

RED CHILLIES

Market Analysis:

- Red chilli cash markets remained steady on Monday amid higher arrivals.
- Sentiments remained firm as stockists were buying at lows.
- Sentiments remained firm spot and export demand remained firm.
- Sentiments also remained as cash markets were partially influenced by firm futures counter on Monday.
- Sources however added that sentiments are expected to remain firm in the longer run 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.
- Spices Board added that exports of Chilli exports during the period of April-January 2010-11 at 200,000 tonnes compared 200,000 tonnes targeted for the period of April-January 2009-10.

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

Technical Analysis:

- Candlestick formation hints at positive trend.
- Prices closed below 9 and 18-day EMA's thus supporting the bearish momentum in the short term.
- MACD is moving down supports bearish sentiments.
- RSI is moving up supports positive sentiments.
- Red Chilli futures are likely to trade range bound with a firm 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	Weak spot demand	Bears
4	Weak futures counter	Bears
5	Offloading of stocks	Bears

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	07-03-11	05-03-11	Change
LCA 334	Guntur	6400-7900	Closed	-
Bedki		7600-8600	Closed	-

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

	07-03-11	05-03-11
Arrivals-New	70000	Closed
Offtake	70000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	9685-9690	9787	9797	9629	9285	9515	9744	9859	9973

BLACK PEPPER:

Market Analysis:

- Kochi Black pepper physical markets continued its weakness on Monday as arrivals improved in Kochi and other domestic markets in the south.
- Markets are expected to be weak as arrivals are likely to gain momentum in March.
- Markets fell on Monday due to lackluster demand from the domestic and international buyers.
- Sentiments remained weak as harvesting in Vietnam has commenced and the prices offered by them in the international market are lower compared to the other competitors.
- Sources however added that Vietnamese and Indian farmers holding on to their crop in anticipation of higher prices.
- However long term sentiments remain firm on reports of lower crop this year in Malabar.
- Spices Board added that Pepper exports were down by 7% at 15,700 tonnes compared 16,925 tonnes during the period of April-January 2009-10.

In the short term pepper prices will depend on demand from the overseas and domestic market and fresh arrivals in the physical Mandi in Kochi. In the medium to long term price trend will depend on pepper stocks with Indonesia and demand from the overseas and domestic buyers.

Technical Analysis:

- Candlestick formation hints at negative 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 down in the oversold region and is warranting caution to the bears.
- **Black Pepper 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	Harvesting has started in Vietnam	Bears
2	Higher arrivals in domestic markets	Bears
3	Weak domestic and export demand	Bears
4	Lower crop this year in Malabar	Bulls
5	Planters hoarding stocks	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	07-03-11	05-03-11	Change
Ungarbled	Kochi	21500	21800	-300
Garbled		22300	22600	-300

Arrivals and Offtake in Tonnes:

	07-03-11	05-03-11
Arrivals	45	20
Offtake	20	05

Pepper 1103(NCPEPH1)2011/03/07 - Daily B:22063.00 A:22080.00
O 22360.00 H 22400.00 L 22020.00 C 22063.00 V 4,671 I 7,243 -358
EMA(9) 22593 (18) 22885



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Mar	BUY	21865-21870	22089	22143	21726	21542	21700	22063	22302	22541

TURMERIC

Market Analysis:

- Nizam markets surged higher supported by reports of firm spot demand in the market.
- Erode markets also moved higher on Monday supported by firm domestic demand.
- Sources however added that if arrivals improve as planters are getting good prices for their stock prices may decline in the short term.
- Sentiments however could remain firm in the long run as untimely rains in the sowing regions have delayed harvest.
- However production estimates for this year ranges from 50-60 lakh bags all over India compared to 40-45 lakh bags during the previous year.
- Spices Board added that Turmeric exports were down by 13% at 38,000 tonnes declined during the period of April-January 2010-11 compared 43,825 tonnes during the period of April-January 2009-10.

