

### RED CHILLIES

#### Market Analysis:

- Red chilli cash markets remained steady to slightly firm today.
- Despite of the increased arrival of new crop in Guntur market, chilli prices posted some gains due to the marginal improvement in demand.
- Forecasts of around 30% decline in domestic output during current year compared to the last year also supporting bullish sentiments.
- Overall sentiments remained weak for short term as weak futures counter partially influenced the weak sentiments in the cash markets.
- 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.

***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 shows sideways movement of prices in the future market and is trading in the range of 9226-9450.
- Prices closed below 9 and 18-day EMA's thus supporting the bearish momentum in the short term and medium term.
- MACD is moving down supporting bearish markets.
- RSI is moving down in the neutral zone supporting bearish sentiment in the markets.

**Red Chilli futures are likely to trade range bound in next trading session. Players should wait till prices breach either of the level.**

#### Weather:

- Isolated rainfall would occur over Tamil Nadu and Kerala during next 48 hours and decrease thereafter.
- This may disrupt harvesting of the crop.

#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	Wait	-	-	-	-	9150	9225	9240	9475	9570

#### Price Drivers:

No.	Pressure Point	Favours
1	Lower production estimates	Bulls
2	Weak futures counter	Bears
3	Weak spot demand	Bears
4	Weak stockist's demand	Bears
5	Offloading of stocks	Bears

#### SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	19-03-11	18-03-11	Change
LCA 334	Guntur	7000-8400	6350-7750	+650
Bedki		8000-9000	7500-8500	+1000

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

	19-03-11	18-03-11
Arrivals-New	60000	50000
Offtake	40000	30000



### BLACK PEPPER:

#### Market Analysis:

- Delhi market remained closed on Saturday on account of Holi.
- Prospects of increased demand from global markets for Indian Black Pepper are currently supporting domestic prices as supply crunch in global markets has opened the door for Indian pepper.
- Additionally, firm demand of the commodity in the spot markets also supporting bullish sentiments.
- Although harvesting has started in Vietnam, but negligible stock position in the country is expected to retain the global prices on higher note till the commencement of new crop arrival.
- India is offering MG1 grade at a price tag of \$5,000-5,100 a ton. Vietnam is not quoting any prices and Indonesia's FoB price is \$5,100 a ton. Brazil quality is inferior.
- Meanwhile, sources added that at current prices India is exporting as exporters are gathering stocks as they fear that in long term the world might see shortage of stocks.

*In the short term pepper prices will depend on demand from the overseas and domestic market. In the medium to long term price trend will depend on pepper stocks with Vietnam and demand from the overseas and domestic buyers.*

#### Technical Analysis:

- Candlestick formation hints buyer's active participation.
- Prices closed above 9 and 18-day EMAs supporting the bullish momentum in short term.
- MACD is moving up and supports the firm sentiments.
- RSI is moving down supporting the bearish sentiment in the future market.
- Black Pepper futures are likely to trade range bound with a firm bias in next trading session.

**Players may go for buy from lower levels.**

#### Weather:

- Isolated rainfall would occur over Tamil Nadu and Kerala during next 48 hours and decrease thereafter.
- This may disrupt harvesting of the crop and will impact normal arrival.

#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	BUY	>23370	23525	23600	23270	23300	23090	23478	23772	23912

#### Price Drivers:

No.	Pressure Point	Favours
1	Harvesting has started in Vietnam	Bears
2	Higher arrivals in domestic markets	Bears
3	Strong domestic and export demand	Bulls
4	Lower crop this year in Malabar	Bulls
5	Planters hoarding stocks	Bulls

#### SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	19-03-11	18-03-11	Change
Ungarbled	Kochi	21900	21900	-
Garbled	Kochi	22700	22700	-

#### Arrivals and Offtake in Tonnes:

	19-03-11	18-03-11
Arrivals	20	15
Offtake	20	15



## TURMERIC

### Market Analysis:

- Nizam and Erode markets remained closed on eve of Holi.
- Sources added that sentiments may remain weak as arrivals may improve next week after Holi.
- Expectation of higher arrival may drive market down in week ahead.
- However sources added that sentiments could remain bullish in the longer run on fresh reports of bad weather in the previous few weeks could cause damage to the crops in A.P. and Tamil Nadu.
- Production estimates for this year ranges from 50-60 lakh bags all over India compared to 40-45 lakh bags during the previous year.

