

TURMERIC

Spot Market Recap

- Higher arrivals were reported in the spot market during period 5th Sept – 12th Sept 2011.
- Stockists were releasing their stocks in the domestic market on expectations of another bumper crop in 2012.
- Ample stocks in the major mandies continue to pressure turmeric prices.
- Lower demand from Masala millers were reported in the domestic spot market.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5 th Sept - 12 Sept 2011) in bags	Arrivals during the last week (27 th Aug - 5 th Sept 2011) in bags	Arrivals during the year (5 th Sept - 12 Sept 2010) in bags
Nizamabad (Andhra Pradesh)	+90	5,700	3,000	3,050
Erode (Tamil Nadu)	+75	45,500	26,000	9,500

1 bag = 90kgs

As illustrate in the above table, higher arrivals were reported in Nizamabad spot market during the week period arrivals in Nizam were up by 2,700 bags as compared to the same period last week. Stockists are offloading their stocks at current prices level in the domestic market. Likewise, in Erode spot market also higher arrivals was reported. Arrivals were reported at around 45,500 bags, as compared to previous week when it was seen at 26,000 bags, up by 19,500 bags.

Higher stocks, better production prospect in coming period which may increase in carry in stocks for the next season, continue to pressure on the prices. Turmeric prices will not sustain at higher levels as stockists and traders are not interested to go for aggressive buying this current period due to ample quantity of stocks. Total turmeric stocks in India is reported at 25 – 30 lakh bags (1 bag= 70 kgs) while in Erode spot market was expected at around 15 – 18 lakh bags. Stocks position in Erode spot market up by 15 - 20% as compared to the same period last year which might put cap on turmeric prices in near term.

Sowing Progress:

Turmeric has been sown in 0.66 lakh hectares in A.P as on 14th September 2011. 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 14/09/11	% Sown to	
Crop	Season	As on date	As on 14/09/09	As on 14/09/10		Season	As on date
Turmeric	0.63	0.63	0.59	0.69	0.66	104	104

Turmeric sowing report in Andhra Pradesh was reported satisfactory. 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 in 2012.

Weather Watch (17-23 September):

Rainfall activity would decrease over northwest India. There is also some possibility of commencement of withdrawal of monsoon from parts of northwest India towards the end of the week. Remaining parts would receive scattered to fairly widespread rainfall activity. Fairly widespread rain would occur over Coastal Karnataka, Kerala, Lakshdweep and Andman & Nicobar Island. Scattered rain would occur over rest of region except Rayalaseema and Tamilnadu where isolated rainfall would occur.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (12-09-2011)	Week Ago (5-09-2011)	Month Ago (12-08-2011)	Year Ago (12-09-2010)
Turmeric	Nizamabad-Nizam Cold	-	closed	6100	6700	13800-13900
	Erode-Finger	-9.73	4800-5400	5300-6000	6600-6700	13950-14650

Turmeric Price Outlook (Nizamabad Spot market)


Candlestick chart pattern reveals bearish sentiment in the spot market. Prices were not sustained at higher price level. 5453 is a strong supports level if prices breach this level it may drag down towards 5317 in near term. RSI is moving down in oversold region indicating possibility of any near term correction. However, till now there is no any indication for correction in coming days.

This might keep TMC prices in the price ranges of 5453 - 5700.

CORIANDER SEED

Spot Market Recap

- Mostly lower arrivals were reported from domestic mandi during the week period due to lean supply season.
- Improved demand lends support to coriander at lower price quotes.
- Coriander export has declined during the period from April – July 2011 as compared to April – June 2010.

Fundamental analysis

Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5th Sept - 12 Sept 2011) in bags	Arrivals during the last week (27th Aug – 5th Sept 2011) in bags
Kota	-12.00	22,000	25,000
Ramganj	+31.70	27,000	20,500
Baran	-41.67	14,000	24,000

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were reported at 22,000 bags during the week under review down by 3,000 bags compared to the same period last week. Expectation of lower supply in coming days might lend underlying support to the coriander prices in coming days.

