



## BLACK PEPPER

- Black Pepper cash markets surged higher this fortnight supported by reports of global shortage expected this year.
- Markets surged higher supported by firm demand on the domestic and the export front.
- Pepper may continue to move higher on positive reports from Vietnam and bullish activities by international operators.
- Sources added that planters throughout the globe could continue to hold on to their stocks as pepper market is weighed down by uncertainty due to tight supply.
- IPC has said that Indian demand is seen robust and supply has declined. So this has prompted a trade estimate of import at 13,250 tonnes during 2011.
- Sources added that Brazil, Indonesia and India have very less stock available and sources added that demand is outpacing the supply and the stocks will get over causing a shortage in the markets.
- Pepper was mainly cultivated in Idukki and Wayanad. However farmers have shifted to cash crops like rubber, cloves and cardamom.
- Sources said that cultivation area has decreased in Kerala from 237,998 hectares to 172,764 hectares.
- Sources also added that in Idukki, the area of pepper cultivation declined from 84,219 hectares to 81,361 hectares while in Wayanad from 41,464 hectares to 19,267 hectares.
- Vietnam Pepper Association said on Wednesday that country's total pepper output this year would be about 100,000-110,000 tonnes, the same as last year.
- According to IPC world pepper output this year will fall by about 6,500 tonnes against 2010 to 310,000 tonnes due to unfavourable weather conditions and pests in several producing countries.
- Cumulative arrivals for this fortnight were lower at 237 Tonnes. Cumulative offtake for this fortnight were higher at 287 Tonnes.

***In the short term pepper prices will move higher on shortage of supply. 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    | April 16 <sup>th</sup> 2011 | April 30 <sup>th</sup> 2011 | Change |
|-----------|-----------------------------|-----------------------------|--------|
| Ungarbled | 25000                       | 27400                       | +2400  |
| Garbled   | 25800                       | 28200                       | +2400  |

## Technical Analysis - NCDEX – May Futures



- 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 down in the overbought region and is warranting caution to the bulls.
- Key support levels are at Rs 26926/qrtl and then Rs 24702/qrtl.
- Key resistance levels are at Rs 30358/qrtl and then Rs 31566/qrtl.



## CARDAMOM

- Cardamom markets fell heavily this fortnight on weak demand and higher production estimates.
- According to Spices Board cardamom production is estimated around 10,350 tonnes compared with 10,075 tonnes last year and this may continue to drag the markets lower in the long term.
- Markets moved lower as stockists and other market participants expect ample stocks till the new season.
- Sentiments remained weak as weak futures counter over the last fortnight has influenced the bearish sentiments in cash markets.
- Spices Board added that Cardamom Small exports were down by 51% at 865 tonnes compared 1,765 tonnes during the period of April-February 2009-10.
- 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 higher at 479,082 kgs. Cumulative offtake for this fortnight were lower at 454,508 kgs.

***We believe that cash markets may remain range bound to weak in the short run on higher production estimates and weak demand. In the longer run markets could remain weak on better output and lower exports from India.***

| Rs/Kg                 | April 16 <sup>th</sup> 2011 | April 30 <sup>th</sup> 2011 | Change  |
|-----------------------|-----------------------------|-----------------------------|---------|
| Max Auction Price     | 1269.5                      | 1052                        | -217.5  |
| Average Auction Price | 1012.61                     | 825.54                      | -187.07 |

## Technical Analysis - MCX – May Futures



- Prices have closed below 9 and 18-day EMAs thus supporting the bearish momentum in the short term.
- MACD is moving down in the negative zone suggesting a decline in bearish momentum.
- RSI is moving up in the oversold region and warranting caution to the bears.
- Key supports appear to be at Rs 929/Kg and then Rs 869/Kg.
- Key resistances appear to be at Rs 1088/Kg and then Rs 1188/Kg.



## TURMERIC

- Nizam cash markets ended steady this fortnight. However markets rebounded from lows as arrivals declined slightly.
- Erode markets moved higher this fortnight on lower production estimates.
- Sources in Nizam say that domestic demand was lower and dragged the markets lower.
- Sources however added that sentiments may remain weak as arrivals may improve in the next fortnight.
- Sources higher production estimates for this year is at 40-50 lakh bags all over India compared to 40-45 lakh bags during the previous year and may support any uptrend.
- Planters hoarding stocks on anticipation of higher prices and may support the uptrend in both the markets.
- 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 Nizam for this fortnight were lower at 103,000 quintals and were completely sold.
- Cumulative arrivals at Erode for this fortnight were lower at 106,000 quintals and cumulative offtake was 88,900 quintals.

***In the short-term turmeric prices may trade range bound to firm on lower arrivals expectations in the markets. In the medium to long-term the price trend may depend on this year's output estimates and demand.***

| Rs/Qtl         | April 16 <sup>th</sup> 2011 | April 29 <sup>th</sup> 2011 | Change |
|----------------|-----------------------------|-----------------------------|--------|
| Finger – Erode | 10100-11100                 | 10350-11350                 | +250   |
| Gattah – Erode | 9600-10600                  | 9850-10850                  | +250   |
| Nizam Quality  | 11250                       | 11150-11250                 | -      |

## Technical Analysis - NCDEX – May Futures



- Price has closed below 9 and 18-day EMAs supporting the bearish momentum in short term.
- MACD is flat and supports the sideways sentiments.
- RSI is moving down in the neutral region and is supporting the negative sentiments.
- Key supports are visible at Rs 8565/ql and then at Rs 8299/ql.
- Key resistance are visible at Rs 9141/ql and then at Rs 9451/ql.



