

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained steady on Wednesday as arrivals declined slightly in the markets.
- Short-term sentiments remained bearish as stockists continued to offload stocks at higher levels of the market.
- Sources added the firm futures counter on Wednesday partially influenced the firm sentiments in the cash markets.
- 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 bullish sentiments.
- Prices closed below 9 and 18-day EMA's thus supporting the bearish 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	Decline of fresh arrivals	Bears
4	Weak spot demand	Bears
5	Offloading of stocks	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	16-02-11	15-02-11	Change
Cold Storage		6250-7050	Closed	-
LCA 334 New	Guntur	6500-7000	Closed	-
Teja		7350-7650	Closed	-
Bedki		7750-8650	Closed	-

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

	16-02-11	15-02-11
Arrivals-New	40000	Closed
Arrivals-Old	5000	Closed
Offtake	40000	Closed

CHLL334GTR 1103(NCGTRH1)2011/02/16 - Daily B:10270.00 A:10298.00
O 10222.00 H 10540.00 L 10132.00 C 10290.00 V 5,180 I 6,735 +122
EMA(9) 10256 (18) 9950.4



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	10390-10400	10286	10260	10470	9913	10101	10290	10509	10728

BLACK PEPPER

Market Analysis:

- Kochi Black pepper physical markets tumbled on Wednesday as stockists continued to offload stocks at high.
- Markets fell as spot demand remained weak at higher levels.
- Upcountry demand also remained weak and can pull the markets lower.
- Weak sentiments were also influenced partially by weak futures counter on Wednesday.
- Markets fell as arrivals over the last few days had improved as planters brought in more stocks in the market.
- However long term sentiments remained firm on IPC reports of lower stocks available this year due to lower production in India and Indonesia.
- Sources added that wet weather could disrupt arrivals and may take the markets higher in the long run.

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

Technical Analysis:

- Candlestick formation reveals bearish sentiments.
- Prices closed below 9 and 18-day EMAs supporting the bearish 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:

- Scattered thundershowers would occur over Tamil Nadu and Kerala.
- This may disrupt harvest.

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	16-02-11	15-02-11	Change
Ungarbled	Kochi	22200	22800	-600
Garbled		23000	23600	-600

Arrivals and Offtake in Tonnes:

	16-02-11	15-02-11
Arrivals	10	20
Offtake	05	30



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	23600-23610	23364	23305	23762	22902	23200	23499	24021	24544

TURMERIC

Market Analysis:

- Nizam remained steady on Wednesday as arrivals declined.
- Erode remained closed on Wednesday due to ID-e-Milad festival.
- Sentiments remained bullish as arrivals remained on the lower side this week.
- However stocks which are coming are wet and traders are not interested in buying the wet stock.
- Spot demand is also weak and pull the 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 and 18-day EMAs thus supporting the bullish momentum in short term.
- MACD is flat supports sideways 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 over A.P could increase the chances of arrivals in the markets and assist the harvesting of crop.
- Scattered thundershowers would occur over Tamil Nadu and may disrupt chances of arrivals.

Price Drivers:

No.	Pressure Point	Favours
1	Higher output estimation	Bears
2	Higher acreage estimates	Bears
4	Wet stock	Bulls
2	Lower arrivals	Bulls
5	Lower carry-over stocks	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	16-02-11	15-02-11	Change
Finger-New	Erode	Closed	11900-13000	-
Gattah-New		Closed	11400-12500	-
Nizam-New	Nizamabad	13700	13700	-

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

	Centre	16-02-11	15-02-11
Arrivals	Erode	Closed	6000
Offtake		Closed	5400
Arrivals	Nizamabad	6000	10000
Offtake		6000	10000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	9790-9795	9893	9917	9726	9403	9651	9898	10046	10195

CARDAMOM

Market Analysis:

- Cardamom markets remained mixed on Wednesday amid weak spot demand.
- However sentiments remained firm as arrivals declined in the markets.
- Firm sentiments in the cash markets were also influenced by firm futures counter on Wednesday.
- However, sources added that markets are also expected to move higher as supplies are expected to remain tight in the domestic market in the longer run.
- Lower production in India and Guatemala may also 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 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is flat and support sideways market.
- RSI is moving up support bullish market.
- Cardamom futures are likely to trade range-bound with a firm bias in next trading session.

