

Spot Market Recap

Turmeric:

- Turmeric prices have been on the weaker side this week on higher arrivals this week.
- Prices next week will be on the lower side on higher arrival expectations and higher sowing intent for 2011-12.
- Prices remained weak due to lower buying interest and greater heading interest in the exchange platform.

Fundamental analysis

Turmeric Arrival Scenario:

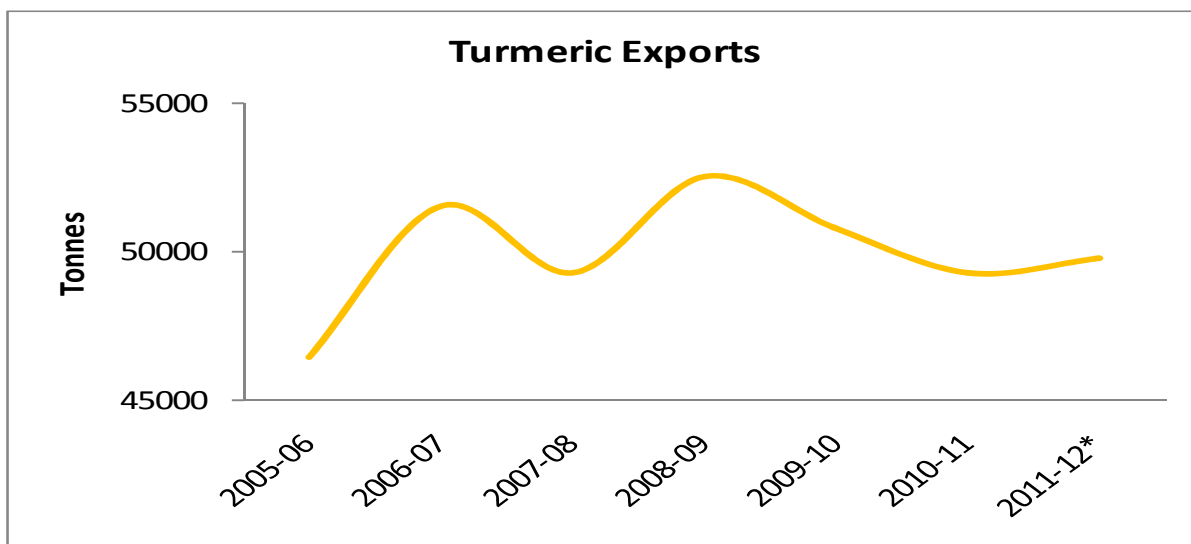
Market	% Change during corresponding period last year	Arrivals during the week (02 nd June-8 th June) in bags	Arrivals during the week (26 th May to 01 st June 2011) in bags	Arrivals during last year (02 nd June-8 th June) in bags
Nizamabad(Andhra Pradesh)	345.5	24,500	11,000	5,500
Erode(Tamil Nadu)	13.79	33,000	33,000	29,000

1 bag = 90kgs

Taking Nizamabad markets as the indicative market, with the arrivals totalling of just 24,500 bags over this week, turmeric prices remained weak compared to last week owing to marked improvement in arrivals week on week and year on year basis. As per government sources, turmeric sowing area in Andhra Pradesh as on 08th June 2011 has been covered in 0.003 lakh hectares. The A.P government is targeting 0.63 lakh hectares. We expect the sowing to increase this year due to higher prices anticipation and we expect the sowing acreage will meet government target.

However, on demand side, we are passing through a phase of transition where domestic demand stay at subdued price levels on the wake of significant surge in production and satisfactory stock position. At the same time though the current export demand remain weak but we expect export to increase moving forward amid expectation of better crop during 2011-12 marketing year. The export of turmeric is projected in the following chart depicting the historical trend and growth.

