

Spot Market Recap

Turmeric:

- In Nizamabad spot market lower arrivals were reported during the week due to holidays period.
- Masala Millers are inactive in the spot market at higher price level as they have ample quantity of stocks for further requirement
- Sluggish demand from exporters in the spot market was reported. They were waiting for new fresh export enquiries.
- Favourable weather conditions in turmeric growing regions aid the crop condition further to grow.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (25 th Aug - 02 Sept 2011) in bags	Arrivals during the last week (18 th - 25 th August 2011) in bags	Arrivals during the year (25 th Aug - 02 Sept 2010) in bags
Nizamabad (Andhra Pradesh)	-43.39	3,000	5,300	4,200
Erode (Tamil Nadu)	+205.88	26,000	8,500	24,500

1 bag = 90kgs

Lower arrivals were reported in Nizamabad spot market during the week period due to holidays in most of the time. As depicted from the above table, arrivals in Nizam were reported at 3,000 bags during the week period, lower by 2,300 bags as compared to the same period last week. However, in Erode spot market arrivals reported at 26,000 bags which was higher by 17,500 bags as against last week arrivals.

On supply front, adequate quantity of stocks in the major mandies will continue to pressure on turmeric prices in further days ahead. Turmeric growers and stockists are trying to release their stocks in spot market. As per trade sources, higher stocks was reported in Nizamabad and Erode spot market during the current season, as a result of increasing carryover stocks along with better production y-o-y.

Actual rainfall and % Departure for the period of 1st June – 30th August

Regions	Actual Rainfall (mm) 1 st June – 30 th August	Normal Rainfall (mm) 1 st June – 30 th August	% Departure from LPA 1 st June – 30 th August
Madhya Maharashtra	611.0	570.4	7%
Coastal A.P	435.4	417.0	4%
Telangana	565.8	586.1	-3%
Rayalaseema	325.0	262.5	24%
Tamil Nadu and Pondicherry	212.6	198.6	7%

Source: IMD

As shown from the above table, turmeric growing regions mostly received normal rainfall during the period of 1st June – 30th August when compared with its LPA. Widespread rainfall occurred in

Rayalaseema region of Andhra Pradesh state during this week. Maximum temperature recorded 2.0°C lower than the normal and ranged between 22.0 and 24.4°C and minimum temperature recorded 0.5°C higher than the normal and ranged between 22.4 and 24.4°C. Favourable weather expected over other turmeric growing region in south India, we will expect better crop condition with increasing production expectation in coming days.

Sowing Progress:

Turmeric has been sown in 0.64 lakh hectares in A.P as on 31th August 2011 as compared to the 0.62 lakh hectares in the previous week. Turmeric sowing witness marginal improvement week on week and it was almost completed in turmeric growing regions. The comparative sowing is tabulated below:

Turmeric Crop Sowing Progress: Andhra Pradesh

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 31/08/11	% Sown to	
Crop	Season	As on date	As on 31/08/09	As on 31/08/10		Season	As on date
Turmeric	0.63	0.63	0.47	0.69	0.64	100	100