*In the short-term turmeric prices may trade range bound to weak bias on expected 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 sellers support in future market.

Prices closed below 9 and 18-day EMAs thus supporting the bearish momentum in short term.

- MACD is moving down supports the bearish sentiments.
- RSI is moving down supports weakness in the market.
- **Turmeric futures are likely to trade range bound with a weak bias in next trading session. Fundamental and volume are unsupportive. Participants should go for short at higher level.**

### Weather:

- Scattered thundershowers would occur over Tamil Nadu, Kerala, coastal Andhra Pradesh and south Karnataka during next 24 hours and decrease thereafter.
- 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	Weak spot demand	Bears
5	Untimely rains may disrupt harvest	Bulls

### SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	19-03-11	18-03-11	Change
Finger	Erode	closed	closed	Unch
Gattah	Erode	closed	closed	-
Nizam	Nizamabad	closed	closed	Unch

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

	Centre	19-03-11	18-03-11
Arrivals	Erode	closed	Market closed
Offtake	Erode		closed
Arrivals	Nizamabad	closed	Market closed
Offtake	Nizamabad		closed



### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	Sell	<9970	9825	9775	99100	9645	9798	9900	10100	10250

**CARDAMOM**
**Market Analysis:**

- Cardamom prices at spot markets improving sturdily by Rs. 28-30/kg from the last couple of days. Prevailing firm demand as result of ongoing marriage season supported cardamom market prices.
- Arrivals were high on Friday compared to the previous day arrivals and 100 percent of total arrivals were picked up by the purchasers as a result of higher demand in the market.
- Higher levels of arrivals in the domestic markets may further pressurise the prices and may push the prices slightly down in medium term.
- Sentiments continued to remain firm as spot and stockists demand remained firm at lows.
- Sources added that weak sentiments could be due to lower pricing of the Guatemala crop than the Indian cardamom.
- According to Spices Board cardamom production is estimated around 10,350 tonnes compared with 10,075 tonnes last year.
- Adequate stock in the physical markets following increased arrivals from the southern producing region may put pressure on cardamom futures prices in medium term.

*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 above 9 day EMAs and below the 18-day EMAs supporting range bound to bullish momentum in the short term.
- MACD is moving up in the neutral region supporting bullish sentiment.
- RSI is moving up in the neutral zone supporting the positive trend.
- Cardamom futures are likely to trade range-bound with a firm bias in next trading session. The Cardamom futures may continue in uptrend for the next couple of trading sessions.**

**Weather:**

- Isolated rain/thundershowers would occur over Punjab, Uttar Pradesh, Bihar, Jharkhand, Gangetic West Bengal, Tamil Nadu, Kerala and Lakshadweep and scattered over Andaman & Nicobar Island.
- Fairly widespread rain/thundershowers are expected during the period of one week over northeastern states, Andaman & Nicobar Islands, Kerala and Tamil Nadu which may disrupt harvesting of the crop.

**Price Drivers:**

No.	Pressure Point	Favours
1	Firm futures counter	Bulls
2	Planters hoarding stocks	Bulls
3	Firm spot and stockists demand	Bulls
4	Arrivals remain high	Bears
5	Higher production	Bears

**SPOT MARKET PRICES: (Rs/Kg)**

Grade	Centre	18-03-11	17-03-11	Change
Small	Max Auction Price	1339.50	1203.50	+136
	Average Auction Price	1001.30	971.97	+29.33

(Prices not available for 19/03/2011)

**Arrivals and Offtake in Kgs:**

	18-03-11	17-03-11
Arrivals	31805	9866
Offtake	31805	9442


**Trade Recommendation (April Contract)**

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
MCX-Apr	BUY	>1130	1139	1145	1123	1116	1126	1135.20	1151	1164



### CUMIN SEED

#### Market Analysis:

- Unjha cash market prices down on Saturday as good arrivals over offtake in comparison to previous day and sluggish demand in the Unjha market pressurize the prices down.
- Sources revealed that owing to fresh arrivals in March end to April, the spot and future prices may go down. Also weak fundamentals may pressurize the prices.
- However after post Holi period, prices may crash due to high arrivals in the market.
- Sources added that markets sentiments will remain weak due to weak spot and export demand.
- On the other hand lower production this year could also weaken markets as Gujarat and Rajasthan is expected to produce high due to higher plantings.
- The production estimates in Gujarat is expected at par at 25 lakh bags compared to previous estimate at 25 lakh bags.
- Sources add that this year Rajasthan could produce between 7-8 lakh bags compared to previous year production at 6-7 lakh bags.

