

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained steady to firm on Friday as arrivals remain lower.
- Sentiments also remained steady to firm as spot demand remained firm.
- Sources added that sentiments are expected to remain firm as production estimates this year is expected to be well below earlier estimates of 1.5 crore bags.
- 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 upto 50% could be seen in A.P due to untimely rains during sowing.
- However short-term sentiments remained bearish as stockists continued to offload stocks at higher levels of the market.

In the short-term red chilli prices may fall on 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 hints at negative trend.
- Prices closed below 9-day EMA's thus supporting the bearish momentum in the short term.
- MACD and RSI are moving down supports bearish sentiments.
- Red Chilli futures are likely to trade range bound with a weak bias in next trading session.

Weather:

- Scattered rainfall would occur over Telengana, Coastal Andhra Pradesh, Rayalaseema and south interior Karnataka, Tamilnadu and Kerala during next 3 days.
- This may disrupt 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	Bulls
4	Firm spot demand	Bulls
5	Offloading of stocks	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	25-02-11	24-02-11	Change
LCA 334	Guntur	6500-8000	6500-8000	-
Bedki		8500-9000	8500-9000	-

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

	25-02-11	24-02-11
Arrivals-New	40000	40000
Offtake	40000	40000

CHLL334GTR 1104(NCGTRJ1)2011/02/25 - Daily B:10500.00 A:10514.00
O 10600.00 H 10710.00 L 10422.00 C 10510.00 V 2,660 I 6,725 -402



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10525-10530	10420	10393	10598	10251	10380	10510	10680	10851

BLACK PEPPER:

Market Analysis:

- Kochi Black pepper physical markets remained sideways on Friday as spot demand remained weak.
- Sources added that stockists are continuing to offload stocks in the market.
- Weak export demand has pulled markets lower as Vietnam is offering lower rates than India.
- Vietnam is currently priced at \$4195/tonne which lower compared to India which is between \$5000-5300/tonne for 500gl variety.
- Sources also added that arrivals have started in Vietnam and this may pull the markets lower.
- Markets however may move higher as arrivals may decline due to expected lower arrivals in local markets due to untimely rains expected this week.
- Sources added that depleting domestic stocks and lower availability in major producing countries may push the markets higher.

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

Technical Analysis:

- Candlestick formation reveals indecision in the markets.
- Prices closed below 9 and 18-day EMAs supporting the bearish momentum in short term.
- MACD and RSI are 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 rainfall would occur over south interior Karnataka, Tamilnadu and Kerala during next 3 days.
- This may disrupt harvesting of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Harvesting delayed due to untimely rains	Bulls
2	Lower supplies	Bulls
3	Firm spot demand	Bulls
4	Stockists offloaded stocks	Bears
5	Higher production from Vietnam	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	25-02-11	24-02-11	Change
Ungarbled	Kochi	22000	22000	-
Garbled		22800	22800	-

Arrivals and Offtake in Tonnes:

	25-02-11	24-02-11
Arrivals	20	30
Offtake	20	40

Pepper 1103(NCPEPH1)2011/02/25 - Daily B:22630.00 A:22675.00
O 22678.00 H 22910.00 L 22460.00 C 22675.00 V 6,517 I 9,016 -10
EMA(9) 23240 (18) 23391



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	22800-22810	22572	22547	22941	22231	22453	22675	23131	23353

TURMERIC

Market Analysis:

- Nizam surged higher as arrivals declined in the domestic markets.
- Erode declined as arrivals remained on the higher side.
- However sources said that demand remained firm in the markets and this will support the current uptrend in the markets.
- Sources however added that both markets could see some arrivals in the coming weeks and this may pull the markets lower in the short run.
- 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 firm on lower fresh arrivals and firm spot demand 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 hints at positive trend.
- Prices closed above 9 and 18-day EMAs thus supporting the bullish momentum in short term.
- MACD and RSI are moving up supports bullish trend in the markets.
- **Turmeric futures are likely to trade range bound with a weak bias in next trading session.**

