



BLACK PEPPER

- Kochi Black Pepper physical market surged higher this fortnight supported by good demand in the domestic counter.
- 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.
- 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.
- 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.
- According to our sources stock arrivals are limited in Vietnam and India since the growers are expected to hold the stocks for better price realization.
- Sources added that production could be scaled down to 45,000 tonnes compared to 48,000 tonnes. However production in Vietnam could be higher between 1 lakh to 1.20 lakh tonnes.
- Sources estimates only 10,000 tonnes production for Indonesia due to aggressive selling of the crop last year. Sources also estimate Indian production to be at 40,000 tonnes compared to 55,000 tonnes. In Brazil and China, total production this year might be 30,000 tonnes each and total production from Vietnam is estimated at 110,000 tonnes.
- Cumulative arrivals for this fortnight were higher at 340 Tonnes. Cumulative offtake for this fortnight were also higher at 455 Tonnes.
- However, Spices Board said that Pepper exports were down by 10% at 16,600 tonnes compared 18,425 tonnes during the period of April-February 2009-10.

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.

Rs/Qtl	March 19 th 2011	April 02 nd 2011	Change
Ungarbled	21900	23500	+1600
Garbled	22700	24300	+1600

Technical Analysis - NCDEX – April Futures

Pepper 1104(NCPEPJ1)2011/04/02 - Daily B:25210.00 A:25479.00
O 25053.00 H 25510.00 L 24977.00 C 25424.00 V 8,269 I 7,105 +314
EMA(9) 24625 (18) 24163



- Prices have closed above 9 and 18-day EMAs thus supporting the bullish momentum in short term.
- MACD is moving up supports bullish market.
- However, RSI is moving up in the overbought region and is warranting caution to the bulls.
- Key support levels are at Rs 22688/qtl and then Rs 24056/qtl.
- Key resistance levels are at Rs 26151/qtl and then Rs 26878/qtl.



CARDAMOM

- Cardamom markets remained mixed this fortnight amid lower arrivals higher in the domestic markets due to financial year closing.
- Sources say that higher levels of arrivals in the domestic markets may further pressurise the prices and may push the prices slightly down in medium term.
- However demand remained firm as result of ongoing marriage season.
- 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.
- Cumulative arrivals for this fortnight were lower at 374,455 kgs. Cumulative offtake for this fortnight were lower at 364,237 kgs.
- Spices Board said that Cardamom Small exports were down by 51% at 865 tonnes compared 1,765 tonnes during the period of April-February 2009-10.
- Cardamom Large exports were down by 12% at 700 tonnes compared 795 tonnes during the period of April-February 2009-10.

We believe that cash markets may remain range bound to weak in the short term due to higher arrivals. In the longer run markets could remain weak on better output from India and lower imports from Guatemala.

Rs/Kg	March 19 th 2011	April 01 st 2011	Change
Max Auction Price	1132	1166	+34
Average Auction Price	1015.31	933.62	-81.69

Technical Analysis - MCX – April Futures



- Prices have closed above 9 and 18-day EMAs thus supporting the bullish momentum in the short term.
- MACD is flat in the negative zone suggesting a decline in bearish momentum.
- RSI is moving up and supports bullish sentiments.
- Key supports appear to be at Rs 1032/Kg and then Rs 1080/Kg.
- Key resistances appear to be at Rs 1161/Kg and then Rs 1194/Kg.



TURMERIC

- Nizam markets remained closed and will re-open on April 05th due to the financial year closing and festival in Erode.
- Sources in Erode additionally said that markets will be closed from Friday 25th March and will reopen only on 5th April on Tuesday due to a local festival.
- Sources added that sentiments may remain weak as arrivals may improve in this week.
- So farmers may bring more arrivals in the market in the next fortnight which may pull the markets lower.
- Sources also added that weak domestic and export demand will continue to weaken markets.
- However, higher production estimates for this year at 50-60 lakh bags all over India compared to 40-45 lakh bags during the previous year may bring the markets down in the long run.
- Spices Board said that Turmeric exports were down by 9% at 42,500 tonnes declined during the period of April-February 2010-11 compared 46,575 tonnes during the period of April-February 2009-10.
- Cumulative arrivals at Erode for this fortnight were higher at 137,000 quintals. Cumulative offtake for this fortnight were at 95,500 quintals.
- Cumulative arrivals at Nizam for this fortnight were also lower at 92,000 quintals and were completely sold.
- 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 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.

Rs/Qtl	March 18 th 2011	April 01 st 2011	Change
Finger – Erode	11100-12000	Closed	-
Gattah – Erode	10600-11500	Closed	-
Nizam Quality	11800-12000	Closed	-

Technical Analysis - NCDEX – April Futures



- Price has closed above 9 and 18-day EMAs supporting the bullish momentum in short term.
- MACD is moving down supporting the bearish sentiments.
- RSI is moving up in the neutral region and is supporting the positive sentiments.
- Key supports are visible at Rs 9070/qtl and then at Rs 9558/qtl.
- Key resistance are visible at Rs 10376/qtl and then at Rs 10706/qtl.