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

#### Technical Analysis:

- Candlestick formation reveals sell below resistance level.
- Prices have closed above the 18-day EMAs but closed below 9- day EMAs which suggests bullish trend in short term.
- MACD is moving down supports bearish markets.
- RSI is moving down which further indicates negative sentiments in the markets.
- Cumin seed futures are likely to trade range bound with a weak bias in next trading session.**

#### Weather:

Dry weather conditions in Gujarat and Rajasthan may assist in the crop 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	19-03-11	18-03-11	Change
Loose		12575	12675	-100
Machine Cut	Unjha	13950	14050	-100
NCDEX Quality		13425-13450	13525-13550	-100

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

	19-03-11	18-03-11
Arrivals-New	15000	25000
Offtake	8000	20000



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	Sell Above	16081	15967	15890	16188	15889	15967	16041	16188	16247

### CORIANDER SEED

#### Market Analysis:

- In Ramganj mandi, arrivals are reported at around 13,000 bags, which are lower by 27,000 bags as compare to the previous day's arrivals.
- Sources revealed that, arrivals are reported lower in the spot market on account of Holi festival.
- As per trade sources, arrivals will be increased in Ramganj mandi after Holi festival which may likely to exert pressure on Coriander prices in spot market.
- Lower arrivals are reported in Kota mandi which lend support the coriander prices in the spot market.
- In Kota mandi, arrivals are reported at around 5,000 bags, which are lower by 5,000 bags as compare to the previous day's arrivals.
- Sources revealed that, due to high moisture level in new crop demand remained lower. However, buying interest seen for old crop in increased trading activities in Kota mandi.
- In Madhya Pradesh, mandi was reported closed due to Holi therefore no trading activity was reported.

**Coriander prices are expected to trade range bound with firm bias on anticipation of higher demand from stockiests and millers in the spot market. However, increase in arrivals in the spot market may restrict the gain.**

#### Technical Analysis:

- Candlestick chart pattern indicates the bullish sentiment in the market.
- Prices are below 9 and 18-day EMAs supporting bearish momentum in the short term.
- MACD is moving down in negative region indicating the bearish momentum in the short term.
- RSI is moving up in the neutral zone indicating the bullish momentum in the short term.
- Coriander seed futures are likely to trade range-bound with weak bias in next session.

#### Weather:

- Isolated rain/thundershowers would occur over Tamil Nadu, Kerala & Lakshadweep. And mainly dry weather is likely over rest of the region of south India.
- Fairly widespread rain/thundershowers are expected during the period of one week over northeastern states, Andaman & Nicobar Islands, Kerala and Tamil Nadu which may disrupt harvesting of the crop.

#### Price Drivers:

No.	Pressure Point	Favours
1	Fresh crop arrivals	Bears
2	Higher production estimates	Bears
3	Firm spot demand	Bulls
4	Firm futures	Bulls
5	Firm demand from millers	Bulls

#### SPOT MARKET PRICES: (Rs/Qtl)

Grade	Centre	19-03-11	18-03-11	Change
Badami	Ramganj	3800-4000	-	-
Eagle		4000-4400	-	-

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

	19-03-11	18-03-11
Arrivals-New	12000-13000	-
Arrivals-Old	500-1000	-
Offtake	5000-6000	-



#### Trade Recommendation

Contract	Call	Entry	T1	T2	SL	S2	S1	PCP	R1	R2
NCDEX-Apr	SELL	4775-4780	4765	4746	4836	4721	4754	4763	4856	4871

