

TURMERIC

Spot Market Recap

- Lower arrivals were reported in Nizamabad and Erode spot market during the week under review 23rd Sept – 30th Sept 2011.
- Masala Millers are inactive in the spot market at higher price level as they have ample quantity of stocks for further requirement.
- Turmeric sowing progress almost completed with favourable weather condition.

Fundamental analysis

Turmeric Arrival Scenario:

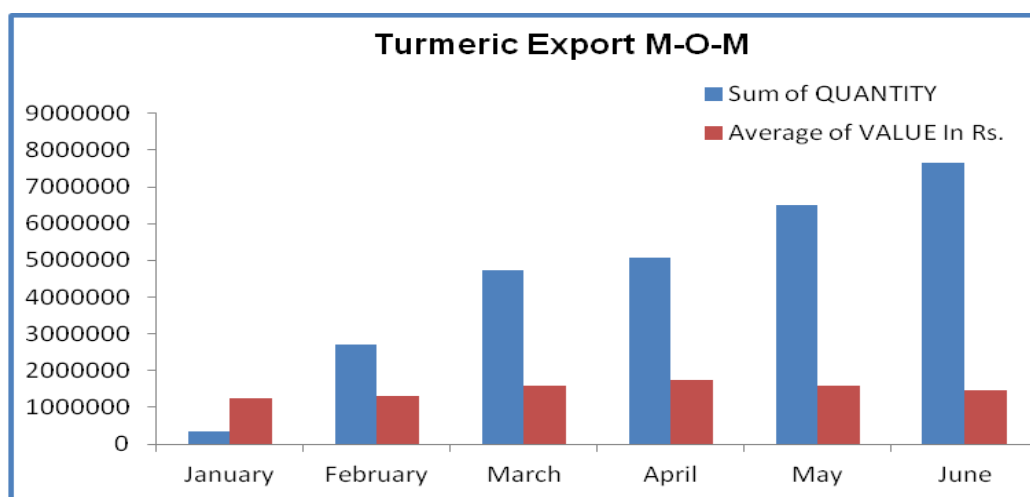
Market	% Change during corresponding period last week	Arrivals during the week (23 rd -30 th Sept 2011) in bags	Arrivals during the last week (16 th – 23 rd Sept) in bags	Arrivals during the year (23 rd -30 th Sept 2010) in bags
Nizamabad (Andhra Pradesh)	-18.51	2,200	2,700	800
Erode (Tamil Nadu)	-23.28	28,000	36,500	45000

1 bag = 90kgs

As shown in the above table, lower arrivals were reported in Nizamabad spot market during the week period due to extended holidays. Arrivals in Nizam were down by 500 bags as compared to the same period last week. Likewise, in Erode spot market also lower arrivals was reported. Arrivals were reported at around 28,000 bags, 8,500 bags were down as compared to previous week.

Higher stocks results into higher arrivals y-o-y in Nizamabad and Erode mandis especially during the lean season. Turmeric arrival is expected to stay at higher levels during coming days which may cap gain in prices. Lower demand was reported in domestic turmeric market. Exporters were inactive in the spot market they don't get any new fresh export enquiries during this period and keep sentiment lower side. Sluggish demands from Masala millers were found.

The following chart shows turmeric export scenario on M-O-M basis in current year period:



It is depicted from the above chart, turmeric export quantity were go up from the month of January to till June on the other hand unit value was reported down due to higher export. Turmeric supply was higher y-o-y due to higher production amid increasing carry in stocks. Exporters were inactive at higher prices level having ample quantity of stocks.

Turmeric crop progress reported satisfactory in South Indian parts mainly in Nizamabad, Warrangal and Tamil Nadu regions. Healthy crop condition was reported and crop was at critical growth stages. No major rainfall occurred in turmeric growing areas during this week period and overall weather condition was favourable for turmeric crop during this current period. Sources revealed that, favourable weather condition expected better turmeric yield in coming season with higher production.