Turmeric Exports

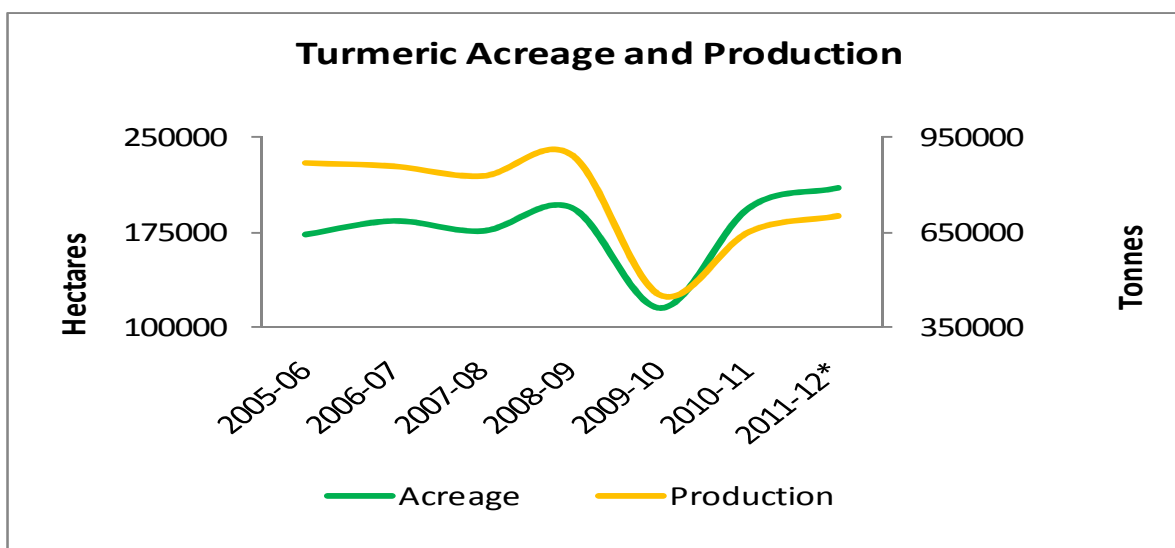


Source: Spices Board

*-AW projection

Turmeric exports in the year April-March 2010-11 decreased by 3% to 49,250 tonnes from 50,750 tonnes during the same period previous year. We can expect the exports of turmeric to increase by an average of 1% in 2011-12 and pegged at 49,745 tonnes compared to 49,250 tonnes in 2010-11 due to higher production expectations for 2011-12.

Turmeric Acreage & Production



Source: Spices Board

*-AW projection

Turmeric acreage increased by 69% in 2010-11 to 194,358 hectares from 114,730 hectares during 2009-10. We can expect the turmeric acreage to increase by 8.1% in 2011-12 to 210,200 hectares compared to 194,358 hectares in 2010-11 by considering the average of 5 years. We expect the acreage to increase on better returns anticipations from the higher prices of Turmeric.

Turmeric production improved by 44% in 2010-11 to 650,000 tonnes from 450,000 tonnes per hectare in 2009-10. We can expect the production of turmeric to increase by 7.692% higher at 700,000 tonnes in 2011-12. Now this may pull the prices lower.

NCDEX FED stocks

According to NCDEX total FED stocks for turmeric at all major centers (Erode, Nizamabad, Sangli and Warangal) is 765 MT expiring on 05-Oct-2011. Sharp decline in the turmeric prices on futures exchange of NCDEX results into limited scope for fresh demat as reveal from the sluggish pace of demat. Meanwhile, lower quantum of FED stock levels which will expire on 5th Oct shall lend support to long term prices as this is a meagre stock level especially during the lean season of arrivals and expectation of sharp improvement of demand backed by festival demand.

Turmeric Price Outlook

Turmeric prices have been trading in the price band of Rs. 7,900-8,700 per quintal in the Nizam market which is expected to drop in the next week due to higher arrivals expected as farmers and stockists will continue to liquidate stocks in anticipation of lower pricing. Keeping in view expectation of better arrivals we expect prices drop of Rs.500/quintal further from the current levels for the next week at both Erode and Nizam in the next week.

Expected Price range of Turmeric Prices for next week

Markets	Expected Range of Turmeric
Nizamabad	7,500
Erode	8,200

Prices-Rs/quintal**Nizam prices-Nizam quality****Erode prices-Finger quality****Turmeric Prices at Nizamabad**



Price-Rs/qtl

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (08-06-2011)	Week Ago (30-05-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Turmeric	Nizamabad-Nizam Cold	-3.067	7800-7900	8050-8150	11150-11250	12800-13000
	Erode-Finger	0.518	8700-9700	8650-9650	9650-10650	13800-14500

Spot Market Recap

Jeera:

- Jeera prices slid this week extending its previous weakness backed by higher arrivals y-o-y.
- Prices also remained on the lower side as continued liquidation from stockists and farmers added a pinch of salt to the market sentiments.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during	Arrivals during the	Arrivals during the	Arrivals during last
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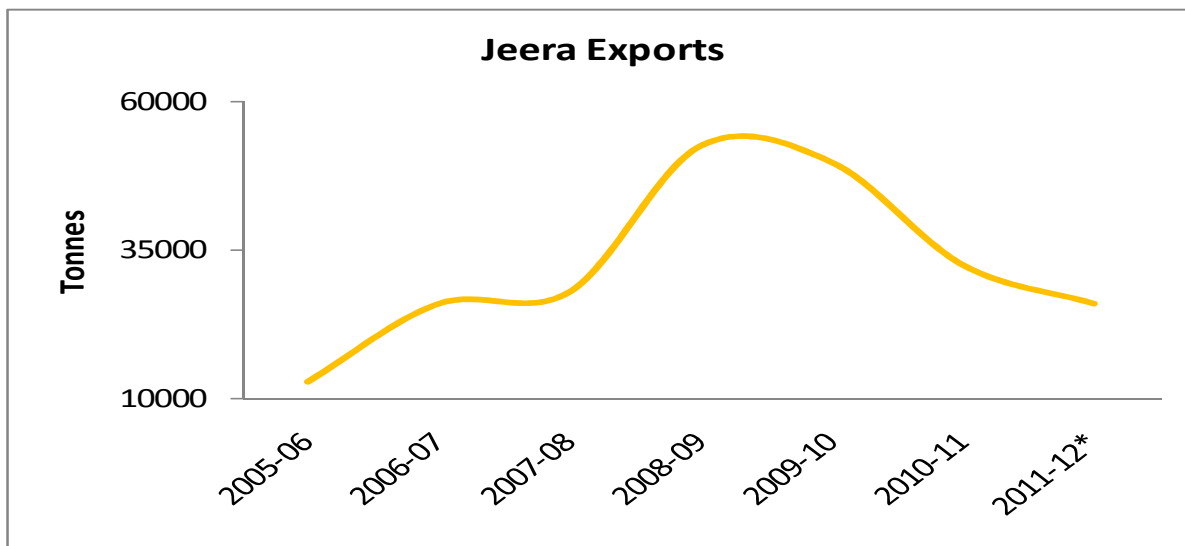
	corresponding period last year	week (02 nd June-8 th June) in bags	week (26 May to 01 June 2011) in bags	year (02 nd June-8 th June 2010) in bags
Unjha (Gujarat)	118.18	48,000	54,000	22,000
Jodhpur (Rajasthan)	-	1,350	1,500	Nil

