

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets fell heavily on Friday as stockists offloaded stocks at higher levels of the market.
- However over sentiments remained firm as new arrivals remained on the lower side.
- Sources said that spot demand continues to be firm at lower levels and will continue to support the uptrend.
- Weak sentiments in the cash markets were also partially influenced by the selling in futures counter over the last 2 days.
- Sources however said that markets sentiments remained firm 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 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 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	Offloading of stocks	Bears
5	Favourable weather conditions	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	11-02-11	10-02-11	Change
Cold Storage		6650-7450	7650-8450	-1000
LCA 334 New	Guntur	6900-7400	7900-8400	-1000
Teja		7750-8050	8750-9050	-1000
Bedki		8150-9050	9150-10050	-1000

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

	11-02-11	10-02-11
Arrivals-New	20000	30000
Arrivals-Old	20000	20000
Offtake	40000	50000

CHLL334GTR 1103(NCGTRH1)2011/02/11 - Daily A:10294.00
O 10508.00 H 10508.00 L 10294.00 C 10294.00 V 950 I 6,685 -468
EMA(9) 10231 (18) 9766.5



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	10320-10325	10217	10191	10392	10008	10151	10294	10436	10579

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets surged higher supported by firm spot demand in the market.
- Sentiments remained firm on reports of lower stocks available this year due to lower production in India.
- Black pepper sentiments remain bullish as arrivals continued to be lower.
- Black pepper sentiments remain bullish supported by buying interest from exporters and interstate dealers.
- Markets also moved higher supported by reports of delay in arrivals in Vietnam due to untimely weather due the harvest.
- However Vietnam re-opened on the lower side as sources say that this may be a move by market participants to clean up space for the new crop arrivals.
- However fresh reports of the crop in India being higher than the IPC estimates is emerging as sources are speculating that India this year could produce 55,000 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:

- Black Pepper chart is moving up into uncharted territories.
- Candlestick formation reveals bullish sentiments.
- Prices closed above 9 and 18-day EMAs supporting the bullish momentum in short term.
- MACD is moving up supports the bullish sentiments.
- RSI is moving in the overbought region and is warranting caution to the bulls.
- Black Pepper futures are likely to trade range bound and may witness profit taking 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	11-02-11	10-02-11	Change
Ungarbled	Kochi	22700	22100	+600
Garbled		23500	22900	+600

Arrivals and Offtake in Tonnes:

	11-02-11	10-02-11
Arrivals	20	15
Offtake	50	15

Pepper 1103(NCPEPH1)2011/02/11 - Daily B:24539.00 A:24544.00
O 23697.00 H 24584.00 L 23640.00 C 24535.00 V 16,221 I 8,835 +905
EMA(9) 23561 (18) 23353



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BOOK PROFITS	-	-	-	-	23309	23922	24535	24866	25197

TURMERIC

Market Analysis:

- Nizam remained steady on Friday amid higher arrivals in the market.
- Erode markets fell on Friday as demand remained weak and arrivals remained on the higher side on Friday.
- 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.
- Production estimates for this year ranges from 50-60 lakh bags all over India compared to 40-45 lakh bags during the previous year.
- This according to market players could pull the markets lower in the longer run.
- On the other hand this year about 5-10% losses could be seen due to bad weather conditions in the initial sowing period.

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 markets.
- RSI is flat 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	11-02-11	10-02-11	Change
Finger-New	Erode	11700-	11900-	-200
Gattah-New		12700	12900	
		11200-	11400-	
	Nizamabad	12200	12400	-200
Nizam-New		13700	Closed	

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

	Centre	11-02-11	10-02-11
Arrivals	Erode	7000	5500-6000
Offtake		4000-4500	4000
Arrivals	Nizamabad	18000	Closed
Offtake		18000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9370-9375	9276	9253	9436	9117	9233	9350	9483	9617

CARDAMOM

Market Analysis:

- Cardamom markets moved higher on Friday as arrivals declined in the domestic markets.
- Bullish sentiments were also influenced partially by firm futures counter on Friday.
- 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.
- Export demand continues to be weak and continue to add bearish sentiments in the markets.
- Sources also added that weather is favorable for the last crop which will increase the arrivals and may pull the markets lower in the short run.
- However due to lower production in India and Guatemala may push the markets higher in the longer 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-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	11-02-11	10-02-11	Change
Small	Max Auction Price	1420	1225-1229.5	+190.5
	Average Auction Price	1198.81	1110.7-1115.76	+83.05

Arrivals and Offtake in Kgs:

	11-02-11	10-02-11
Arrivals	21992	40461
Offtake	21992	40030



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1330-1332	1352	1357	1316.5	1282	1299	1363.6	1396	1428

CUMIN SEED

Market Analysis:

- Unjha cash markets surged higher on Friday 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 estimates in Gujarat is expected lower at 21 lakh bags compared to previous estimate at 25 lakh bags.
- However some market participants say that speculation has driven the markets higher rather than the production estimates.
- Firm sentiments in the cash markets were also influenced by firm futures counter which ended higher on Friday.
- Sentiments also remained bullish after 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:

- Cumin seed chart is moving up into uncharted territories.
- Candlestick formation reveals bullish sentiments.
- Prices have closed above the 9 and 18-day EMAs suggests bullish trend in short term.
- MACD is moving up supports bullish markets.
- RSI is moving in the overbought region and is warranting caution to the bulls.
- Cumin seed futures are likely to trade range bound and may witness profit taking 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	11-02-11	10-02-11	Change
Loose		12675	12475	+200
Machine Cut	Unjha	14150	13950	+200
NCDEX		13625-	13425-	+200
Quality		13650	13450	

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

	11-02-11	10-02-11
Arrivals-Old	3550	3300
Arrivals-New	450	700
Offtake	10000	6000

JEERA 1103(NCJEEH1)2011/02/11 - Daily B:16330.00 A:16350.00
O 15950.00 H 16425.00 L 15891.00 C 16340.00 V 15,075 I 16,626 +400
EMA(9) 15656 (18) 15473



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BOOK PROFITS	-	-	-	-	15684	16012	16340	16546	16752

SPICES

DATE: 12-02-2011

CORIANDER SEED

Market Analysis:

- Coriander cash markets moved higher amid higher arrivals in Ramganj.
- Firm sentiments were also influenced partially by firm futures counter on Friday.
- Markets sentiments in the longer run are however expected to remain weak as production estimates remain higher.
- 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 bullish sentiments.
- Prices are above 9 and 18-day EMAs supporting bullish momentum in the short term.
- MACD and RSI are moving up supports bullish 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	11-02-11	10-02-11	Change
Badami	Ramganj	3450-3550	Closed	+50
Eagle		3550-3650	Closed	+50

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

	11-02-11	10-02-11
Arrivals	4000-4500	Closed
Offtake	4500	Closed

CORIANDER 1103(NCCODH1)2011/02/11 - Daily B:5337.00 A:5340.00
O 5230.00 H 5389.00 L 5185.00 C 5344.00 V 10,380 I 15,890 +101



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	5320-5325	5378	5392	5284	5102	5223	5344	5427	5510

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