

RED CHILLIES

Market Analysis:

- Red chilli LCA 334 prices cash markets remained steady on Monday, However Bedki prices ended lower due to weak demand for the variety.
- Sentiments remained steady to firm as spot demand remained firm.
- Sentiments also remained firm as arrivals remained on the lower side in Guntur.
- 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.

In the short-term red chilli prices may remain steady to firm on lower arrivals. In the long term market trend may depend on export demand and production estimates of the crop.

Technical Analysis:

- Candlestick formation hints at negative trend.
- Prices closed below 9 and 18-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 thundershowers would occur over Tamil Nadu during next 2-3 days.
- Rainfall activity may increase over south Tamil Nadu after 48 hours.
- 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	28-02-11	26-02-11	Change
LCA 334	Guntur	6500-8000	Closed	-
Bedki		7700-8700	Closed	-300

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

	28-02-11	26-02-11
Arrivals-New	30000	Closed
Offtake	50000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	10150-10155	10049	10023	10221	9947	10014	10136	10295	10454

BLACK PEPPER:

Market Analysis:

- Kochi Black pepper physical markets remained sideways on Monday as spot demand continued to be weak.
- Sentiments remained weak as fresh arrivals have started in Vietnam.
- However sources say that selling pressure was absent as planters were not interested to sell the new crop.
- IPC say that pepper market in 2011 will depend much on developments in production during the year.
- 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 2009-10.
- 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.

Pepper prices may trade range bound to weak in the short term on higher arrivals 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 at negative trend.
- 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 thundershowers would occur over Tamil Nadu and Kerala and during next 2-3 days.
- Rainfall activity may increase over south Tamil Nadu after 48 hours.
- This may disrupt harvesting of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Harvesting delayed due to untimely rains	Bulls
2	Lower arrivals in domestic markets	Bulls
3	Planters hoarding stocks	Bulls
4	Higher arrivals in Vietnam	Bears
5	Higher production from Vietnam	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	28-02-11	26-02-11	Change
Ungarbled	Kochi	22000	22000	-
Garbled		22800	22800	-

Arrivals and Offtake in Tonnes:

	28-02-11	26-02-11
Arrivals	10	05
Offtake	05	10



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	SELL	22685-22690	22458	22428	22811	22267	22390	22513	22887	23010

TURMERIC

Market Analysis:

- Nizam ended lower on Monday as arrivals improved.
- Erode remained steady as arrivals remained on the higher side.
- Sources said that demand remained weak in the markets and this will support the downtrend in the markets.
- Sources however added that both markets could see higher 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 weak on expected higher 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 hints at negative trend.
- Prices closed below 9 and 18-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:

- Dry weather of A.P may help in the harvesting of the crop.
- Scattered thundershowers would occur over Tamil Nadu during next 2-3 days.
- Rainfall activity may increase over south Tamil Nadu after 48 hours.
- 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	28-02-11	26-02-11	Change
Finger-New	Erode	12150-13150	Closed	-
Gattah-New		11650-12650	Closed	-
Nizam-New	Nizamabad	11600-11700	Closed	-300

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

	Centre	28-02-11	26-02-11
Arrivals	Erode	10000	Closed
Offtake		8000	Closed
Arrivals	Nizamabad	20000	Closed
Offtake		20000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	9900-9910	9801	9776	9977	9649	9737	9860	10037	10098

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CARDAMOM

Market Analysis:

- Cardamom markets continued its uptrend on Monday as arrivals declined in the markets.
- Sources however added that the final harvest is going on and this year production is higher and this may cause more arrivals to come in.
- However planters have hold on to their stocks wanting higher prices.
- Markets sentiments remained firm as firm futures counter on Monday partially influenced buying in the cash markets.
- 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 higher in the short term due to lower arrivals. 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 flat in the negative region and supports negative trend.
- RSI is moving up and is supporting the positive trend.
- 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 and during next 2-3 days.
- Rainfall activity may increase over south Tamil Nadu after 48 hours.
- This may disrupt harvesting of the crop.

Price Drivers:

No.	Pressure Point	Favours
1	Decline in arrivals	Bulls
2	Planters hoarding stocks	Bulls
3	Lower imports from Guatemala	Bulls
4	Firm futures counter	Bulls
5	Higher production	Bears

SPOT MARKET PRICES: (Rs/Kg)

Grade		Centre	28-02-11	26-02-11	Change
Small	Max Auction Price	Santhan para & Bodinay akanur	950.5-1100.5	1018.5	+82
	Average Auction Price		792.82-999.04	903.94	+95.1

Arrivals and Offtake in Kgs:

	28-02-11	26-02-11
Arrivals	6201	8964
Offtake	6055	8304

CARDAMOM 1103(MXCAMH1)2011/02/28 - Daily B:1143.00 A:1143.00
O 1128.00 H 1143.00 L 1128.00 C 1143.00 V 602 T 64,406 I 1,345 +44
EMA(9) 1177.3 (18) 1242.5



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1150-1152	1167	1172	1139	1084	1114	1143	1175	1202

CUMIN SEED

Market Analysis:

- Unjha cash markets fell on Monday as fresh arrivals increased in the markets.
- Markets sentiments remained weak due to weak spot demand at higher levels.
- Sources revealed that the short term trend looks weak as arrivals will improve and will pull the markets lower.
- 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 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 down 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 Rajasthan.
- Rainfall activity would increase and extend in more parts of plains of northwest Rajasthan from tomorrow onwards.
- This may disrupt harvesting of the crop.