Unjha 1 bag = 55kgs

Jodhpur 1bag = 80kgs

Taking Unjha cash markets as indicative market, arrivals remained higher at 48,000 bags during the week under review when compared with previous year when arrivals were reported at 22,000 bags. Arrivals improved as farmers and stockists liquidated stocks of lower quality and higher expectations of higher crop in Syria and Turkey.

Exports of Jeera

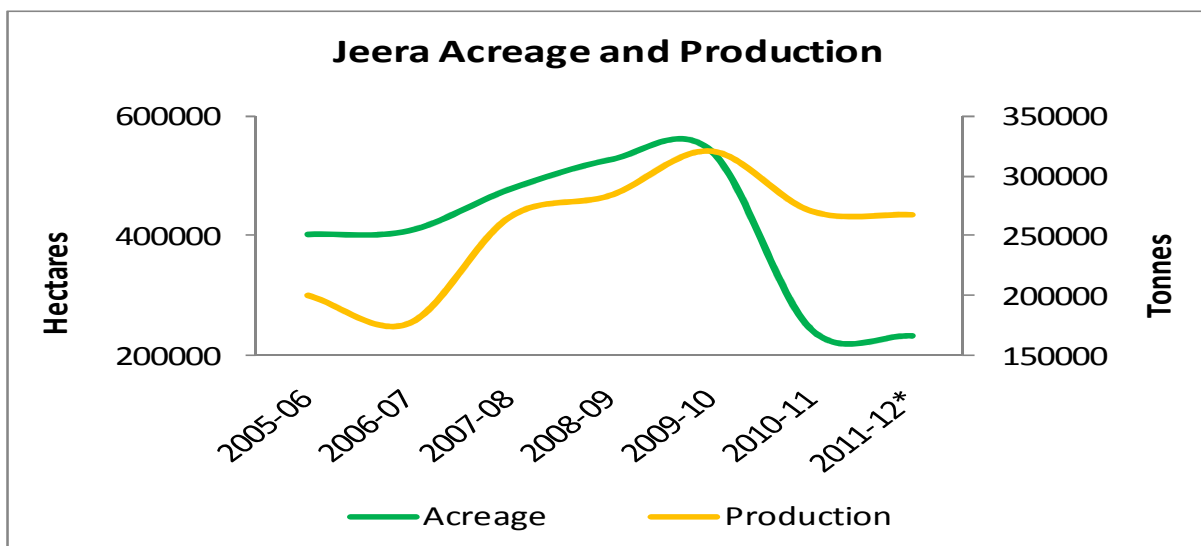


Source: Spices Board

*-AW projection

Jeera exports in the year April-March 2010-11 decreased by -35% to 32,500 tonnes from 49,750 tonnes when compared with previous year. We can expect the exports of jeera to decrease by 20% in 2011-12 at 26,000 tonnes compared to 32,500 tonnes in 2010-11 due to lower production expectations in 2011-12.

Jeera Acreage & Production



Source: Spices Board

*-AW projection

Jeera acreage decreased by 54% in 2010-11 to 244,600 hectares from 542,700 hectares during 2009-10. We can expect the jeera acreage to decrease by an average of 4% in 2011-12 at 234,000 hectares compared to 244,600 hectares in 2010-11 as lower prices of jeera may prompt farmers to decrease the area under jeera. Jeera production decreased by 16% in 2010-11 to 270,000 tonnes from 320,000 tonnes in 2009-10. We can expect the production of jeera to decrease by an average of 1% in 2011-12 at 267,000 tonnes compared to 270,000 tonnes in 2010-11 due to lower acreage expectations in 2011-12.

Jeera Price Outlook

Jeera prices have been trading in the price band of Rs.13,300-13,600 per quintal in the Unjha market which is expected to drop in the next week due to anticipation of higher arrivals expected as farmers and stockists may continue to liquidate stocks. So we expect a prices drop of Rs.200-300/quintal from the current levels for the next week keeping in view the above mentioned factors. We are expecting that prices may drop to the extent price band of Rs. 13,000-131,00/quintal.

Expected price range of Jeera during coming week

Markets	Expected Range of Jeera
Unjha	13,000-13,000
Jodhpur	13,200-13,300
Nagaur	13,300

Prices-Rs/quintal

Unjha prices- Loose quality

Jodhpur and Nagaur- Loose quality

Jeera Prices at Unjha



Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (08-06-2011)	Week Ago (01-06-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Cumin Seed	Unjha-Loose	-0.929	13325	13450	13700	11150
	Jodhpur - Loose	-2.174	13500	13700-13800	13500-13800	10800-10900
	Nagaur-Loose	-2.174	13500	13800	13800	11500-11700

Spot Market Recap

Coriander Seed:

- Coriander seed prices moved lower as arrivals remained higher compared to last year.
- Prices also fell backed by relatively higher beginning stocks this year which is likely to stay at 20-25 lakh bags.