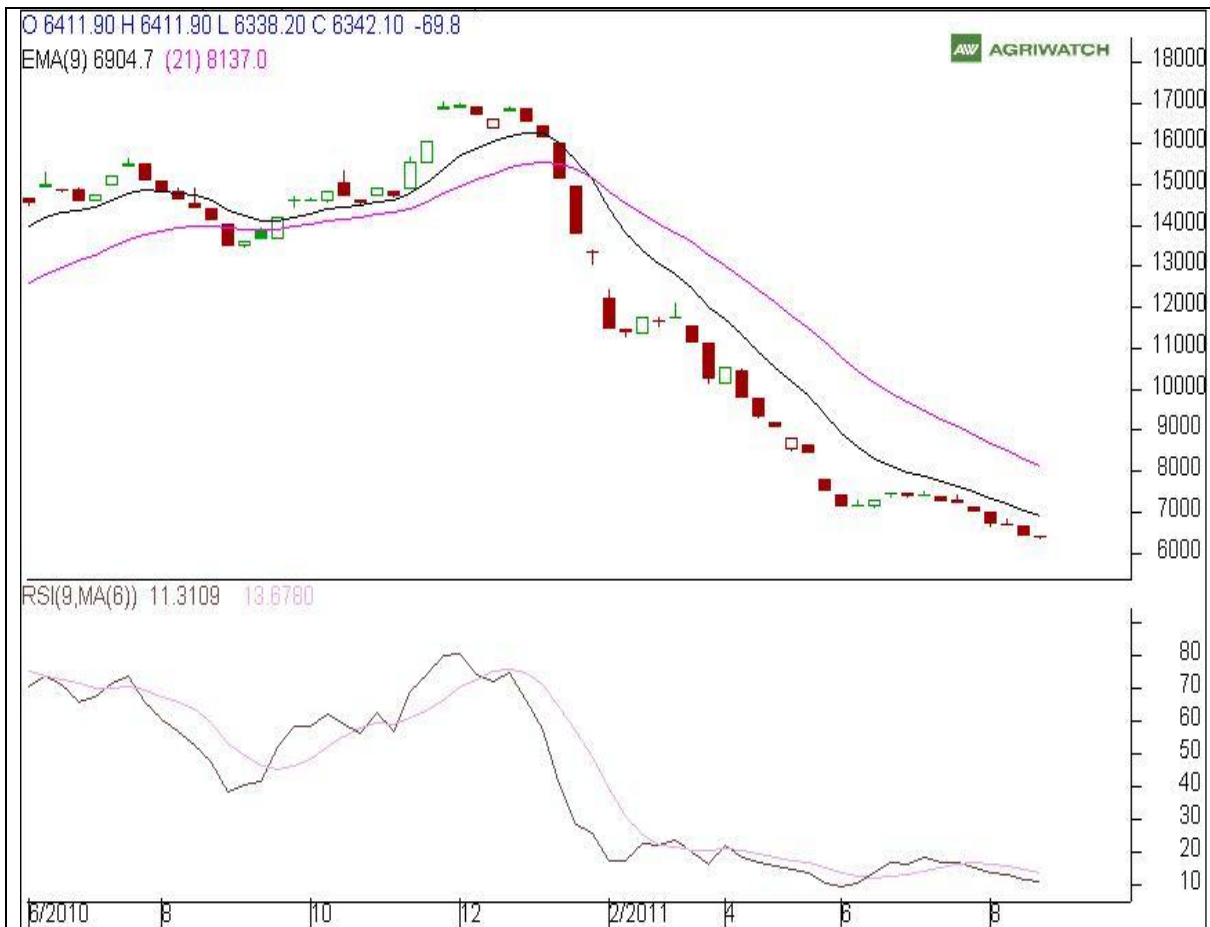
Turmeric sowing report in Andhra Pradesh was reported satisfactory. Improvement in rainfall over the turmeric growing region ensures better crop prospect. Turmeric growers are expecting that, in A.P. turmeric growing areas might be increase in current period due to better realization y-o-y. In view of the current weather scenario, turmeric growers are expecting again a bumper crop next year.

Weather Watch (03 - 09 September):

Monsoon is likely to remain near normal during this week with main activity centered over northwest and central India. Fairly Widespread rain would occur over Coastal A.P., Coastal Karnataka, Kerala, Lakshdweep and Andman & Nicobar Island. Scattered rain would occur over Interior Karnataka Coastal A.P. and Telangana. Isolated rain would occur over Rayalaseema and Tamilnadu.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-09-2011)	Week Ago (25-08-2011)	Month Ago (02-08-2011)	Year Ago (02-09-2010)
Turmeric	Nizamabad-Nizam Cold	-4.61	6200	6500	6700	13749
	Erode-Finger	+0.86	5600-6000	5500-6000	6200-6700	13550-14050

Turmeric Price Outlook (Nizamabad Spot market)


Candlestick chart pattern reveals bearish sentiment in the spot market. Prices close below its 9 & 21-day EMAs. Prices might take immediate supports level at 6260 in coming days. However, if the price birches this level they might immediate support at 6200 level. RSI is moving down in oversold region indicating possibility of any near term correction.

This might keep TMC prices in the price ranges of 6200-6410.

