

RED CHILLIES

Market Analysis:

- Red chilli prices cash markets remained closed on Saturday on the weekly close.
- Sentiments 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 is moving down supports bearish sentiments.
- RSI is flat supports sideways 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	26-02-11	25-02-11	Change
LCA 334	Guntur	Closed	6500-8000	-
Bedki		Closed	8500-9000	-

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

	26-02-11	25-02-11
Arrivals-New	Closed	40000
Offtake	Closed	40000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10575-10580	10469	10443	10648	10207	10339	10472	10664	10857

BLACK PEPPER:

Market Analysis:

- Kochi Black pepper physical markets remained sideways on Saturday as spot demand continued to be weak.
- Sentiments remained weak as export demand remain weak.
- Spices Board say that during April-January 2010-11, a total quantity of 15,700 tonnes of pepper have been exported as against 16,925 tonnes last year.
- Sentiments remained weak on expectation of supply 2500 tonnes of pepper delivered from warehouse.
- Markets also fell as fresh arrivals are expected in March in Vietnam.
- Spices Board however added that production of pepper in India in 2010-11 is projected to be 48,000 tonnes as compared to 50,000 tonnes last year.
- According to IPC the U.S imported 70,469 mt of pepper in 2010 higher by 7% in 2009.
- Indian parity was at \$5,250 a tonne (c&f).

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 hints positive trend.
- Prices closed below 9 and 18-day EMAs supporting the bearish momentum in short term.
- MACD is moving down supports the bearish sentiments.
- RSI is moving up supports the positive trend.
- **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	26-02-11	25-02-11	Change
Ungarbled	Kochi	22000	22000	-
Garbled		22800	22800	-

Arrivals and Offtake in Tonnes:

	26-02-11	25-02-11
Arrivals	05	20
Offtake	10	20

Pepper 1103(NCPEPH1)2011/02/26 - Daily B:22728.00 A:22735.00
O 22536.00 H 22840.00 L 22536.00 C 22735.00 V 2,124 I 8,905 +60
EMA(9) 23137 (18) 23321



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	23000-23010	22770	22712	23159	22263	22399	22735	23207	23345

TURMERIC

Market Analysis:

- Nizam and Erode remained closed on Saturday on the weekly close.
- 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 negative trend.
- Prices closed below 9-day EMAs thus supporting the bearish momentum in short term.
- MACD is moving up supports bullish trend in the markets.
- RSI is moving down supports negative 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	26-02-11	25-02-11	Change
Finger-New	Erode	Closed	12150-13150	-
Gattah-New		Closed	11650-12650	-
Nizam-New	Nizamabad	Closed	11900	-

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

	Centre	26-02-11	25-02-11
Arrivals	Erode	Closed	10000
Offtake		Closed	8000
Arrivals	Nizamabad	Closed	8000
Offtake		Closed	8000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9960-9965	9860	9835	10027	9602	9766	9950	10114	10278

CARDAMOM

Market Analysis:

- Cardamom markets moved higher on Saturday as arrivals declined in the markets.
- Sources added that prospects of an early crop and adequate stocks with farmers have resulted in selling in the cash markets.
- Markets sentiments remained firm as firm futures counter on Saturday partially influenced buying 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 positive trend.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is moving down in the negative region and supports negative trend.
- RSI is moving up 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	26-02-11	25-02-11	Change
Small	Max Auction Price	1018.5	987.5	+31
	Average Auction Price	903.94	879.06	+24.88

Arrivals and Offtake in Kgs:

	26-02-11	25-02-11
Arrivals	8964	22400
Offtake	8304	20944



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1095-1097	1112	1117	1084	1034	1066	1099	1125	1157

CUMIN SEED

Market Analysis:

- Unjha cash markets surged higher on Saturday amid higher fresh arrivals in the markets.
- Markets sentiments remained firm due to firm spot demand.
- Firm sentiments were also influenced partially by firm futures counter.
- 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:

- Cumin seed chart is moving up into uncharted territories.
- Candlestick formation hints at positive trend.
- 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 up 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	Firm futures counter	Bulls
4	Market participants fear shortage	Bulls
5	Lower productions estimates	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	26-02-11	25-02-11	Change
Loose	Unjha	13925	13625	+300
Machine Cut		15400	15100	+300
NCDEX		14875-	14575-	+300
Quality		14900	14600	