Fundamental analysis

Coriander Arrival Scenario:

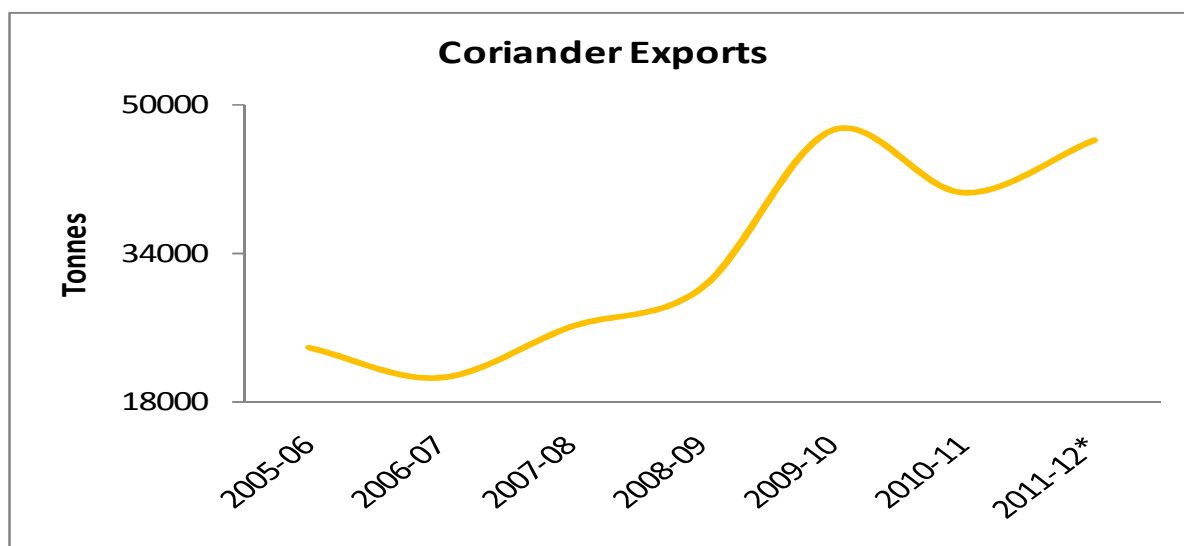
Market	% Change during corresponding period last year	Arrivals during the week (02 nd June-8 th June)	Arrivals during the week (26 th May to 01 st June 2011)	Arrivals during last year (02 nd June-8 th June)
Kota (Rajasthan)	6.538	2335	2650	2191.7
Ramganj	21.294	22,500	24,500	18,550

Kota=in Tonnes

Ramganj=in Bags (1bag=40 kg)

Taking Kota cash markets as the indicative market, arrivals remained higher at 2355 tonnes during the week under review as against 2191.7 tonnes during same period last year. Higher arrivals primarily is primarily due to relatively higher beginning stocks which is pegged at 20-25 lakh bags when compared to last year's 10-15 lakh bags.

Exports of Coriander



Source: Spices Board

*-AW projection

Coriander exports in 2010-11 decreased by 14% to 40,500 tonnes from 47,250 tonnes during the same period previous year. With recent softening in prices expect the exports of coriander to pick up during coming couple of months especially after July which might bring the overall export figure for 2011 to increase by nearly 14% in 2011-12 projected to stay close to 46,170 tonnes compared to 40,500 tonnes in 2010-11.

Coriander Acreage & Production

Year	Acreage in Hectares	Production in Tonnes
2011-12*	356,000	10,150,00
2010-11	348,900	800,000

2009-10	562,045	600,000
Source: Spices Board		
*-AW projection		

Coriander acreage decreased by 37.9% in 2010-11 to 348,900 hectares from 562,045 hectares during 2009-10. We expect the coriander acreage to increase by an average of 2.3% in 2011-12 at 356,000 hectares compared to 348,900 hectares in 2010-11 as prices are higher compared to last year's prices. Keeping in view the lucrative coriander prices realized by farmers we expect the production to improve by nearly 27% in 2011-12 and projected at 101,500,0 tonnes .anticipating congenial weather condition throughout the growing period.

NCDEX FED stocks

FED coriander stocks for 5th July expiry stood at 5348 metric tonnes out of which stocks from Kota alone were near 5298 MT and 50 MT from Ramganj with combined final expired stocks of 5348 MT. OI as of 8th June stand at 18180 MT which is likely to decline with approaching its expiry towards 20th June. Since the prices are in its downward trend signifying sellers dominated market and any short covering before its expiry might give a pull- back rally to avoid delivery of the finally expired coriander. Keeping in view the above mentioned factors we expect a marginal jump in prices moving forward.

Coriander Price Outlook

Coriander was trading in the price band of Rs. 3,200-3,650 per quintal (indicated by the blue lines) with overall trend to stay weak we expect a marginal jump in prices at it bottom levels however it might face strong selling pressure in case of immediate jump.