Spot Market Recap
Coriander Seed:

- Increasing arrivals were reported from Kota, Ramganj and Baran mandi during as the period under review and stockists are offloading their stocks.
- Lower export demand from major exporting countries is weighing on the coriander market sentiments.
- Un-willingness of masala millers to go for aggressive buying in the spot market keep coriander prices down during the week period.

Fundamental analysis
Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (25 th Aug - 02 Sept 2011) in bags	Arrivals during the last week (18 th - 25 th August 2011) in bags
Kota	+87.96	25,000	13,300
Ramganj	+32.25	20,500	15,500
Baran	+103.39	24,000	11,800

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were reported at 25,000 bags which were higher by 11,700 bags as compared to the same period last week. As per trade sources, stockists were offloading their stocks at higher price level.

As per trade information, in Rajasthan and Madhya Pradesh total stocks was reported at around 30 – 35 lakh bags (1 bag = 40 kg) which might keep prices under pressure in further. Market participants are expecting that, waning demand from masala millers at current price level keep coriander prices at subdued price levels.

Coriander sowing will be start from October on wards and new crop arrivals will start from January. Sources revealed that, coriander area will be increase in Rajasthan and Madhya Pradesh during the coming sowing period (from Oct) as compared to the last year. As per farmers information, at around 1 lakh hectares area might be increase in coming season.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (02-09-2011)	Week Ago (24-08-2011)	Month Ago (02-08-2011)
Coriander Seed	Ramganj-Badami	-2.53	3800-3900	3900-4000	3750-3900
	Kota-Badami	-6.67	4200	4500	4300
	Baran-Badami	-7.47	4000-4050	4300-4400	4100-4200

Coriander Price Outlook (Kota Spot market)


Candlestick chart pattern indicates weakness in the price trend. 5300-5650 is the trading range for the price; drift in either direction is likely to take the price in the respective same. Bears are going to keep the upper hand until 5780 on the higher side remain unbreached.

Spot Market Recap
Red Chilli:

- Red chilli Guntur arrivals reported higher during the week under review.
- Stockists were offloading their stocks in the domestic market having enough quantity of stocks.
- Higher demand was reported for red chilli varieties in the spot market as compared to the last week period.
- Good sowing progress reports from Andhra Pradesh were reported. However, excessive rainfall might hinder crop sowing progress if it happens.
- Area for Red chilli might increase in AP during the current period, with expectations of better production prospects in coming season.

Fundamental Analysis
Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (25 th Aug - 02 Sept 2011) in bags	Arrivals during the week (18 th - 25 th August 2011) in bags	Arrivals during last year (25 th Aug - 02 Sept 2010) in bags
Guntur (Andhra Pradesh)	+4.00	130,000	125,000	140,000

1 Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 130,000 bags (1 bag=45Kg) during the week period up by 5,000 as compared to the same period last week. Stockists were releasing their stocks in the domestic market as they have higher stocks in hand. Sources revealed that, at around 28 – 30 lakh bags (1 Bag=45 Kgs) of red chilli currently held in Guntur cold storages.

Red chilli variety like teja, fatki, sanam etc. demand was reported in the domestic market. In Guntur spot market, Red chilli variety wise prices was reported like teja Rs 8,500-9,300 a quintal, indo-5 at Rs 8,700-9,300, sanam at Rs 8,000-8,600, 273 at Rs 8,700-9,500 and fatki at Rs 4,500-5,000 per quintal.

Red chilli planting progress was reported in Andhra Pradesh districts. However, due to heavy rainfall occurs during this week period got delayed in crop progress. Region wise in AP, Rayalaseema region found better sowing in the current year 14265 hectares as compared to the 9444 hectares same period last year.