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 positive trend.
- Prices closed above 9 and 18-day EMAs thus supporting the bullish momentum in short term.
- MACD is flat supports the sideways markets.
- RSI is moving up supports the positive sentiments.
- **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
3	Higher fresh arrivals	Bears
4	Firm spot demand	Bulls
5	Untimely rains may disrupt harvest	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	07-03-11	05-03-11	Change
Finger-New	Erode	12100-13000	Closed	+50
Gattah-New		11600-12500	Closed	+50
Nizam-New	Nizamabad	12400-12500	Closed	+500

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

	Centre	07-03-11	05-03-11
Arrivals	Erode	12000-13000	Closed
Offtake		10000-11000	Closed
Arrivals	Nizamabad	15000	Closed
Offtake		15000	Closed



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	10380-10385	10489	10515	10320	9899	10200	10502	10652	10803

CARDAMOM

Market Analysis:

- Cardamom markets fell on Monday as arrivals improved slightly in the domestic markets.
- Spot and export demand remained weak and pulled markets lower.
- However sources added that planters are holding on to their stocks wanting higher prices.
- Sources also added that the final harvest is going on and this year production is higher and this may cause more arrivals to come in.
- 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.
- Spices Board added that Cardamom Small exports were down by 49% at 780 tonnes compared 1,540 tonnes during the period of April-January 2009-10.
- Cardamom Large exports were down by 17% at 600 tonnes compared 720 tonnes during the period of April-January 2009-10.

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 negative trend.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is flat and is supporting the sideways trend.
- RSI is moving up and is supporting the positive sentiment.
- 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	Firm futures counter	Bulls
2	Planters hoarding stocks	Bulls
3	Weak spot and export demand	Bears
4	Arrivals improved	Bears
5	Higher production	Bears

SPOT MARKET PRICES: (Rs/Kg)

Grade		Centre	07-03-11	05-03-11	Change
Small	Max Auction Price	Santhan para &	961-1141	1231	-90
	Average Auction Price	Bodinay akanur	919.13-963.6	970.46	-6.86

Arrivals and Offtake in Kgs:

	07-03-11	05-03-11
Arrivals	15912	9038
Offtake	15878	8774



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Mar	BUY	1060-1062	1077	1080	1050	1019	1040	1072	1093	1114

CUMIN SEED

Market Analysis:

- Unjha cash markets continued its weakness on Monday as fresh arrivals remained higher in the markets.
- Markets sentiments remained weak due to weak spot and export demand.
- Sources revealed that the short term trend looks weak as arrivals will improve in Unjha.
- Sources however added that lower production this year could lead to shortage of stocks which in the long run could pull markets lower.
- 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.
- Spices Board added that Cumin Seed exports were down by 36% at 26,000 tonnes declined during the period of April-January 2010-11 compared 40,800 tonnes during the period of April-January 2009-10.

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

Technical Analysis:

- Candlestick formation hints at negative trend.
- Prices have closed below the 9 and 18-day EMAs suggests bearish trend in short term.
- MACD and RSI are 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 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	Weak futures counter	Bears
4	Market participants fear shortage	Bulls
5	Lower productions estimates	Bulls

SPOT MARKET PRICES: (Rs/Otl)

Grade	Centre	07-03-11	05-03-11	Change
Loose		12925	13125	-200
Machine Cut	Unjha	14300	14500	-200
NCDEX Quality		13775-13800	13975-14000	-200

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

	07-03-11	05-03-11
Arrivals-New	17000	15000
Offtake	10000	10000

JEERA 1104(NCJEEJ1)2011/03/07 - Daily B:16530.00 A:16535.00
O 16780.00 H 16848.00 L 16391.00 C 16530.00 V 8,997 I 17,205 -348
EMA(9) 17088 (18) 16976



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	16595-16600	16429	16388	16706	16132	16330	16530	16788	17046

CORIANDER SEED

Market Analysis:

- Coriander prices remained sideways amid higher arrivals in Ramganj.
- Sources however added that higher production estimates leading to higher arrivals may pull markets lower.
- India is expected to produce 1 crore bags this year.
- Sources also added that weak spot and export demand may continue to pull markets lower.
- However the stocks are still wet and traders may wait for the dry crop which may start in this week.
- Spices Board added that Coriander Seed exports were down by 2% at 35,500 tonnes declined during the period of April-January 2010-11 compared 36,150 tonnes during the period of April-January 2009-10.