Expected Price range of Coriander Prices for next week

Markets	Expected Range of Coriander
Kota	3200-3400
Ramganj	3000

Prices-Rs/quintal

Kota- Badami quality

Coriander Prices at Ramganj



Price-Rs/qtl

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (08-06-2011)	Week Ago (01-06-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Coriander Seed	Ramganj-Badami	-7.042	3200-3300	3450-3550	3600-3700	2441
	Kota-Badami	-5.369	3525	3725	3900-4000	2300
	Baran-Badami	-3.75	3750-3850	3900-4000	3900-4000	2040

Spot Market Recap

Black Pepper:

- Black Pepper remained firm on lower arrivals and firm export demand expectations.
- Prices were firm after trade sources revealed that Indian exports could increase in the coming months due to shortage in the global crop.

Fundamental Analysis

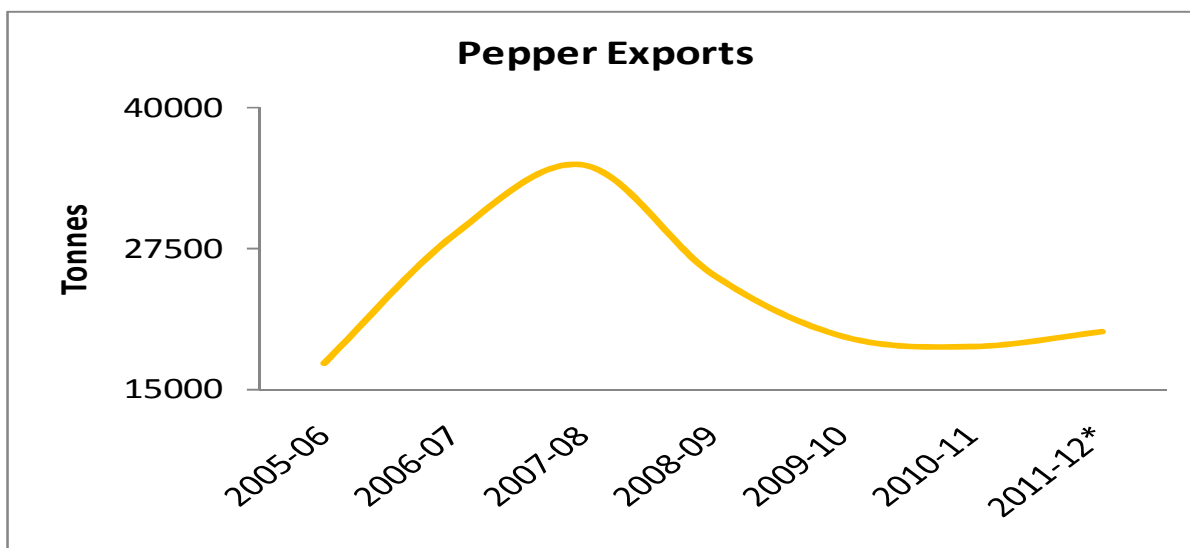
Black Pepper Arrival Scenario

Market	% Change during	Arrivals during the	Arrivals during	Arrivals during
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	corresponding period last year	week (02 nd June-8 th June) in tonnes	the week (26 th May to 01 st June 2011) in tonnes	last year (02 nd June-8 th June) in tonnes
Kochi (Kerala)	-61.463	79	97.5	205

Arrivals remained quite low at 79 tonnes during the week as against 205 tonnes in the same period last year. Lower production coupled with lean season pushed the prices higher during this week. Indian pepper prices staying at these higher levels when compared to other destinations, has also made it uncompetitive in the global market. At the same time, exporters are showing interest in buying pepper at farm gate the high density high quality pepper rather than to opt to buy pepper from trade channels as inferior imported Vietnam pepper is easily available which might deteriorate the quality of consignment signed. Moving forward, demand is likely to tilt towards India once Malaysian and Indonesian crop will be over owing to tight global supply. However, India will be in position to meet the growing global demand which might keep long term fundamentals on firm note.

Black Pepper Exports



Source: Spices Board

*-AW projection

Black Pepper exports for the period of 2010-11 is expected to decline by 5% and pegged at 18,850 tonnes from 19,750 tonnes when compared with previous year. However, keeping in view the tight global scenario of supply we expect the pepper exports to increase by 7% for 2011-12 and projected at 20,170 tonnes compared to 18,850 tonnes in 2010-11.