Weather:

- Scattered thundershowers would occur over Tamil Nadu and Kerala.
- This may disrupt harvest.

Price Drivers:

No.	Pressure Point	Favours
1	Weak spot demand	Bears
2	Lower export demand	Bears
3	Lower arrivals	Bulls
4	Firm futures counter	Bulls
5	Lower production from India and Guatemala	Bulls

SPOT MARKET PRICES: (Rs/Kg)

Grade	Centre	16-02-11	15-02-11	Change
Small	Max Auction Price	1309.5	1315.5	-6
	Average Auction Price	1142.99	1138.69	+4.3

Arrivals and Offtake in Kgs:

	16-02-11	15-02-11
Arrivals	20521	24641
Offtake	20521	24641



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1315-1317	1332	1337	1304	1268	1280	1328.5	1353	1377

CUMIN SEED

Market Analysis:

- Unjha cash markets fell on Wednesday as stockists offloaded stocks at high.
- However sources said that as lower availability of stocks will continue in the market.
- Markets sentiments remained weak as demand weakened at high's of the market.
- Markets also fell on Wednesday as fresh arrivals improved and planters brought in more stocks seeing higher prices.
- However production estimates in Gujarat is expected lower at 21 lakh bags compared to previous estimate at 25 lakh bags.
- Sources add that this year Rajasthan could produce between 3-4 lakh bags lower compared to previous year production at 7-8 lakh bags.

We expect Cumin seed prices to trade range bound to on weak on weak demand and higher fresh arrivals. Price trend in the medium to long term may depend on production estimates and export demand.

Technical Analysis:

- Candlestick formation reveals indecision.
- 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 flat supports sideways markets.
- Cumin seed futures are likely to trade range bound with a weak bias in next trading session.

Weather:

- Dry weather conditions in Gujarat may assist in further development of the crop and assist in harvest.
- Fairly widespread thundershowers would occur over Rajasthan and may disrupt harvest.

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	16-02-11	15-02-11	Change
Loose		12975	13075	-100
Machine Cut	Unjha	14450	14550	-100
NCDEX		13925-	14025-	
Quality		13950	14050	-100

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

	16-02-11	15-02-11
Arrivals-Old	2000	1800
Arrivals-New	2000	1200
Offtake	6000	5000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	16050-16060	15889	15849	16165	15602	15776	15950	16232	16406

CORIANDER SEED

Market Analysis:

- Coriander cash markets cash markets fell on Wednesday as fresh arrivals have started in Ramganj.
- However sources say that the stock is little wet.
- Sentiments remained weak partially influenced by weak futures counter on Wednesday.
- Spot demand remained weak and may continue to pull the markets lower.
- Sources added that speculation is still continuing in the futures counter and may do so till the fresh crop starts coming in.
- Markets sentiments in the longer run are expected to remain weak as production estimates remain higher.

We expect coriander prices to remain range bound to weak on weak demand and fresh crop 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-day EMAs supporting bearish momentum in the short term.
- MACD is flat supports sideways 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:

Fairly widespread thundershowers would occur over Rajasthan and may disrupt harvest.

Price Drivers:

No.	Pressure Point	Favours
1	Weak spot demand	Bears
2	Higher production estimates	Bears
3	Fresh crop arrivals	Bears
4	Speculative buying in futures	Bulls
5	Lower arrivals	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	16-02-11	15-02-11	Change
Badami-Old	Ramganj	3850-3875	3950-3975	-100
Eagle-Old		4000-4025	4100-4125	-100
Badami-New		3000-4000	3300-4300	-300
Eagle-New		4000-5000	4300-5300	-300

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

	16-02-11	15-02-11
Arrivals-New	2000	1000
Arrivals-Old	3000	3500-4000
Offtake	5000	5000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	5285-5290	5232	5219	5325	5015	5102	5190	5401	5488

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