Demand from stockists and exporters were reported unresponsive at higher price level having ample quantity of stocks. During the current period, in Rajasthan maximum quantity of coriander stock was found at around 35-40 lakh bags (1 bag = 40 kg) which was same quantity as compared to the last year stocks.

Coriander export decreased by 10,100 tonnes, which was 10,500 tonnes during the period from April – July 2011, compared to previous year same period when export were reported at 20,600 tonnes. Current year exports till July were down by 49%. The value also has come down to Rs 6,165.00 this year which was Rs 7,431.10 last year. Till now for coriander no new fresh export enquiries were reported only from Kumbhraj mandi 20-25% export was reported as compared to same period last year.

Coriander sowing would be start from October (after Diwali) on wards and new crop arrivals will start from January. As per farmers' information, coriander area may increase in Rajasthan (at around total 20800 in Ha. and production may improve to 1.25 lakh bags (1 bag = 40 kg).vs 80 lakh bags /in coming season with considering congenial weather condition during its growth and development.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (12-09-2011)	Week Ago (05-09-2011)	Month Ago (12-08-2011)
Coriander Seed	Ramganj-Badami	+1.94	3850-4000	3800-3900	3600-3750
	Kota-Badami	+2.43	4200	4100	4200
	Baran-Badami	+1.88	4000-4100	3950-4000	4100-4200

Coriander Price Outlook (Kota Spot market)



Candlestick chart pattern indicates weakness in the price trend. **5069 - 5200** 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 5450 on the higher side remain unbreached.

RED CHILLI

Spot Market Recap

- Higher arrivals were reported in Guntur spot market during this week period.
- Sufficient amount of stocks weigh on market sentiments while stockiest were seen liquidating their stocks at higher price level.
- Export demand was reported in the domestic market for chilli varieties which supported the Chilli prices to gain.
- Satisfactory reports of Red Chilli sowing in Andhra Pradesh might brighten the production prospect.

Fundamental Analysis

Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (5 th Sept - 12 Sept 2011) in bags	Arrivals during the last week (27 th Aug - 5 th Sept 2011) in bags	Arrivals during the year (5 th Sept - 12 Sept 2010) in bags
Guntur (Andhra Pradesh)	+68.00	210,000	125,000	230,000

1 Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 210,000 bags (1 bag=45Kg) during the week period higher by 85,000 bags as compared to the previous week period. As per trade information, stockists are offloading their stocks at higher prices level (when prices jump) with comfortable stock position during this season.

Stockists are offloading their stocks at higher prices level which lead the prices to come down with increase in arrivals. Higher stock position during this season leaves limited scope for Chilli prices to move up in near term. In Guntur cold storage stocks was found at around 25-30 lakh bags. However, chilli prices may supports from new export enquiries from Pakistan and Bangladesh. As per trade information, from mid of July to till date at around 1.50 lakh bags (1 bag =45 kgs) were exported and it will increase in coming season. Higher demand for Red Chilli variety like LCA 334 was reported in the international market.

Heavy rainfall in major Chilli producing areas of Madhya Pradesh might keep the Chilli prices supportive at lower levels. As per market sources, strong rainfall in major producing areas of Chilli in Madhya Pradesh might delay the Chilli crop by more than one month. Sources mentioned that the fresh arrivals of Chilli are normally starts in the month of November to Mid- December.

Chilli Sowing Progress in AP:

Red Chilli has been sown in 1.07 lakh hectares in A.P as on 14th September 2011 as compared to the last week 0.70 lakh hectares. Farmers expect chilli production to increase this year due to favourable weather condition. Red Chilli area might increase in AP year on year.

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 14/09/11 Crop	% Sown to	
	Season	As on date	As on 14/09/09	As on 14/09/10		Season	As on date
Red Chilli	1.61	1.27	1.56	1.52	1.07	66	84

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (12-09-2011)	Week Ago (5-09-2011)	Month Ago (12-08-2011)	Year Ago (12-09-2010)
Red Chilli	Guntur-334	+1.79	8000-9000	8000-8700	7900-8600	-
	Guntur-Teja	Unch	9000-9500	9000-9500	9200-9400	5800-6100

Price Outlook Red Chilly :(Guntur Spot market)


Candlestick patterns show range bound price movement from last couple of weeks. Prices might find immediate support towards 8595 and breaching the level likely to lead to a fall up to 8498 levels in near term. Prices closed above 9 & 21 Day EMA suggesting range bound with firm bias movement in prices. Positioning of RSI in chart stands supportive for prices indicating range bound with firm bias.