**WHOLESALE PRICES FOR MAJOR SPICES IN KERALA AND TAMIL NADU MANDIS**

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					19-03-11	18-03-11
<b>Cardamom</b>	Kochi	Ernakulum	Local	1	500	500
	Coimbatore	Coimbatore	Local	1	1300	1300
	Mettupalayam	Coimbatore	Local	1	1400	1400
	Gandhi Market	Tiruchirapalli	Local	1	1600	1600
	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	
					19-03-11	18-03-11
<b>Pepper</b>	Kochi	Ernakulum	Black	1	223	225
			Green	1	243	243
			White	1	234	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	
					19-03-11	18-03-11
<b>Coriander</b>	Kochi	Ernakulum	Local	1	54	54
	Coimbatore	Coimbatore	Local	1	90	90
	Mettupalayam	Coimbatore	Local	1	88	88
	Gandhi Market	Tiruchirapalli	Half	1	78	78
			Muzhu	1	78	78
	Panruti	Cuddalore	Local	1	54-60	54-60
	Thalaivasal	Salem	Local	1	50	50

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					16-03-11	18-03-11
<b>Turmeric</b>	Madurai	Madurai	Local	1	35	35

#### WHOLESALE PRICES FOR MINOR SPICES IN KERELA AND TAMIL NADU MANDIS

Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					19-03-11	18-03-11
Clove	Kochi	Ernakulum	Local	1	328	328
	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	
					19-03-11	18-03-11
Fennel	Kochi	Ernakulum	Local	1	70	70
	Coimbatore	Coimbatore	Local	1	110	110
	Mettupalayam	Coimbatore	Local	1	108	108
	Gandhi Market	Tiruchirapalli	Local	1	180	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	
					19-03-11	18-03-11
Cinnamon	Kochi	Ernakulum	Local	1	122	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	
					19-03-11	18-03-11
Fenugreek	Kochi	Ernakulum	Local	1	75	75
	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



Spice	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					19-03-11	18-03-11
Nutmeg	Kochi	Ernakulum	Local	1	122	122
	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	
					19-03-11	18-03-11
Garlic	Kochi	Ernakulum	Nadan	1	146	146
	Coimbatore	Coimbatore	China	1	150	150
			H.P	1	90	90
			M.P	1	55-60	55-65
			Local	1	40-100	40-100
	Ottanchatram	Dindigul	China	1	200	200
			Hill	1	340	340
			Local	1	40-100	40-100
	Koyambedu	Chennai	Old	1	50-70	50-70
			Local	1	260	260
	Hosur	Krishnagiri	M.P	1	220	220
			Nadu	1	40-60	40-60
			MP	1	55	60
	K.R. Market	Bangalore	UP	1	65	65
			China	1	190	190
			Local first	1	80	80
	Kumbakonam	Thanjavur	Local Second	2	70	70
			Local third	3	60	60
			Dindigul	1	65	65
	Madurai	Madurai	Himachal Pradesh	1	160	160
	Mettupalayam	Coimbatore	Jamnagar	1	100	100
			Ooty	1	350	350
			Pune-New	1	60	60
	Panruti	Cuddalore	Local	1	200	200
	Thalaivasal	Salem	Nelagiri	1	250	250

Spices	Market	District/State	Variety	Grade	Price (Rs/Kg)	
					Date	
					19-03-11	18-03-11
Ginger	Kochi	Ernakulum	Dry	1	52	52
	Coimbatore	Coimbatore	Vegetable-Fresh	1	30	30
			Mango	1	14	14
	Koyambedu	Chennai	Kolkata-New	1	21.5	21.50
			Mango	1	18	22
	Hosur	Krishnagiri	Kodagu	1	40	40
			New	1	20	20

		UP	1	30	30
Gandhi Market	Tiruchirapalli	Local-New	1	30	30
		Himachal	1	24	24
K.R. Market	Bangalore	Kodagu	1	27	27
		Maran	1	22	22
Kumbakonam	Thanjavur	Fresh	1	22	22
Madurai	Madurai	Local-New	1	22	22
Panruti	Cuddalore	Bangalore-Mango	1	18	18
		Mettupalayam-New	1	24	24
Thalaivasal	Salem	New	1	30	30
		Old	1	60	60

Source: [http://indg.in/india/market information ta](http://indg.in/india/market_information_ta)

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