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

	26-02-11	25-02-11
Arrivals-Old	2000	2000
Arrivals-New	8000	9000
Offtake	10000	11000

JEERA 1104(NCJEEJ1)2011/02/26 - Daily B:17863.00 A:17864.00
O 17737.00 H 17915.00 L 17720.00 C 17863.00 V 6,465 I 16,320 +209
EMA(9) 17285 (18) 16864



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	17750-17755	17933	17958	17646	17555	17637	17863	18027	18140

CORIANDER SEED

Market Analysis:

- Coriander cash markets cash surged higher on Saturday amid higher arrivals in Ramganj.
- Markets sentiments remained firm as firm futures counter on Saturday partially influenced buying in the cash markets.
- Sources however added that sentiments remained firm as spot demand was firm.
- However markets may move lower as arrivals may improve due to higher production estimates.
- 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.

We expect coriander prices to remain range bound to firm on rebounding spot demand. 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 above 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is moving down supports bearish markets.
- RSI is moving up supports positive trend in 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	Firm futures	Bulls
5	Arrivals are wet	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	26-02-11	25-02-11	Change
Badami-Old	Ramganj	3600	Closed	+100
Eagle-Old		3700-3750	Closed	+100
Badami-New		2700-3200	Closed	+200
Eagle-New		3200-4700	Closed	+200

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

	26-02-11	25-02-11
Arrivals-New	6500	Closed
Arrivals-Old	1500	Closed
Offtake	8000	Closed

CORIANDER 1104(NCCODJ1)2011/02/26 - Daily B:5241.00 A:5244.00
O 5075.00 H 5258.00 L 5075.00 C 5241.00 V 8,570 I 13,530 +217



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	5200-5205	5257	5267	5166	5008	5125	5241	5308	5374

SPICES

DATE: 28-02-11

WHOLESALE PRICES FOR MAJOR SPICES IN KERALA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					25-02-11	26-02-11
Cardamom	Kochi	Ernakulum	Local	1	518	518
	Coimbatore	Coimbatore	Local	1	1300	1300
	Mettupalayam	Coimbatore	Local	1	1400	Closed
	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	
					25-02-11	26-02-11
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	Closed
	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	
					25-02-11	26-02-11
Coriander	Kochi	Ernakulum	Local	1	54	54
	Coimbatore	Coimbatore	Local	1	90	90
	Mettupalayam	Coimbatore	Local	1	88	Closed
	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	
					25-02-11	26-02-11
Turmeric	Madurai	Madurai	Local	1	35	35

SPICES

DATE: 28-02-11

WHOLESALE PRICES FOR MINOR SPICES IN KERELA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					25-02-11	26-02-11
Clove	Kochi	Ernakulum	Local	1	320	320
	Coimbatore	Coimbatore	Local	1	450	450
	Mettupalayam	Coimbatore	Local	1	450	Closed
	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	
					25-02-11	26-02-11
Fennel	Kochi	Ernakulum	Local	1	84	84
	Coimbatore	Coimbatore	Local	1	110	110
	Mettupalayam	Coimbatore	Local	1	108	Closed
	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	
					25-02-11	26-02-11
Cinnamon	Kochi	Ernakulum	Local	1	118	118
	Coimbatore	Coimbatore	Local	1	125	125
	Mettupalayam	Coimbatore	Local	1	125	Closed
	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	
					25-02-11	26-02-11
Fenugreek	Kochi	Ernakulum	Local	1	78	78
	Coimbatore	Coimbatore	Local	1	50	50
	Mettupalayam	Coimbatore	Local	1	48	Closed
	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: 28-02-11

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					25-02-11	26-02-11
Nutmeg	Kochi	Ernakulum	Local	1	125	125
	Coimbatore	Coimbatore	Local	1	390	390
	Mettupalayam	Coimbatore	Local	1	390	Closed
	Madurai	Madurai	Dindigul	1	460	460
	Panruti	Cuddalore	Local	1	800	800

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					25-02-11	26-02-11
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	Closed
	K.R. Market	Bangalore	UP	1	160	Closed
			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	Closed
			Jamnagar	1	100	Closed
			Ooty	1	350	Closed
	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	
					25-02-11	26-02-11
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: 28-02-11

		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
	Thalaivasal	Salem	New	1	30
			Old	1	60
	Tirunelveli	Tirunelveli	New	1	30
			Old	1	75

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

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