We expect coriander prices to remain range bound to weak on higher arrivals expected in the coming weeks. In the medium to long term price trend may depend on production estimates and demand in the market.

Technical Analysis:

- Candlestick formation hints at negative trend.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD and RSI are moving down and support the negative sentiments.
- 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	Weak futures	Bears
5	Arrivals are wet	Bulls

SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	07-03-11	05-03-11	Change
Badami-Old	Ramganj	3150	3150	-
Eagle-Old		3250-3300	3250-3300	-
Badami-New		2300-2800	2300-2800	-
Eagle-New		2800-3300	2800-3300	-

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

	07-03-11	05-03-11
Arrivals-New	15000	12000-13000
Arrivals-Old	500-1000	1000
Offtake	15000	14000



Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	4805-4810	4757	4745	4842	4610	4690	4769	4919	5068

WHOLESALE PRICES FOR MAJOR SPICES IN KERALA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					05-03-11	07-03-11
Cardamom	Kochi	Ernakulum	Local	1	520	180
	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	
					05-03-11	07-03-11
Pepper	Kochi	Ernakulum	Black	1	229	226
			Green	1	245	243
			White	1	235	234
	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	
					05-03-11	07-03-11
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	
					05-03-11	07-03-11
Turmeric	Madurai	Madurai	Local	1	35	35

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WHOLESALE PRICES FOR MINOR SPICES IN KERALA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					05-03-11	07-03-11
Clove	Kochi	Ernakulum	Local	1	324	325
	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	
					05-03-11	07-03-11
Fennel	Kochi	Ernakulum	Local	1	86	86
	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	
					05-03-11	07-03-11
Cinnamon	Kochi	Ernakulum	Local	1	120	122
	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	
					05-03-11	07-03-11
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



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Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					05-03-11	07-03-11
Nutmeg	Kochi	Ernakulum	Local	1	124	120
	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	
					05-03-11	07-03-11
Garlic	Kochi	Ernakulum	Nadan	1	146	144
	Coimbatore	Coimbatore	China	1	160	170
			M.P	1	40-60	60
			China	1	200	200
	Ottanchatram	Dindigul	Hill	1	340	340
			Local	1	40-100	40-100
			Seed	1	-	-
	Koyambedu	Chennai	Old	1	45-80	40-70
	Hosur	Krishnagiri	Local	1	260	260
			M.P	1	220	220
	Gandhi Market	Tiruchirapalli	Himachal	1	160-200	-
			Malai Poondur	1	200-240	-
			Nadu	1	120-140	40-60
			Thaivan	1	160-200	-
			MP	1	150	150
	K.R. Market	Bangalore	UP	1	150	150
			China	1	170	170
			Local first	1	80	80
	Kumbakonam	Thanjavur	Local Second	2	70	70
			Local third	3	65	65
			Dindigul	1	65	65
	Madurai	Madurai	Himachal Pradesh	1	160	160
	Mettupalayam	Coimbatore	Jamnagar	1	100	100
			Ooty	1	-	-
	Panruti	Cuddalore	Pune-New	1	60	60
	Thalaivasal	Salem	Local	1	200	200
			Nelagiri	1	250	250

Spices	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					05-03-11	07-03-11
Ginger	Kochi	Ernakulum	Dry	1	53	52
			Vegetable-Fresh	1	32	32
	Coimbatore	Coimbatore	Mango	1	15	15
	Koyambedu	Chennai	Kolkata-New	1	20	21

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		Mango	1	20	18
		Kodagu	1	40	40
	Hosur	Krishnagiri	New	1	20
		UP	1	30	30
	Gandhi Market	Tiruchirapalli	Local-New	1	26
		Himachal	1	30	30
	K.R. Market	Bangalore	Kodagu	1	32
		Maran	1	26	26
	Kumbakonam	Thanjavur	Fresh	1	22
	Madurai	Madurai	Local-New	1	22
	Panruti	Cuddalore	Bangalore-Mango	1	18
			Mettupalayam-New	1	23
	Thalaivasal	Salem	New	1	30
			Old	1	60
	Tirunelveli	Tirunelveli	New	1	-
			Old	1	-

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

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