

## RED CHILLIES

### Market Analysis:

- Red chilli prices cash markets remained closed on Saturday.
- Short-term sentiments remained bearish as stockists continued to offload stocks at higher levels of the market.
- However long term 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.
- Sentiments also 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 bullish 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 flat supports sideways 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	12-02-11	11-02-11	Change
Cold Storage		Closed	6650-7450	-
LCA 334 New	Guntur	Closed	6900-7400	-
Teja		Closed	7750-8050	-
Bedki		Closed	8150-9050	-

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

	12-02-11	11-02-11
Arrivals-New	Closed	20000
Arrivals-Old	Closed	20000
Offtake	Closed	40000

CHLL334GTR 1103(NCGTRH1)2011/02/12 - Daily B:10370.00 A:10378.00  
O 10090.00 H 10674.00 L 9884.00 C 10370.00 V 10,460 I 7,445 +48  
EMA(9) 10264 (18) 9832.7



### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	10500-10505	10395	10369	10573	9519	9945	10370	10734	11099

### BLACK PEPPER

#### Market Analysis:

- Kochi Black pepper physical markets surged higher on Saturday as well 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 and Indonesia.
- Black pepper sentiments remain bullish as arrivals continued to be on the lower side in the domestic markets.
- 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 IPC has predicted better production estimates this year.
- 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 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	Harvesting delayed due to untimely rains	Bulls
2	Lower production from Indonesia and India	Bulls
3	Lower supplies	Bulls
4	Better demand from exporters	Bulls
5	Higher production from Vietnam	Bears

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

Grade	Centre	12-02-11	11-02-11	Change
Ungarbled	Kochi	23200	22700	+500
Garbled		24000	23500	+500

#### Arrivals and Offtake in Tonnes:

	12-02-11	11-02-11
Arrivals	20	20
Offtake	40	50

Pepper 1103(NCPEPH1)2011/02/12 - Daily B:24932.00 A:24940.00  
O 24550.00 H 25490.00 L 24550.00 C 24940.00 V 14,853 I 8,870 +405  
EMA(9) 23837 (18) 23520



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	25100-25110	24849	24786	25272	24053	24496	24940	25436	25879

### TURMERIC

#### Market Analysis:

- Nizam and Erode remained closed on Saturday.
- Sentiments remained bearish on Saturday as demand remained weak and arrivals remained on the higher side this week.
- Sentiments are expected to remain bearish as arrivals are expected to increase in the coming week 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 indecision in the markets.
- 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	12-02-11	11-02-11	Change
Finger-New	Erode	Closed	11700-12700	-
Gattah-New		Closed	11200-12200	-
Nizam-New	Nizamabad	Closed	13700	-

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

	Centre	12-02-11	11-02-11
Arrivals	Erode	Closed	7000
Offtake		Closed	4000-4500
Arrivals	Nizamabad	Closed	18000
Offtake		Closed	18000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9450-9455	9355	9332	9516	9120	9230	9342	9586	9675

### CARDAMOM

#### Market Analysis:

- Cardamom markets fell on Saturday as demand remained weak.
- However overall sentiments remained firm as arrivals declined in the domestic markets.
- 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.
- Sources however added that weather is favorable for the harvest of 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 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 market.
- Cardamom 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	Weak export demand	Bears
2	Anticipation of fresh arrivals	Bears
3	Weak domestic demand	Bears
4	Lower arrivals	Bulls
5	Lower production from India and Guatemala	Bulls

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

Grade	Centre	12-02-11	11-02-11	Change
Small	Max Auction Price	1269.5	1420	-150.5
	Average Auction Price	1178.64	1198.81	-20.17

#### Arrivals and Offtake in Kgs:

	12-02-11	11-02-11
Arrivals	10258	21992
Offtake	9834	21992



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1330-1332	1352	1357	1316.5	1294	1316	1351	1370	1390



### CUMIN SEED

#### Market Analysis:

- Unjha cash markets surged higher on Saturday as reports continued about lower stocks in the market.
- Markets sentiments remained firm as spot demand remained firm.
- Firm sentiments in the cash markets were also influenced by firm futures counter which ended higher on Saturday.
- 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.
- 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 indecision in the markets.
- Prices have closed far 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 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	12-02-11	11-02-11	Change
Loose		12875	12675	+200
Machine Cut	Unjha	14350	14150	+200
NCDEX		13825-	13625-	+200
Quality		13850	13650	

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

	12-02-11	11-02-11
Arrivals-Old	3300	3550
Arrivals-New	700	450
Offtake	8000	10000

JEERA 1103(NCJEEH1)2011/02/12 - Daily B:16437.00 A:16448.00  
O 16399.00 H 16650.00 L 16220.00 C 16439.00 V 11,205 I 16,809 +99  
EMA(9) 15812 (18) 15574



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	16300-16310	16473	16493	16203	16006	16192	16439	16652	16866

## SPICES

DATE: 14-02-2011

### CORIANDER SEED

#### Market Analysis:

- Coriander cash markets cash markets surged higher amid higher arrivals in Ramganj.
- Firm sentiments were also influenced by firm futures counter on Saturday.
- Sources added that all the current uptrend is due to speculative buying in the futures.
- Spot demand remains weak as market participants are waiting for the fresh crop.
- Markets sentiments in the longer run are however expected to remain weak as production estimates remain higher.
- 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.

***We expect coriander prices to remain range bound to firm influenced by speculative buying in the futures counter. 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 is moving up supports bullish markets.
- RSI is moving in the overbought region and is warranting caution to the bulls.
- 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	Speculative buying	Bulls
4	Crop losses expected	Bulls
5	Lower arrivals	Bulls

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

Grade	Centre	12-02-11	11-02-11	Change
Badami	Ramganj	4000-4050	3450-3550	+500
Eagle		4150-4200	3550-3650	+550

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

	12-02-11	11-02-11
Arrivals	4000	4000-4500
Offtake	4000	4500



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	5425-5430	5484	5499	5388	5215	5345	5475	5586	5697

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