### TURMERIC

#### Market Analysis:

- Nizam remained closed on Thursday due to local festival.
- Erode markets remained steady as arrivals remained high on Thursday.
- Sentiments remained bearish as arrivals will improve in the coming weeks in both markets.
- Buyers remained inactive in the market and this may continue to pull markets lower.
- Demand remained weak and will continue to weaken the markets.
- On the other hand this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.
- 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 indecision.
- Prices closed below 9 and 18-day EMAs thus supporting the bearish momentum in short term.
- MACD is moving down supports bearish markets.
- RSI is moving down in the overbought region and is warranting caution to the bulls.
- 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	10-02-11	09-02-11	Change
Finger-New	Erode	11900-	11900-	-
Gattah-New		12900	12900	-
Nizam-New		11400-12400	11400-12400	-
Nizam-New	Nizamabad	Closed	Closed	-

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

	Centre	10-02-11	09-02-11
Arrivals	Erode	5500-6000	5500-6000
Offtake		4000	4000
Arrivals	Nizamabad	Closed	Closed
Offtake		Closed	Closed



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9425-9430	9331	9307	9491	9137	9235	9332	9494	9597

### CARDAMOM

#### Market Analysis:

- Cardamom markets remained mixed on Thursday as higher arrivals.
- Export demand continues to be weak and continue to add bearish sentiments in the markets.
- Bearish sentiments were also influenced partially by weak futures counter.
- However markets may move higher in the long run supported by strong demand in the spot market following the ongoing marriage season.
- Markets are also expected to move higher as supplies are expected to remain tight in the domestic market.
- However, sources added that weather is favorable for the last crop which will increase the arrivals and may pull the markets lower in the short run.
- 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 bullish sentiments.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is moving down supports bearish market.
- RSI is moving up supports bullish market.
- Cardamom 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 may assist further development of the crop.

#### Price Drivers:

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

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

Grade	Centre	10-02-11	09-02-11	Change
Small	Max Auction Price	Kumily & Nedumk andam 1225-1229.5	1323.5	-94
	Average Auction Price	1110.7-1115.76	1091.79	+23.97

#### Arrivals and Offtake in Kgs:

	10-02-11	09-02-11
Arrivals	40461	26681
Offtake	40030	26544



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1308-1310	1325	1330	1297	1218	1265	1311.2	1334	1358



### CUMIN SEED

#### Market Analysis:

- Unjha cash markets ended higher on Thursday as reports of lower stocks in the market is expected to push the markets higher.
- Markets sentiments remained firm as spot demand remained firm.
- This year's production in Gujarat is expected lower at 21 lakh bags compared to previous estimate at 25 lakh bags.
- However sources added that adverse weather condition during the sowing period had considerably reduced the acreage under cultivation.
- Sources add that this year Rajasthan could produce between 3-4 lakh bags.
- However sources added that poor export demand is expected to weigh on sentiment after every rise.

**We expect Cumin seed prices to trade range bound to on firm on firm spot demand and lower fresh arrivals. Price trend in the medium to long term may depend on 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 flat supports sideways markets.
- RSI is moving up supports bullish markets.
- Cumin seed prices are likely to remain range bound with a firm 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	Favourable weather over Gujarat	Bears
2	Fresh arrivals	Bears
3	Lower carry over	Bulls
4	Firm spot demand	Bulls
5	Lower productions estimates	Bulls

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

Grade	Centre	10-02-11	09-02-11	Change
Loose		12475	Closed	+200
Machine Cut	Unjha	13950	Closed	+200
NCDEX		13425-	Closed	+200
Quality		13450	Closed	

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

	10-02-11	09-02-11
Arrivals-Old	3300	Closed
Arrivals-New	700	Closed
Offtake	6000	Closed



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	15800-15805	15963	16003	15698	15298	15470	15940	16112	16284

### CORIANDER SEED

#### Market Analysis:

- Coriander cash markets cash markets remained closed on Thursday due to local festival in Ramganj.
- Markets sentiments however remained weak as production estimates remain higher.
- Weak sentiments were also influenced partially by weak futures counter on Thursday.
- Sources say that market participants are in a waiting and watch policy mode are waiting for fresh stocks which are expected to be come by late February.
- Sources however added 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 during sowing.
- Sentiments remained weak as spot demand remained weak.

***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 above 9 and 18-day EMAs supporting bullish momentum in the short term.
- MACD is moving up supports bullish markets.
- RSI is 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 spot demand	Bears
2	Higher production estimates	Bears
3	Favourable weather over Rajasthan	Bears
4	Crop losses expected	Bulls
5	Lower arrivals	Bulls

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

Grade	Centre	10-02-11	09-02-11	Change
Badami	Ramganj	Closed	3400-3500	-
Eagle		Closed	3500-3600	-

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

	10-02-11	09-02-11
Arrivals	Closed	3000
Offtake	Closed	3000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	5195-5200	5252	5265	5160	5058	5146	5233	5320	5406

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