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	28-02-11	26-02-11	Change
Loose	Unjha	13775	13925	-250
Machine Cut		15150	15400	-250
NCDEX		14625-	14875-	-250
Quality		14650	14900	

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

	28-02-11	26-02-11
Arrivals-Old	Nil	2000
Arrivals-New	13000	8000
Offtake	8000	10000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	17880-17885	17701	17681	17987	17337	17597	17857	18043	18229

CORIANDER SEED

Market Analysis:

- Coriander prices remained mixed with old stocks falling and new prices remaining steady in Ramganj.
- However arrivals will improve and may pull markets lower.
- Sources added that sentiments remained weak as spot demand was weak at highs.
- However markets may move lower due to higher production estimates.
- India is expected to produce 1 crore bags this year.
- 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.

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 bullish 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 weak bias in next trading session.**

Weather:

- Isolated thundershowers would occur over Rajasthan.
- Rainfall activity would increase and extend in more parts of plains of northwest Rajasthan from tomorrow onwards.
- Scattered thundershowers would occur over Tamil Nadu during next 2-3 days.
- Rainfall activity may increase over south Tamil Nadu after 48 hours.
- 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	28-02-11	26-02-11	Change
Badami-Old	Ramganj	3500	3600	-100
Eagle-Old		3600-3650	3700-3750	-100
Badami-New		2700-3200	2700-3200	-
Eagle-New		3200-4700	3200-4700	-

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

	28-02-11	26-02-11
Arrivals-New	7000-8500	6500
Arrivals-Old	3000-3500	1500
Offtake	12000	8000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	5300-5305	5247	5234	5340	5019	5144	5269	5370	5471

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WHOLESALE PRICES FOR MAJOR SPICES IN KERALA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					26-02-11	28-02-11
Cardamom	Kochi	Ernakulum	Local	1	518	518
	Coimbatore	Coimbatore	Local	1	1300	1300
	Mettupalayam	Coimbatore	Local	1	Closed	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	
					26-02-11	28-02-11
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	Closed	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	
					26-02-11	28-02-11
Coriander	Kochi	Ernakulum	Local	1	54	54
	Coimbatore	Coimbatore	Local	1	90	90
	Mettupalayam	Coimbatore	Local	1	Closed	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	
					26-02-11	28-02-11
Turmeric	Madurai	Madurai	Local	1	35	35

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WHOLESALE PRICES FOR MINOR SPICES IN KERELA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					26-02-11	28-02-11
Clove	Kochi	Ernakulum	Local	1	320	320
	Coimbatore	Coimbatore	Local	1	450	450
	Mettupalayam	Coimbatore	Local	1	Closed	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	
					26-02-11	28-02-11
Fennel	Kochi	Ernakulum	Local	1	84	86
	Coimbatore	Coimbatore	Local	1	110	110
	Mettupalayam	Coimbatore	Local	1	Closed	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	
					26-02-11	28-02-11
Cinnamon	Kochi	Ernakulum	Local	1	118	118
	Coimbatore	Coimbatore	Local	1	125	125
	Mettupalayam	Coimbatore	Local	1	Closed	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	
					26-02-11	28-02-11
Fenugreek	Kochi	Ernakulum	Local	1	78	78
	Coimbatore	Coimbatore	Local	1	50	50
	Mettupalayam	Coimbatore	Local	1	Closed	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

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Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					26-02-11	28-02-11
Nutmeg	Kochi	Ernakulum	Local	1	125	125
	Coimbatore	Coimbatore	Local	1	390	390
	Mettupalayam	Coimbatore	Local	1	Closed	390
	Madurai	Madurai	Dindigul	1	460	460
	Panruti	Cuddalore	Local	1	800	800

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					26-02-11	28-02-11
Garlic	Kochi	Ernakulum	Nadan	1	145	145
	Coimbatore	Coimbatore	China	1	170	160
			M.P	1	80-90	40-60
			China	1	190	190
	Ottanchatram	Dindigul	Hill	1	180	180
			Local	1	90	90
			Seed	1	150	150
	Koyambedu	Chennai	Old	1	80-100	50-80
	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	Closed	140
	K.R. Market	Bangalore	UP	1	Closed	170
			China	1	200	175
	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	Closed	160
			Jamnagar	1	Closed	100
			Ooty	1	Closed	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	
					26-02-11	28-02-11
Ginger	Kochi	Ernakulum	Dry	1	50	50
			Vegetable-Fresh	1	32	32
	Coimbatore	Coimbatore	Mango	1	14	14
	Koyambedu	Chennai	Kolkata-New	1	22	20

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		Mango	1	17	18
		Kodagu	1	40	40
	Hosur	Krishnagiri	New	1	20
			UP	1	30
	Gandhi Market	Tiruchirapalli	Local-New	1	26
			Himachal	1	Closed
	K.R. Market	Bangalore	Kodagu	1	Closed
			Maran	1	Closed
	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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