Chilli Sowing Progress:

Red Chilli has been sown in 0.70 lakh hectares in A.P as on 31th August 2011. Farmers expect chilli production to increase this year due to favourable weather condition. Red Chilli area might increase in AP year on year. Details of sowing are enlisted in the following table:

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 31/08/11 Crop	% Sown to	
Crop	Season	As on date	As on 31/08/09	As on 31/08/10		Season	As on date
Red Chilli	1.61	0.89	0.34	0.76	0.70	43	78

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-09-2011)	Week Ago (25-08-2011)	Month Ago (02-08-2011)	Year Ago (02-08-2010)
Red Chilli	Guntur-334	-0.60	7700-8700	7900-8600	7500-8500	-
	Guntur-Teja	Unch	8500-9300	9000-9300	8000-9000	6000-6500

Price Outlook Red Chilly :(Guntur Spot market)


Candlestick patterns show sideways trade from last couple of weeks. 8480 as a strong support in near term. However, if the prices breaching the level prices might be drags lower towards 8179. Prices closed between 9 & 21 Day EMA resistance zone indicates the bearish trend further. RSI is moving up in neutral zone indicates the bullish trend for short term.

Expected Price Range of Red Chilly Guntur spot market (INR/Qt): 8480 – 8797.

Spot Market Recap:
Jeera

- During the week period lower arrivals were reported in the domestic spot market.
- Higher stocks were reported with producers, stockists and they are offloading their stocks in coming days. Expectations of higher arrivals weigh on the jeera market sentiments further.
- Exporters are reported inactive in the domestic market at higher price level and likely to prices go down further.

Fundamental analysis
Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (25 th Aug - 02 Sept 2011) in bags	Arrivals during the last week (18 th - 25 th August 2011 in bags	Arrivals during last year (25 th Aug - 02 Sept 2010) in bags
Unjha (Gujarat)	-6.89	27,000	29,000	22,000

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the suggestive market, arrivals were reported at 27,000 which were down by 2,000 bags as compared to the same period last week. Shrinkage arrivals were reported in the domestic period due to lean season supply. However, farmers, stockists have sufficient amount of stocks in domestic market and they are trying to release their stocks. In Unjha spot market, higher stocks were reported this time as compared to the same period last year. As per trade sources, before coming sowing period arrivals will be increase in domestic market and put cap on jeera prices.

Jeera Cultivation begins from October and goes through to December. Good rainfall plays a crucial role for jeera cultivation, if it favourable during the sowing period area will be increase and put pressure on jeera prices to gain, sources added.

In international front, due to political disturbance in Syria EU countries were not importing jeera from them on account of security purpose and it likely to hamper in global demand. Syria crop arrivals already started in the market but supply was lower due to the same. Jeera arrivals from Turkey also started but it was less as compared to the Syria arrivals which will increase in coming days.

In the global market, Syrian and Turkey's cumin seed is being offered at USD 3,600 and USD 3,500 per ton (fob) respectively while; Indian cumin seed is quoted at USD 3,450-3,500 per ton (cnf) Singapore.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-09-2011)	Week Ago (25-08-2011)	Month Ago (02-08-2011)	Year Ago (02-09-2010)
Cumin Seed	Unjha-Loose	-1.03	14350	14500	14200	12700
	Jodhpur - Loose	+4.81	14000-14300	13500	14500	12500

Jeera Price Outlook

Technical Analysis (Spot market) Jeera: Unjha Mandi



From the last couple of weeks Jeera prices were moving in sideways trend in the market. Prices were not sustained at higher levels. Prices closed above 9 and 21 days EMAs which indicates prices might go to higher levels. 15405 as a strong support level in near term. Market indicators RSI is moving down and indicates the weakness in the market in near term.

Expected Price Range of Jeera at Unjha (INR/Qtl): 15405 – 15731.

Spot Market Recap

Black Pepper:

- Lower arrivals were reported during the week period in the domestic spot market.
- Shortage of supply in the spot market lends supports the black pepper prices to gain during the week period.
- Lower stocks were reported in the domestic mandi and likely to support the prices to move up further.
- As per IPC, global black pepper supply was down during the current period.

Fundamental Analysis
Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (25 th Aug – 02 Sept 2011) in tonnes	Arrivals during the last week (18 th – 25 th August 2011) in tonnes	Arrivals during last Year (25 th Aug – 02 Sept 2010) in tonnes
Kochi (Kerala)	-	35	-	-

In Kochi (Kerala) market, arrivals were reported at around 35 tonnes during the week period. Stockists were offloading their stocks at higher price level in the domestic spot market. Lower pepper stocks were reported in the domestic mandi in pepper growing regions. However, stockists were releasing their stocks in the current period as pepper prices were traded at its all-time high position. Market sources also assumed that there will higher demand in coming months from Oct to December likely to supports the pepper prices to gain.