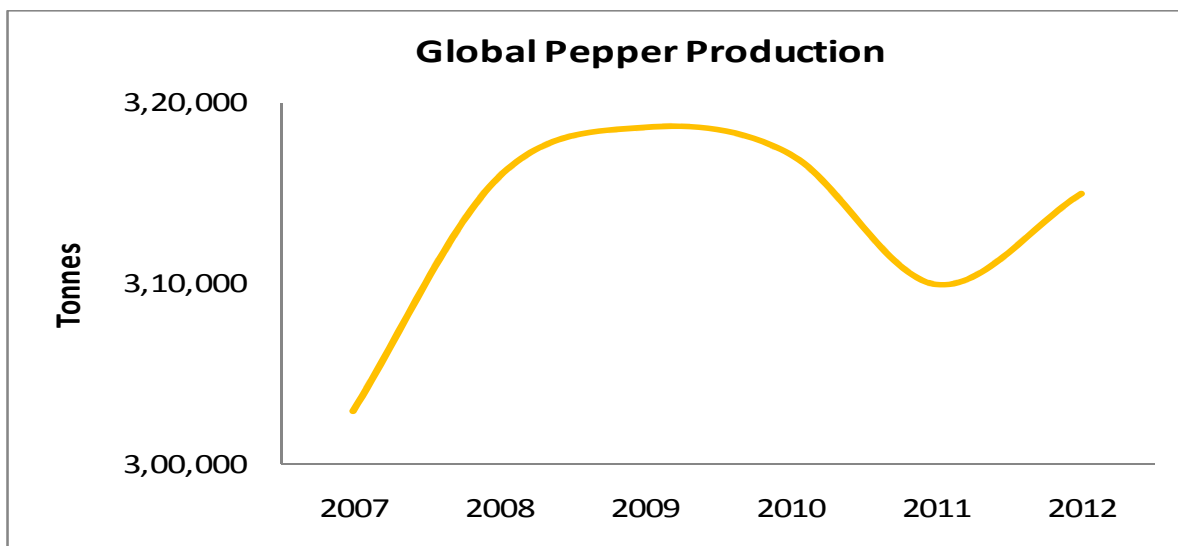
Black Pepper Acreage & Production

Year	Acreage in Hectares	Production in Tonnes
2011-12*	153,225	47,500

2010-11	154,000	48,000
2009-10	238,700	50,000
Source: Spices Board		
*-AW projection		

Meanwhile, Black Pepper production is expected to decline further for the second consecutive year owing to pepper decline and degeneration of the old pepper orchards. Considering pepper decline to continue for 2011-12 we expect overall area to decline by nearly 0.54% and projected at 153,225 hectares compared with 154,000 hectares during 2010-11. With most of the old orchards approximately above 12-14 years old yield decline is obvious which is expected to lower the production to decline by nearly 1% during 2011-12. Considering above factors in view pepper production during 2011-12 is projected at 47,500 tonnes compared to 48,000 tonnes in 2010-11.

Global Pepper Output



Source: Malaysian Pepper Board

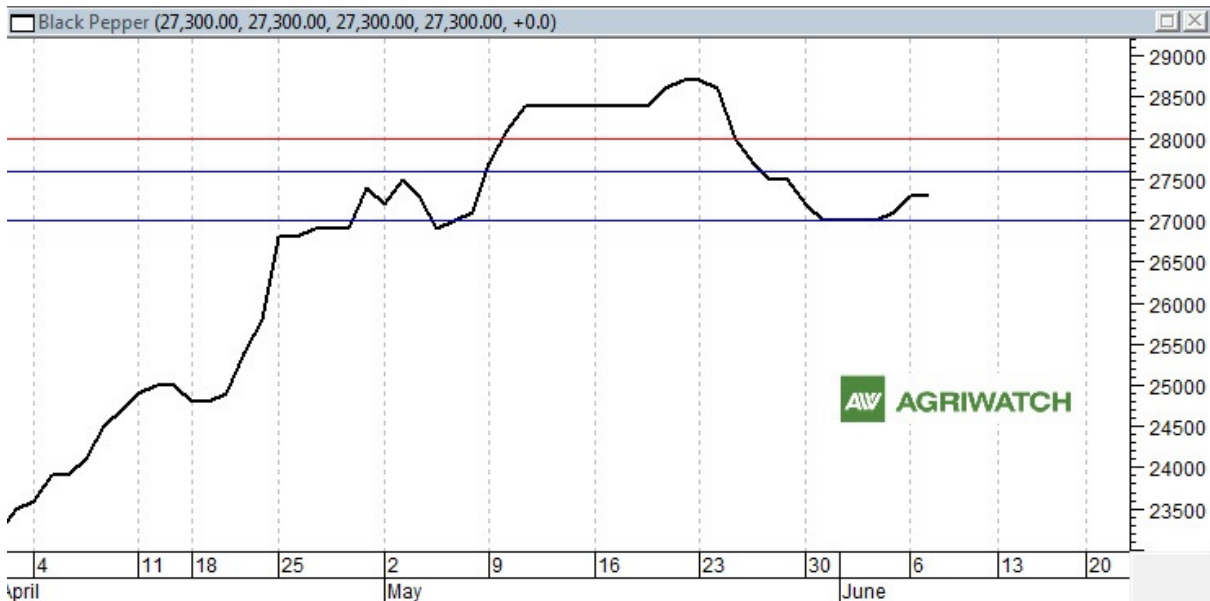
*-AW projection

However, with greater realization to the countries likely Malaysia, Vietnam, Brazil and China coupled with new plantings to come into economical bearing from 2009-10 we expect overall global pepper production might surge up for near terms. Considering the above facts we expect global Black Pepper production to increase by nearly 1.61% in 2011-2012 and projected at 314,925 tonnes.

Black Pepper Price Outlook

Black Pepper was trading in the small price band of Rs. 27,000-27,600/quintal (indicated by the blue lines) which is expected to move up owing to thinning of arrivals and anticipation of better demand y-o-y. We expect the prices to move up to Rs. 28,000/ quintal (indicated by the red line).