Expected Price Range of Red Chilly Guntur spot market (INR/Qtl): 8595 – 9100.

CUMIN SEED (JEERA)

Spot Market Recap:

- Heavy arrivals were reported in the domestic market during this week period.
- Exporters are reported inactive in the domestic market at higher price level.
- Jeera export has declined during the period from April – July 2011 as compared to April – June 2010.
- Higher stocks were reported with farmers and they are releasing their stocks in coming days before sowing starts.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (5 th Sept - 12 Sept 2011) in bags	Arrivals during the last week (27 th Aug – 5 th Sept 2011) in bags	Arrivals during the last year (5 th Sept - 12 Sept 2010) in bags
Unjha (Gujarat)	+41.37	41,000	29,000	12,000

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the suggestive market, arrivals were reported at 41,000 which were up by 12,000 bags as compared to the same period last week.

Farmers have sufficient amount of stocks and they are offloading their stocks in domestic market. As per trade information, farmers have near about 10-12 lakh bags stocks (1 bag = 60 kgs) which was higher as compared to the previous years stocks and they may release it before coming sowing period and put cap on jeera prices.

Exporters are reported inactive in the domestic market at higher price level. Due to higher prices consumption for jeera was decline in international market amid higher carry forward stocks (higher export as compared to the last year). Jeera export declined by 5,200 tonnes, which was 7,750 tonnes during the period from April – July 2011, compared to April – June 2010, 12,950 tonnes, which was decreased by 40%. The value also has come down to Rs 10,300.00 this year which was Rs 14,646.16 last year.

Jeera Cultivation begins from October and goes through to December. As per farmer sources, 25 – 30 percent of jeera area may increase during this coming sowing period in Gujarat and Rajasthan region owing better realization and good monsoon season. However, rainfall plays a crucial role for jeera cultivation during sowing period.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (12-09-2011)	Week Ago (5-09-2011)	Month Ago (12-08-2011)	Year Ago (13-09-2010)
Cumin Seed	Unjha-Loose	+1.39	14550	14350	13750	12950
	Jodhpur - Loose	Unch	14000	14000	14500	12700-12800

Jeera Price Outlook
Technical Analysis (Spot market) Jeera: Unjha Mandi


NCDEX Jeera spot extending its range bound movement form the couple of weeks. 15340 is a strong supports level if prices breach this level it may down towards 15167 in near term. RSI is moving down in oversold region indicating possibility of any near term correction.

Expected Price Range of Jeera at Unjha (INR/Qtl): 15340– 15643.

BLACK PEPPER

Spot Market Recap

- No arrivals were reported during the week period in the domestic spot market.
- Shrinkage of supply in the spot market lends supports the black pepper prices to gain.
- Increasing export demand was reported in the domestic spot market as compared to the same period last year.
- As per trade sources, pepper prices will go up in coming days due to low stocks position in the domestic mandis due to global shortage and lower stock position.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (5th Sept - 12 Sept 2011) in tonnes	Arrivals during the last week (27th Aug - 5th Sept 2011) in tonnes	Arrivals during the week (5th Sept - 12 Sept 2011) in tonnes
Kochi (Kerala)	-	-	35	-

In Kochi (Kerala) market, no arrivals were reported during the week period as compared to the same period last week when arrivals stood at 35 tonnes. Growers and stockists hold their stocks during recent time. Lower supply situation and un-willingness of seller to go for active selling which is expected to continue during the coming couple of weeks might keep over all prices on firm sentiment.

Lower stocks were reported from Kerala and Karnataka regions near around 12000 – 15000 tonnes. At the same time expectations of higher demand in coming months from Oct to December may supports prices on higher side. Overall global and domestic supply was down which is likely to support the pepper prices to gain. During the current month period pepper prices were traded at its all-time high position and it is expected to increase further.