According to Spice Board of India, black pepper production in India in 2010-11 is anticipated at around 48 thousand tonnes as compared to 50 thousand tonnes last year. According to International Pepper Community (IPC) global output of Pepper for 2011 is expected to decline by 6,500 tonnes to 3.10 lakh tonnes. Vietnam production of the spice is expected to be same as that of previous year to 1.10 lakh tonnes. Pepper production in Brazil stood around 27,000 tonnes in 2010-11 as compared to 35,000 tonnes the previous year. Indonesia's fresh crop arrivals are lower and output this year is expected to be less than 16,000 tonnes. Overall global supply was shrinkage which might supports the pepper prices to gain.

In the global market, India's black pepper is offered at USD 7,600 per ton (CNF) NY while, Indonesia's black pepper is offered at USD 7,500 per ton, Vietnam's Asta 500 GL at USD 6,750 and Brazil's B Asta is quoted at USD 7,000 per ton (FOB).

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-09-2011)	Week Ago (25-08-2011)	Month Ago(02-08-2011)	Year Ago (02-09-2010)
Black Pepper	Kochi-Ungarbled	+1.34	30100	29700	28300	19200
	Kochi-Garbled	+1.64	31100	30600	29300	19700
	New Delhi-Unpolished	-	-	31000	30000	20700

**Technical Analysis (Spot market)
Black Pepper (Kochi Market)**


Black pepper prices hover near all time highs. Candlestick pattern reveals bullish sentiment in the market. Prices stay significantly above 9 and 21-day EMA and support the bullishness in the market. However, RSI is moving in the overbought zone as well and prices might be cool off (correct) in near term. Level of 31300 is the immediate support for the price.

Expected weekly black pepper price range: 30700 to 34000.

Spot Market Recap
Cardamom:

- Lower arrivals were reported in the domestic market due to higher rainfall occurs in growing regions. However, arrivals likely to gain in further days and keep pressure on market sentiment.
- Festive season demand might increase in coming days and provide underlying support to the prices at lower prices.
- Cardamom production likely to increase this year as compared to the last year (2010) due favourable weather in growing regions.

Fundamental Analysis:
Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (25th Aug – 02 Sept 2011) in Kgs	Arrivals during the week (18 th - 25 th August 2011 in Kgs	Arrivals during last Year (25th Aug – 02 Sept 2010) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	-25.04	352054	469661	279113

Cardamom arrivals were reported at 35, 2054 Kgs down by 11, 7607 Kgs as compared to the same period last week. Increase in rainfalls in cardamom harvesting regions and holidays during this week period restricted the arrivals to come in the spot market. Arrivals will increase in coming days due expectations of better harvesting in cardamom growing regions. However, rainfall might play a crucial role for harvesting. Cardamom production may increase by 25% compared to the last year (2010) due favourable growing condition and supportive weather at crucial stages. Expectation of increase supply during coming couple of weeks likely to edge any near term gain.

Weather Watch:

Monsoon is likely to remain near normal during this week with main activity centered over northwest and central India. Fairly Widespread rain would occur over Coastal A.P., Coastal Karnataka, Kerala, Lakshdweep and Andman & Nicobar Island. Scattered rain would occur over Interior Karnataka Coastal A.P. and Telangana. Isolated rain would occur over Rayalaseema and Tamilnadu.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Average Prices (Rs/Qtl)			
			Current (02-09-2011)	Week Ago (25-08-2011)	Month Ago (02-08-2011)	Year Ago (02-09-2010)
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-5.86	543.48	577.28	664.8	1341.11

**Technical Analysis Spot market
Cardamom (values in Kg)**


Candlestick chart pattern indicates weakness in the price trend. 515 – 556 is the trading range for the price; drift in either direction is likely to take the price in the respective same. Cardamom prices might find support near 503 – 515. RSI is moving up in neutral zone indicates the bullish trend for short term.

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