Domestic Pepper Prices



Prices-Rs/quintal

Expected Price range of Black Pepper Prices for next week

Markets	Expected Range of Black Pepper
Kochi	28000
New Delhi	29500

Prices-Rs/quintal

Kochi- Ungarbled quality

New Delhi-Unpolished quality

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (08-06-2011)	Week Ago (01-06-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Black Pepper	Kochi-Ungarbled	1.11	27300	27000	27700	15200
	Kochi-Garbled	1.07	28100	27800	28500	15700
	New Delhi-Unpolished	Unchanged	27500	27500	29000	16700

Spot Market Recap

Cardamom:

- Cardamom markets fell during the past week supported by strong arrivals.
- Farmers continued to liquidate their stocks as demand remained weak at highs.
- Sowing their year will supported by good rainfall in Kerala and other sowing states.

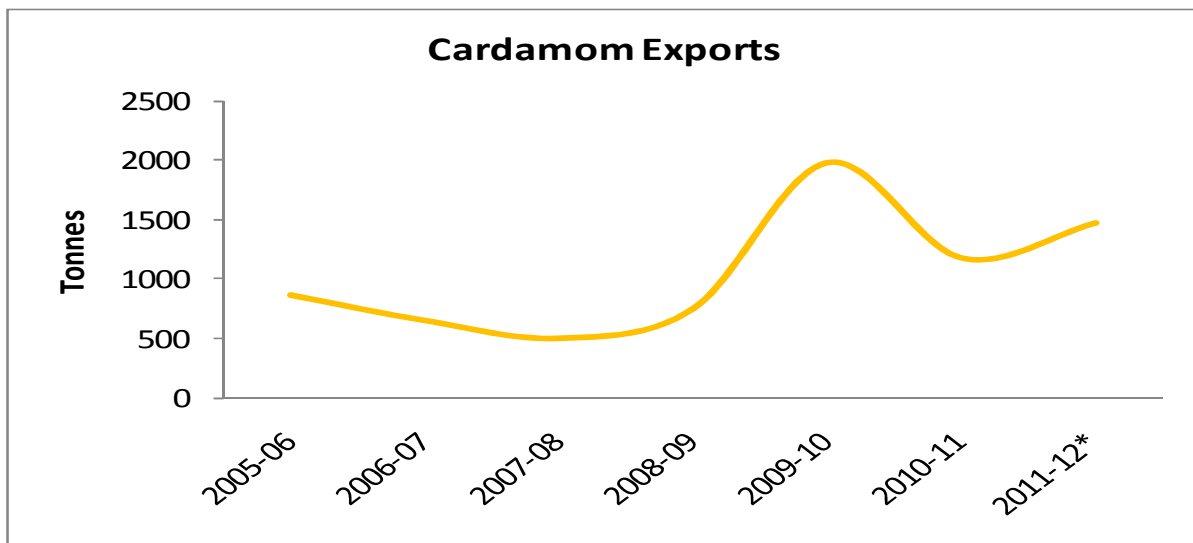
Fundamental Analysis

Cardamom Arrival Scenario:

Market	% Change during corresponding period last year	Arrivals during the week (02 nd June-8 th June) in Kgs	Arrivals during the week (26 th May-01 st June 2011) in Kgs	Arrivals during last year (02 nd June-8 th June) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	94.87	162,497	291,198	83,385

Arrivals remained higher at 162,497 Kgs during the week of 02nd June-8th June, 2011 as against 83,385 Kgs in the same period last year. This pulled the prices lower this week. Prices also fell as good weather conditions in Kerala may aid the cardamom crop in the state.

Cardamom Exports

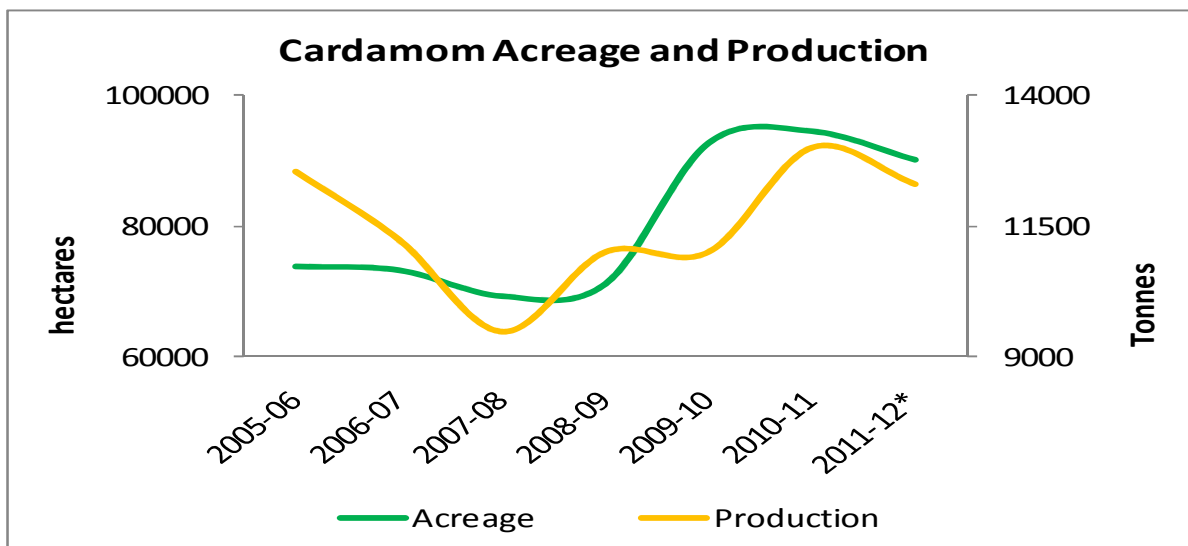


Source: Spices Board

*-AW projection

Cardamom exports in 2010-11 decreased by 41% to 1,175 tonnes from 1,975 tonnes during the same period previous year. With the prices to decline further we can expect the exports of Cardamom to increase by 25% in 2011-12 and pegged at 1,469 tonnes compared to previous year and relatively higher availability.