Weather:

- Scattered rainfall would occur over Telengana, Coastal Andhra Pradesh, Rayalaseema and south interior Karnataka, during next 3 days.
- This may disrupt harvesting of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Higher output estimation	Bears
2	Higher acreage estimates	Bears
4	Firm spot demand	Bulls
2	Lower fresh arrivals	Bulls
5	Untimely rains may disrupt harvest	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	25-02-11	24-02-11	Change
Finger-New	Erode	12150-	12200-	-50
		13150	13200	
Gattah-New	Erode	11650-	11700-	-50
		12650	12700	
Nizam-New	Nizamabad	11900	11700	+200

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

	Centre	25-02-11	24-02-11
Arrivals	Erode	10000	8000-10000
Offtake		8000	6400-8000
Arrivals	Nizamabad	8000	15000
Offtake		8000	15000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10200-10210	10098	10072	10279	9851	9981	10112	10326	10457

CARDAMOM

Market Analysis:

- Cardamom markets continued its weakness on Friday as spot demand remained weak.
- However arrivals declined in the markets on Friday.
- Sources added that prospects of an early crop and adequate stocks with farmers have resulted in selling in the cash markets.
- Markets sentiments remained weak as weak futures counter on Friday partially influenced selling in the cash markets.
- Sources added that farmers are hoarding stocks as they were waiting for the prices to go up further.
- According to Spices Board cardamom production is estimated around 10,350 tonnes compared with 10,075 tonnes last year.
- However sources added that imports from Guatemala may decline due to lower production in the country.

We believe that cash markets may move lower following good production estimates this year. In the longer run markets could remain weak on better output from India and lower imports from Guatemala.

Technical Analysis:

- Candlestick formation hints at negative trend.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is flat and support sideways markets.
- RSI is moving down in the oversold region and is warranting caution to the bears.
- Cardamom futures are likely to trade range-bound with a firm bias in next trading session.

Weather:

- Scattered rainfall would occur over south interior Karnataka, Tamilnadu and Kerala during next 3 days.
- This may disrupt harvesting of the crop.

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	25-02-11	24-02-11	Change
Small	Max Auction Price	987.5	1102.5-1175	-187.5
	Average Auction Price	879.06	915.74-960.55	-81.49

Arrivals and Offtake in Kgs:

	25-02-11	24-02-11
Arrivals	22400	43124
Offtake	20944	38506



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	SELL	1060-1062	1045	1040	1073	998	1028	1056.7	1085	1114

CUMIN SEED

Market Analysis:

- Unjha cash markets remained steady on Friday as fresh arrivals remained higher in the markets.
- Markets sentiments remained weak due to weak upcountry and export demand.
- Long term sentiments remained firm as sources say that market participants are buying hurriedly fearing a shortage of stocks.
- sources said that lower production this year could lead to shortage of stocks.
- The 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 steady to firm on shortage of stocks and lower arrivals. Price trend in the medium to long term may depend on production estimates and export demand.

Technical Analysis:

- Candlestick formation reveals indecision in the market.
- 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 in the overbought region and is warranting caution to the bulls.
- 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.
- Isolated thundershowers would occur over west Rajasthan in the next 24 hours and will increase thereafter in many parts of Rajasthan and may disrupt harvest.

Price Drivers:

No.	Pressure Point	Favours
1	Weak upcountry and export demand	Bears
2	Fresh arrivals	Bears
3	Weak futures counter	Bears
4	Market participants fear shortage	Bulls
5	Lower productions estimates	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	25-02-11	24-02-11	Change
Loose		13625	13625	-
Machine Cut	Unjha	15100	15100	-
NCDEX		14575-	14575-	-
Quality		14600	14600	-

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

	25-02-11	24-02-11
Arrivals-Old	2000	500
Arrivals-New	9000	5500
Offtake	11000	4000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	17800-17810	17622	17600	17915	17199	17426	17654	17940	18027

CORIANDER SEED

Market Analysis:

- Coriander cash markets cash remained closed on Friday due to local festival in Ramganj.
- Sources however added that sentiments remained weak as spot demand remained weak.
- However markets may move higher as arrivals may decline due to expected lower arrivals in local markets due to untimely rains expected this week.
- However the stocks are still wet and traders may wait for the dry crop which may start in 2 weeks.
- Sources added that production estimates remain high and this will bring markets down in the long run.
- India is expected to produce 1 crore bags this year.
- Markets are closed on Friday on the account of a local festival in Ramganj.