Sowing Progress:

Turmeric has been sown in 0.67 lakh hectares in A.P as on 28th September 2011. Turmeric sowing activity was completed and crop growth stages reported satisfactory week on week. The comparative sowing is tabulated below:

Turmeric Crop Sowing Progress: Andhra Pradesh

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 21/09/11	% Sown to	
Crop	Season	As on date	As on 21/09/09	As on 21/09/10		Season	As on date
Turmeric	0.63	0.63	0.59	0.69	0.67	106	106

Turmeric sowing report in Andhra Pradesh was reported satisfactory. Turmeric growers are expecting that, in A.P. turmeric growing areas may increase in current period due to better realization y-o-y and expectations of better yield in coming season owing favourable weather condition. Expectations of bumper crop production during the current year.

Weather Watch (1 - 7 October):

Further withdrawal of southwest Monsoon is likely from some more parts of central India and some parts of adjoining east India. Rainfall may occur at a few places over north-eastern states. Isolated to scattered rainfall may occur over south Peninsula. Fairly Widespread rain would occur over Andman & Nicobar. Isolated rain would occur over rest of the region.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (30-09-2011)	Week Ago (23-09-2011)	Month Ago (02-09-2011)	Year Ago (30-09-2010)
Turmeric	Nizamabad-Nizam Cold	Unch	5200-5300	5200-5300	6200	14000-14200
	Erode-Finger	+6.52	4400-5400	4100-5100	5600-6000	13900-14600

Turmeric Price Outlook (Nizamabad Spot market)


Overall turmeric price trend indicates bearish sentiment in the spot market. Prices were not sustained at higher price level. 5040 is a strong supports level if prices breach this level it may come down towards 4820 in near term. Positioning of RSI is down in oversold zone indicating down trend likely for short term and bulls likely get active at this point.

Expected Price Range of TMC Nizamabad spot market: 5040 - 5410.

CORIANDER SEED

Spot Market Recap

- Higher arrivals were reported in Kota mandi during the week (23rd – 30th September) under review.
- Lower export demand from major exporting countries is weighing on the coriander market sentiments.
- Refusal of Masala millers to go for aggressive buying in the spot market keep coriander prices down during the week period.
- As per trade information, after Diwali festival demand may increase in domestic spot market and support the prices to gain.

Fundamental analysis

Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (23rd Sept – 30th Sept 2011) in bags	Arrivals during the last week (16th Sept – 23rd Sept 2011) in bags
Kota	+12.12	37,000	33,000
Ramganj	-15.94	33,200	39,500
Baran	-12.54	25,800	29,500

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were reported at 37,000 bags during the week under review up by 4,000 bags compared to the same period last week. As per trade sources, stockists were offloading their stocks at higher price level.