Cardamom Acreage & Production



Source: Spices Board

*-AW projection

Cardamom acreage improved by 1.9% in 2010-11 to 94,325 hectares from 92,545 hectares during 2009-10. We can expect the cardamom acreage to decline in 2011-12 by 4% to 90,000 hectares as prices have fallen significantly during April to June period. We expect the cardamom production also to decline in 2011-12 by 5% to 12,300 tonnes.

Cardamom Price Outlook

Cardamom was trading in the price band of Rs. 570-720/Kgs (indicated by the blue lines) which is expected to move down on lower buying interests and liquidation of stocks from farmers and stockists. We expect the cardamom price to move down to Rs. 510/Kgs (indicated by the red line).

Cardamom Prices



Prices-Rs/quintal

Expected Price range of Cardamom Prices for next week

Markets	Expected Range of Cardamom
Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur	500-510

Prices-Rs/Kg

Loose quality

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Year	Prices (Rs/Kgs)			
			Current (08-06-2011)	Week Ago (01-06-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Cardamom	Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur -Loose	-56.066	717	610	650	1632

Spot Market Recap

Red Chilli:

- Red Chilli markets reopened slightly lower as sowing intentions of farmers is expected to be higher.
- Prices also moved lower as arrivals remained higher compared to corresponding week last year.

Fundamental Analysis

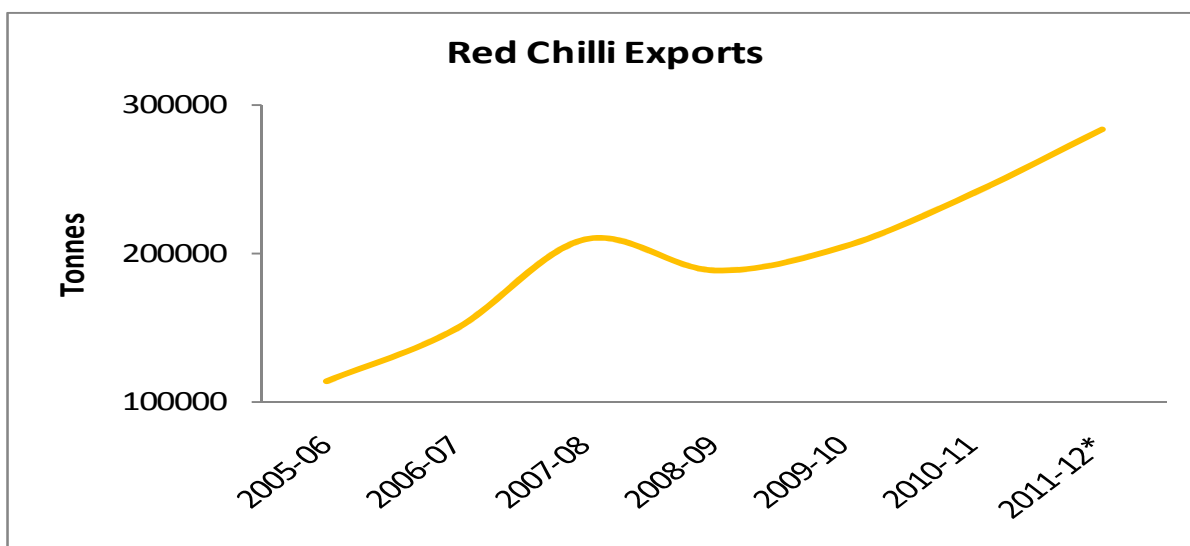
Red Chilli Arrival Scenario:

Market	% Change during corresponding period last year	Arrivals during the week (02 nd June-8 th June) in bags	Arrivals during the week (26 th May to 01 st June 2011) in bags	Arrivals during last year (02 nd June-8 th June) in bags
Guntur(Andhra Pradesh)	400	50,000	Nil	10,000

1 Bag=45 Kgs

Arrivals in Guntur were 50,000 bags over this week compared to 10,000 bags during the corresponding period last year. As per government sources chilli sowing in Andhra Pradesh as on 08th June 2011 has been covered in 0.002 lakh hectares. The A.P government is targeting 1.61 lakh hectares.

Chilli Exports



Source: Spices Board

*-AW projection

Chilli exports in 2010-11 increased by 18% to 240,000 tonnes from 204,000 tonnes during the same period previous year. Taking the advantage of dwindling chilli prices export might go up by 18% in 2011-12 and pegged at 283,200 tonnes compared to previous year due to higher availability and better prices this year coupled with anticipation of higher acreage.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (08-06-2011)	Week Ago (01-06-2011)	Month Ago (09-05-2011)	Year Ago (08-06-2010)
Red Chilli	Guntur-LCA 334	-	7200	N.A	N.A	4700-5300
	Guntur-Bedki	-	7500	N.A	N.A	6000-6100

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