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 hints at positive trend.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is moving down supports bearish markets.
- RSI is moving up supports bearish markets.
- Coriander seed futures are likely to trade range-bound with firm bias in next trading session.**

Weather:

- Scattered rainfall would occur over south interior Karnataka, Tamilnadu and Kerala during next 3 days.
- Isolated thundershowers would occur over west Rajasthan in the next 24 hours and will increase thereafter in many parts of Rajasthan.
- This 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	Weak futures	Bears
5	Arrivals are wet	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	25-02-11	24-02-11	Change
Badami-Old	Ramganj	Closed	3500	-
Eagle-Old		Closed	3600-3650	-
Badami-New		Closed	2500-3000	-
Eagle-New		Closed	3000-4500	-

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

	25-02-11	24-02-11
Arrivals-New	Closed	4000-4500
Arrivals-Old	Closed	1500
Offtake	Closed	6000

CORIANDER 1104(NCCODJ1)2011/02/25 - Daily B:5060.00 A:5060.00
O 4830.00 H 5060.00 L 4793.00 C 5060.00 V 8,560 I 12,770 +195
EMA(9) 5130.9 (18) 5192.6



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	5025-5030	5080	5093	4991	4704	4882	5060	5149	5239

SPICES

DATE: 26-02-11

WHOLESALE PRICES FOR MAJOR SPICES IN KERALA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Cardamom	Kochi	Ernakulum	Local	1	518	518
	Coimbatore	Coimbatore	Local	1	1300	1300
	Mettupalayam	Coimbatore	Local	1	1400	1400
	Gandhi Market	Tiruchirapalli	Local	1	1250	1250
	Madurai	Madurai	Dindigul	1	750	750
	Panruti	Cuddalore	Local	1	1350-1550	1350-1550
	Thalaivasal	Salem	Local	1	1650	1650

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Pepper	Kochi	Ernakulum	Black	1	233	233
			Green	1	245	245
			White	1	240	240
	Coimbatore	Coimbatore	Local	1	170	170
	Mettupalayam	Coimbatore	Local	1	170	170
	Gandhi Market	Tiruchirapalli	Local	1	300	300
	Madurai	Madurai	Dindigul	1	160	160
	Panruti	Cuddalore	Local	1	235-245	235-245
	Thalaivasal	Salem	Local	1	185	185

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Coriander	Kochi	Ernakulum	Local	1	54	54
	Coimbatore	Coimbatore	Local	1	90	90
	Mettupalayam	Coimbatore	Local	1	88	88
	Gandhi Market	Tiruchirapalli	Half	1	68	68
			Muzhu	1	68	68
	Panruti	Cuddalore	Local	1	54-60	54-60
	Thalaivasal	Salem	Local	1	50	50

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Turmeric	Madurai	Madurai	Local	1	35	35

SPICES

DATE: 26-02-11

WHOLESALE PRICES FOR MINOR SPICES IN KERELA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Clove	Kochi	Ernakulum	Local	1	320	320
	Coimbatore	Coimbatore	Local	1	450	450
	Mettupalayam	Coimbatore	Local	1	450	450
	Gandhi Market	Tiruchirapalli	Local	1	500	500
	Madurai	Madurai	Dindigul	1	550	550
	Panruti	Cuddalore	Local	1	360	360
	Thalaivasal	Salem	Local	1	400	400