Black pepper export during the period of April - July 2011 which was higher as compared to April - July 2010. Pepper exports unit value was higher rather than its quantity because of lower stocks in domestic market. This is the indication of strong demand for Indian pepper which is likely to extend during coming couple of months.

In the global market, India's black pepper is offered at USD 7,500 per ton (CNF) NY while, Indonesia's black pepper is offered at USD 7,500 per ton, Vietnam's Asta at USD 7,950, Vietnam's 500 GL faq 7700 Vietnam's 550 GL 7450.

Global Pepper Scenario:

In international pepper market continued to be firm and prices increased strongly during this period owing lower global stocks as against the higher imports from importers. Strong festive demand against the lower arrivals supported the pepper sentiment on firm note.

New crop arrivals from Brazil are already started exporters have already sold big quantities for the shipment of September through December and they are started covering the sales. The reported price for B1 quality is USD 7,500 per MT. Meanwhile in Vietnam, the domestic prices hit 15 years high due to high demand and low supply. The current price for pepper is USD 5,900 per ton which is higher by US\$190 per ton on the previous week. The white pepper market was firmer and continued its upward trend. In Bangka and Hainan, local prices increased by 2% while in HCMC and Sarawak prices increased was 1%.

Spot Prices Weekly Change

Commodity	Centre Variety &	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (12-09-2011)	Week Ago (5-09-2011)	Month Ago (12-08-2011)	Year Ago (13-09-2010)
Black Pepper	Kochi-Ungarbled	-0.32	30300	30400	27900	20000
	Kochi-Garbled	-0.31	31300	31400	28700	20500
	New Delhi-Unpolished	+1.88	32400	31800	-	19700
	New Delhi-Number 11.5	Unch	36000	36000	-	24000

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 correct in near term. 31810 is a strong supports level.

Expected weekly black pepper price range: 32100 to 34011.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market owing better harvesting in growing regions. Arrivals may gain in further days.
- Reportedly this year crop is expected to be good as compared to last year.
- Improving demand in domestic market lend support to the cardamom prices.
- Exporters were reported inactive at higher price level.

Fundamental Analysis:

Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (5 th Sept - 12 Sept 2011) in Kgs	Arrivals during the last week (27th Aug - 5th Sept 2011) in Kgs	Arrivals during the last year (5th Sept - 12 Sept 2010) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	+44.02	394166	273678	289442

Cardamom arrivals were reported at 394166 Kgs up by 120488 kgs as compared to the previous week's arrivals. Farmers and stockists were releasing their stocks in the domestic spot market and better harvesting (picking) progress in growing region. Sources revealed that, at around 4 – 4.5 tonnes bags new crop arrivals weekly in the market. As per trade information, 20% of harvesting was completed (second round) and third round of harvesting will start from September last week if weather will favourable.

Exporters were inactive at higher price level in the domestic market. However, domestic demand will be increase in coming days as stockists and buyers have no stocks at current period which lend supports to the cardamom prices to recover. Overall, for cardamom in future period prices will move in positive trend.

Guatemala crop arrivals will be starts from November onwards with expectation of crop size to stay close to 20,000 tonnes as compared to the last year which was seen at 18,000 tonnes.

Weather Watch (17-23 September):

Rainfall activity would decrease over northwest India. There is also some possibility of commencement of withdrawal of monsoon from parts of northwest India towards the end of the week. Remaining parts would receive scattered to fairly widespread rainfall activity. Fairly widespread rain would occur over Coastal Karnataka, Kerala, Lakshdweep and Andman & Nicobar Island. Scattered rain would occur over rest of region except Rayalaseema and Tamilnadu where isolated rainfall would occur.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (13-09-2011)	Week Ago (5-09-2011)	Month Ago (12-08-2011)	Year Ago (12-09-2010)
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-5.86	594.14	527.11	639.56	1024.01

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


Candlestick chart pattern indicates firm sentiment in the market. We expect that, **550 – 670 is the trading range for the price in coming week period**. Cardamom prices might find support near 550.

RSI is moving up in neutral zone indicates the bullish trend for short term.

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