

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets fell heavily on Monday as fresh arrivals increased in the markets.
- Short-term sentiments remained bearish as stockists continued to offload stocks at higher levels of the market.
- Sources added the weak futures counter on Monday also partially influenced the weakness in the cash markets.
- Markets also fell as spot demand was weak on Monday at higher levels.
- However long-term 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 lower supported by higher fresh crop arrivals in the markets and weak spot demand. In the long term market trend may depend on weather conditions, export demand and production of the crop.

Technical Analysis:

- Candlestick formation reveals indecision in the markets.
- 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	Weak spot demand	Bears
4	Offloading of stocks	Bears
5	Increase of fresh arrivals	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	14-02-11	12-02-11	Change
Cold Storage		6250-7050	Closed	-400
LCA 334 New	Guntur	6500-7000	Closed	-400
Teja		7350-7650	Closed	-400
Bedki		7750-8650	Closed	-400

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

	14-02-11	12-02-11
Arrivals-New	50000	Closed
Arrivals-Old	10000	Closed
Offtake	40000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	10475-10480	10370	10344	10548	9769	10056	10344	10604	10865

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets fell on Monday as stockists offloaded stocks at high.
- Markets fell as spot demand remained weak at higher levels.
- Weak sentiments in the cash markets were also influenced by weak futures counter which ended lower on Monday.
- However long term sentiments remained firm on reports of lower stocks available this year due to lower production in India and Indonesia.
- Sentiments also remained bullish as arrivals continued to be on the lower side in the domestic markets.
- Markets also moved higher supported by reports of delay in arrivals in Vietnam due to untimely weather due the harvest.
- However Vietnam prices remained weak IPC has predicted better production estimates this year.

Pepper prices may trade range bound to weak in the short term on lower demand. In the medium and long term price trend will depend on the availability of stocks and global production estimates.

Technical Analysis:

- Candlestick formation reveals selling pressure at highs.
- 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 down supports the bearish sentiments.
- 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 supplies	Bulls
3	Weak spot demand supplies	Bears
4	Stockists offloaded stocks	Bears
5	Higher production from Vietnam	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	14-02-11	12-02-11	Change
Ungarbled	Kochi	22800	23200	-400
Garbled		23600	24000	-400

Arrivals and Offtake in Tonnes:

	14-02-11	12-02-11
Arrivals	20	20
Offtake	20	40



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	24150-24160	23909	23879	24300	23165	23608	24051	24937	25833

TURMERIC

Market Analysis:

- Nizam remained steady on Monday amid higher arrivals.
- Erode fell on Monday due to higher arrivals in the market.
- Sentiments remained bearish as spot demand remained weak and arrivals remained on the higher side.
- 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 at higher levels 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.
- 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 above 9-day EMAs thus supporting the bullish momentum in short term.
- MACD is moving down supports bearish markets.
- RSI is moving up supports bullish markets.
- Turmeric 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 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	14-02-11	12-02-11	Change
Finger-New	Erode	11700-12700	Closed	-
Gattah-New		11200-12200	Closed	-
Nizam-New				
	Nizamabad	13700	Closed	-

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

	Centre	14-02-11	12-02-11
Arrivals	Erode	7000	Closed
Offtake		6300	Closed
Arrivals	Nizamabad	28000	Closed
Offtake		28000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	9480-9485	9580	9604	9418	9228	9404	9640	9758	9866

CARDAMOM

Market Analysis:

- Cardamom markets continued to show weakness on Monday as spot demand remained weak.
- Markets fell as arrivals remained higher.
- Markets also fell as favorable weather for the harvest of the last crop which may increase the arrivals.
- Weak sentiments in the cash markets were also influenced by weak futures counter which ended with a 4% lower circuit on Monday.
- However, sources added that markets are also expected to move higher as supplies are expected to remain tight in the domestic market.
- 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 is flat supports sideways market.
- RSI is 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 spot demand	Bears
2	Higher arrivals	Bears
3	favorable weather for last harvest	Bears
4	Lower export demand	Bears
5	Lower production from India and Guatemala	Bulls

SPOT MARKET PRICES: (Rs/Kg)

Small					
Grade		Centre	14-02-11	12-02-11	Change
Small	Max Auction Price	Santhan para &	1108.5-1180	1269.5	-89.5
	Average Auction Price	Bodinay akanur	1072.47-1073.05	1178.64	-105.59

Arrivals and Offtake in Kgs:

	14-02-11	12-02-11
Arrivals	13976	10258
Offtake	12245	9834

CARDAMOM 1103(MXCAMH1)2011/02/14 - Daily B:1297.00 A:1297.00
O 1348.00 H 1348.00 L 1297.00 C 1297.00 V 1,093 T 142,261 I 1,574 -54
EMA(9) 1340.5 (18) 1387.0



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1275-1277	1292	1297	1264	1229	1249	1297	1331	1365

CUMIN SEED

Market Analysis:

- Unjha cash markets surged higher on Monday as reports continued about lower stocks in the market.
- 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 speculative buying in the futures counter has driven the markets.
- 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:

- Candlestick formation reveals bearish 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 down supports bearish markets.
- Cumin seed futures are likely to trade 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	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	14-02-11	12-02-11	Change
Loose	Unjha	13075	12875	+200
Machine Cut		14550	14350	+200
NCDEX		14025-	13825-	+200
Quality		14050	13850	

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

	14-02-11	12-02-11
Arrivals-Old	4000	3300
Arrivals-New	1000	700
Offtake	10000	8000

JEERA 1103(NCJEEH1)2011/02/14 - Daily B:15960.00 A:15965.00

O 16500.00 H 16700.00 L 15841.00 C 15960.00 V 16,569 I 16,155 -497

EMA(9) 15845 (18) 15616



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	16000-16010	15840	15800	16115	15308	15634	15960	16493	17026

CORIANDER SEED

Market Analysis:

- Coriander cash markets remained steady amid higher arrivals in Ramganj.
- However sentiments remained firm partially influenced by firm futures counter on Monday.
- 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 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 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 spot demand	Bears
2	Higher production estimates	Bears
3	Speculative buying in futures	Bulls
4	Crop losses expected	Bulls
5	Lower arrivals	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	14-02-11	12-02-11	Change
Badami	Ramganj	4000-4050	4000-4050	-
Eagle		4150-4200	4150-4200	-

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

	14-02-11	12-02-11
Arrivals	4000-4500	4000
Offtake	4500	4000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	5300-5305	5247	5234	5340	5072	5171	5270	5468	5667

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