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Fennel	Kochi	Ernakulum	Local	1	84	84
	Coimbatore	Coimbatore	Local	1	110	110
	Mettupalayam	Coimbatore	Local	1	108	108
	Gandhi Market	Tiruchirapalli	Local	1	175	175
	Madurai	Madurai	Dindigul	1	100	100
	Panruti	Cuddalore	Local	1	110-145	110-145
	Thalaivasal	Salem	Local	1	120	120

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Cinnamon	Kochi	Ernakulum	Local	1	116	118
	Coimbatore	Coimbatore	Local	1	125	125
	Mettupalayam	Coimbatore	Local	1	125	125
	Gandhi Market	Tiruchirapalli	Local	1	200	200
	Madurai	Madurai	Dindigul	1	200	200
	Panruti	Cuddalore	Local	1	120	120
	Thalaivasal	Salem	Local	1	170	170

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Fenugreek	Kochi	Ernakulum	Local	1	78	78
	Coimbatore	Coimbatore	Local	1	50	50
	Mettupalayam	Coimbatore	Local	1	48	48
	Gandhi Market	Tiruchirapalli	Local	1	60	60
	Madurai	Madurai	Dindigul	1	50	50
	Panruti	Cuddalore	Local	1	38-48	38-48
	Thalaivasal	Salem	Local	1	70	70

SPICES

DATE: 26-02-11

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Nutmeg	Kochi	Ernakulum	Local	1	120	125
	Coimbatore	Coimbatore	Local	1	390	390
	Mettupalayam	Coimbatore	Local	1	390	390
	Madurai	Madurai	Dindigul	1	460	460
	Panruti	Cuddalore	Local	1	800	800

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Garlic	Kochi	Ernakulum	Nadan	1	145	145
	Coimbatore	Coimbatore	China	1	170	170
			M.P	1	80-90	80-90
			China	1	190	190
	Ottanchatram	Dindigul	Hill	1	180	180
			Local	1	90	90
			Seed	1	150	150
	Koyambedu	Chennai	Old	1	80-100	-
	Hosur	Krishnagiri	Local	1	260	260
			M.P	1	220	220
	Gandhi Market	Tiruchirapalli	Himachal	1	180-200	180-200
			Malai Poondur	1	200-240	200-240
			Nadu	1	120-160	120-160
			Thaivan	1	180-200	180-200
			MP	1	140	140
	K.R. Market	Bangalore	UP	1	160	160
			China	1	200	200
	Kumbakonam	Thanjavur	Local first	1	80	80
			Local Second	2	70	70
			Local third	3	65	65
	Madurai	Madurai	Dindigul	1	65	65
	Mettupalayam	Coimbatore	Himachal Pradesh	1	160	160
			Jamnagar	1	100	100
			Ooty	1	350	350
	Panruti	Cuddalore	Pune-New	1	80	80
	Thalaivasal	Salem	Local	1	200	200
			Nelagiri	1	250	250

Spices	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					24-02-11	25-02-11
Ginger	Kochi	Ernakulum	Dry	1	50	50
			Vegetable-Fresh	1	32	32
	Coimbatore	Coimbatore	Mango	1	14	14
	Koyambedu	Chennai	Kolkata-New	1	22	-

SPICES
DATE: 26-02-11

		Mango	1	17	-
		Kodagu	1	40	40
	Hosur	Krishnagiri	New	1	20
			UP	1	30
	Gandhi Market	Tiruchirapalli	Local-New	1	26
			Himachal	1	27
	K.R. Market	Bangalore	Kodagu	1	30
			Maran	1	24
	Kumbakonam	Thanjavur	Fresh	1	23
	Madurai	Madurai	Local-New	1	22
	Panruti	Cuddalore	Bangalore-Mango	1	23
			Mettupalayam-New	1	23
			New	1	30
	Thalaivasal	Salem	Old	1	60
			New	1	30
	Tirunelveli	Tirunelveli	Old	1	75

Source: http://india.in/india/market_information_ta

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