CUMIN SEED

- Unjha cash markets remained weak this fortnight as fresh arrivals remained higher in the markets.
- Cumulative arrivals at Unjha for this fortnight were lower at 165,000 quintals due to financial year closing. Cumulative offtake for this fortnight were at 138,000 quintals.
- Unjha markets re-opened on April 02nd with a weak bias.
- Jodhpur markets also remained steady as buyer's activity remained low due to financial year ending.
- Sources added that arrivals may improve during the next fortnight as planters may bring more stock.
- However, production this year could be lower in Gujarat due to bad weather in Gujarat.
- However Rajasthan is expected to produce more due to higher plantings.
- The production estimates in Gujarat is expected to be lower at 14-15 lakh bags compared to previous year estimates 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.
- Spices Board said that Cumin Seed exports were down by 29% at 27,500 tonnes declined during the period of April-February 2010-11 compared 44,800 tonnes during the period of April-February 2009-10.

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

Rs/Qtl- Unjha	March 19 th 2011	April 02 nd 2011	Change
Loose	12575	12425	-150
NCDEX	13425-13450	13275-13300	-150
Poojari	13950	13800	-150

Technical Analysis - NCDEX – May Futures



- Prices have closed above 9-day EMAs thus supporting the bullish momentum in the short term.
- MACD is flat supporting the negative sentiments in the market.
- RSI is moving down supporting the bearish momentum.
- Key support levels are at Rs 15442/qtl and then Rs 15816/qtl.
- Key resistance levels are at Rs 16564/qtl and then Rs 16938/qtl.



Red Chilli

- Red chilli cash markets remained mixed this fortnight as weak domestic and international demand pulled the markets lower.
- On the other hand lower production estimates kept the markets from falling heavily.
- Red Chilli cash market activity remained lower due to the financial year closing.
- Sentiments remained firm as firm futures counter partially influenced the firm sentiments in the cash markets this fortnight.
- Sources however say that demand continues to be weak and may continue to pull the markets lower.
- Spices Board said that Chilli exports during the period of April-February 2010-11 at 218,500 tonnes compared 180,750 tonnes shipped out during the period of April-February 2009-10, higher by 21%.
- However, traders have estimated a decline of 30% in domestic output during current year compared to the last year.
- 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.
- Cumulative arrivals at Guntur for this fortnight were lower at 440,000 quintals. Cumulative offtake for this fortnight were also lower at 370,000 quintals.

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.

Rs/Qtl - Guntur	March 18 th 2011	April 01 st 2011	Change
LCA 334-New	6300-7700	7000-8000	+300
Bedki	7500-8500	7200-8000	-500

Technical Analysis - NCDEX – June Futures



- Prices have closed above 9-day EMA thus supporting the bullish momentum in the short term.
- MACD is moving up supporting bullish sentiments.
- RSI is moving up in the neutral region and is supporting bullish sentiments.
- Key support levels are at Rs 8110/qtl and then Rs 8744/qtl.
- Key resistance levels are at Rs 9880/qtl and then Rs 10382/qtl.



Coriander Seed

- Coriander prices moved higher this fortnight amid higher arrivals in Ramganj.
- Coriander seed markets activity in the last few days of April remained lower due to the financial year closing.
- Markets sentiments may remain higher supported by firm buyer's activity in the markets.
- Sources added that a rebound in the domestic and export demand may push markets higher.
- Sentiments remained firm as firm futures counter partially influenced the firm sentiments in the cash markets.
- Sources added that this year initial trader's estimates were 1 crore bags however due to bad weather conditions during the harvest production may be lower than the initial prediction.
- Spices Board said on Friday that Coriander Seed exports were down by 9% at 37,500 tonnes declined during the period of April-February 2010-11 compared 41,150 tonnes during the period of April-February 2009-10.
- Cumulative arrivals at Ramganj for this fortnight were at 203,000 quintals. Cumulative offtake for this fortnight were at 181,000 quintals.

Coriander prices are expected to trade range bound with weak bias on anticipation of higher arrivals in the short term. Medium to long term sentiments depend on demand from stockiest and millers in the spot market.

Rs/Qtl - Ramganj	March 19 th 2011	March 30 th 2011	Change
Badami	3800-4000	4050	+50
Eagle	4000-4400	4650	+250

Technical Analysis - NCDEX – April Futures



- Prices have closed above 9 and 18-day EMA thus supporting the bullish momentum in the short term.
- MACD is moving up supporting bullish sentiments.
- RSI is moving up in the overbought region and is warranting caution to the bulls.
- Key support levels are at Rs 4011/qtl and then Rs 4558/qtl.
- Key resistance levels are at Rs 5405/qtl and then Rs 5705/qtl.

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