## CUMIN SEED

- Unjha cash markets fell this fortnight as fresh arrivals declined in the markets.
- Cumulative arrivals at Unjha for this fortnight were lower at 268,000 quintals. Cumulative offtake for this fortnight were at 232,000 quintals.
- Jeera prices moved up supported by a firm spot market demand.
- Sources added that arrivals may decline further this week pushing markets higher.
- Sources added that about 2500 bags of Jeera have been exported to Bangladesh supported the firm export demand scenario.
- Sources in the Delhi say production could be lower due to lower acreage. Sources in Rajasthan and Gujarat also say that production this year could be lower at 21-32 lakh bags in Gujarat and 6-7 lakh bags in Rajasthan.
- Sources also added that market sentiments may be positive in the long run due to lower production estimates from Syria and Turkey due to bad weather conditions.

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

| Rs/Qtl- Unjha | April 16 <sup>th</sup> 2011 | April 30 <sup>th</sup> 2011 | Change |
|---------------|-----------------------------|-----------------------------|--------|
| Loose         | 14025                       | 13975                       | -50    |
| NCDEX         | 14825-15100                 | 14775-15050                 | -50    |
| Poojari       | 14600                       | 14550                       | -50    |

## Technical Analysis - NCDEX – June Futures

Jeera Unjha 1106(NCJEE1)2011/04/30 - Daily B:15715.00 A:15720.00  
O 15683.00 H 15850.00 L 15683.00 C 15758.00 V 3,351 I 18,660 +77

EMA(9) 15639 (18) 15835



DAV(9, 12, 12) -59.4006 MACD -83.0878 DIF 23.6872



- Prices have closed above 9-day EMAs thus supporting the bullish momentum in the short term.
- MACD is moving up and supports the positive sentiments in the market.
- RSI is moving up in the neutral region and supports the bullish sentiments in the market.
- Key support levels are at Rs 15204/qtl and then Rs 14651/qtl.
- Key resistance levels are at Rs 16231/qtl and then Rs 16705/qtl.





## Red Chilli

- Red Chilli cash markets remained steady to firm this fortnight amid higher arrivals in the markets.
- Sentiments remained weak as weak futures counter partially influenced the selling in the cash markets this fortnight.
- Sources however say that market operators were selling their stock at highs and this may bring markets down.
- Spices Board also 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%.
- Supporting the uptrend is that 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 added that usually trading shuts down in May in Guntur so farmers may try to bring in more stock which may continue to weaken markets.
- Cumulative arrivals at Guntur for this fortnight were higher at 425,000 quintals. Cumulative offtake for this fortnight were also lower at 330,000 quintals.

***In the short-term red chilli prices may remain weak on subdued spot demand. In the long term market trend may depend on export demand and production estimates of the crop.***

| Rs/Qtl - Guntur | April 15 <sup>th</sup> 2011 | April 29 <sup>th</sup> 2011 | Change |
|-----------------|-----------------------------|-----------------------------|--------|
| LCA 334-New     | 8000-9000                   | 8000-9000                   | -      |
| Bedki           | 7800-8800                   | 8000-9000                   | +200   |

## Technical Analysis - NCDEX – June Futures

Chilli Guntur 1106(NCGTRM1)2011/04/30 - Daily B:9530.00 A:9812.00  
O 9676.00 H 9792.00 L 9558.00 C 9622.00 V 4,035 I 14,415 -92  
EMA(9) 10039 (18) 10066



- Prices have closed below 9-day EMA thus supporting the bearish momentum in the short term.
- MACD is moving down supporting bearish sentiments.
- RSI is moving down in the neutral region and is supporting bearish sentiments.
- Key support levels are at Rs 9105/qtl and then Rs 8587/qtl.
- Key resistance levels are at Rs 10554/qtl and then Rs 11487/qtl.



## Coriander Seed

- Coriander seed markets fell this fortnight amid lower arrivals.
- Sources however added that Masala maker, stockists and other market operators may come in at lower prices.
- Sources however added that arrivals may increase in the coming fortnight and may bring markets down.
- Sentiments remained weak as weak futures counter over the last 3-4 days has influenced the weakness in 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 at 55-60 lakh bags.
- Cumulative arrivals at Ramganj for this fortnight were at lower 147,000 quintals. Cumulative offtake for this fortnight were at 137,000 quintals.

**Coriander prices are expected to trade range bound with firm bias on lower arrivals and firm demand. Medium to long term sentiments depend on demand from stockiest and millers and lower production this year.**

| Rs/Qtl - Ramganj | April 15 <sup>th</sup> 2011 | April 30 <sup>th</sup> 2011 | Change |
|------------------|-----------------------------|-----------------------------|--------|
| Badami           | 4500                        | 4050                        | -450   |
| Eagle            | 4700-4800                   | 4250-4350                   | -450   |

## Technical Analysis - NCDEX – May Futures



- Prices have closed below 9 and 18-day EMA thus supporting the bearish momentum in the short term.
- MACD is moving down supporting bearish sentiments.
- RSI is moving up moving up supporting bullish sentiments.
- Key support levels are at Rs 4960/qtl and then Rs 4735/qtl.
- Key resistance levels are at Rs 5432/qtl and then Rs 5679/qtl.

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