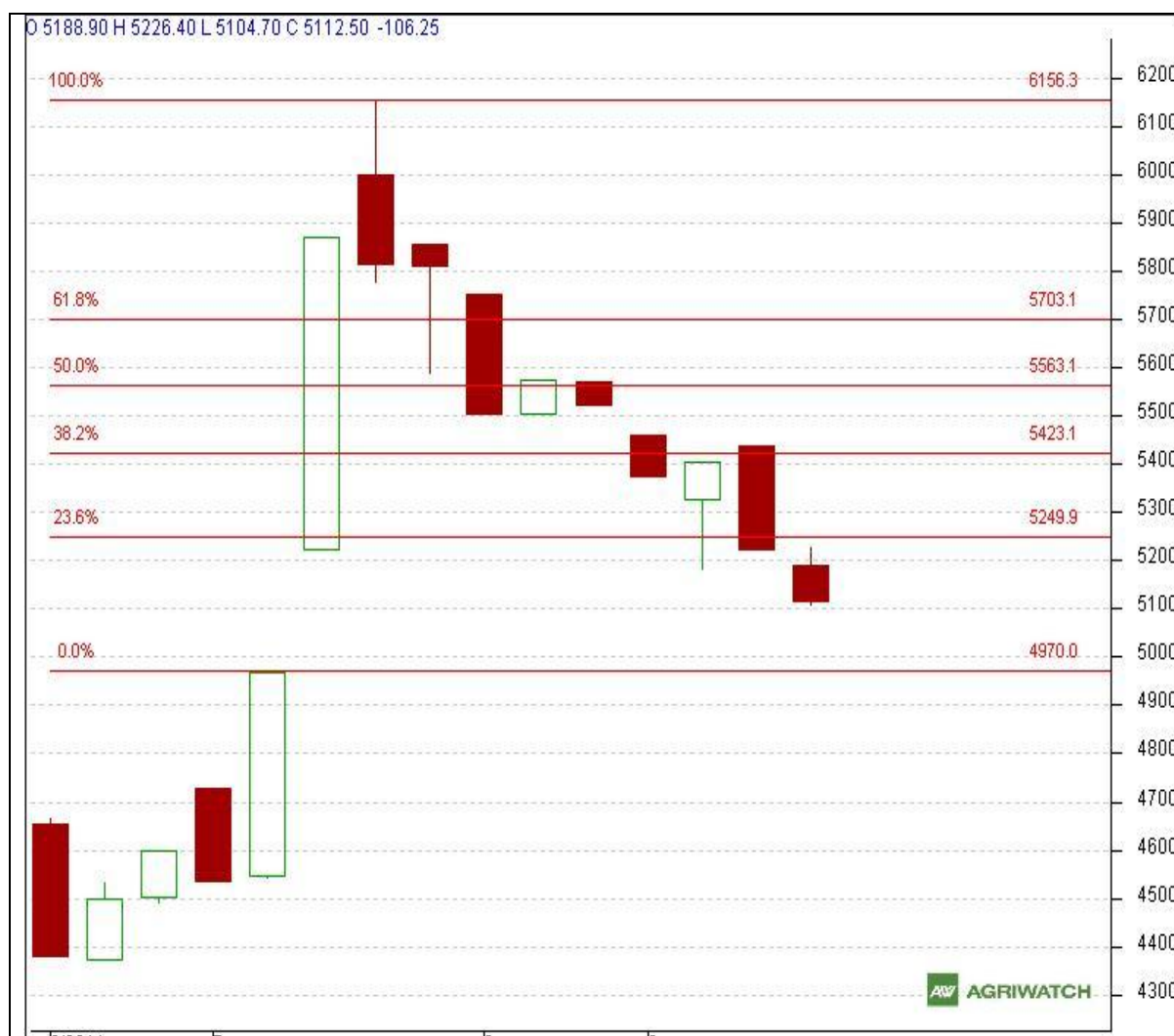
Coriander prices are not getting support at higher price level due to higher carry in stock of last year which was around 50-60 lakh bags and at present around 25-30 lakh bags (1 bag = 40 Kg) in the market.

No export demand was found by exporters in the domestic market. Exporters are still waiting for new export shipments. As per trade information, after Diwali festival demand may increase in domestic spot market and support the prices to gain. At present Hindustan Gum, Ruchi Soya Industries Ltd were the major domestic buyers at lower price level.

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 (29-09-2011)	Week Ago (23-09-2011)	Month Ago (31-08-2011)
Coriander Seed	Ramganj-Badami	-0.68	3550-3750	3600-3750	3900-4000
	Kota-Badami	-1.24	3950-4000	4000-4050	4400
	Baran-Badami	Unch	3800-3900	3800-3900	4100-4250

Coriander Price Outlook (Kota Spot market)


Candlestick chart pattern depicts weak bias movement in the market. **5050 - 5300** 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 5350 on the higher side remain unbreached.

RED CHILLI

Spot Market Recap

- Red chilli Guntur arrivals reported higher during the week under review.
- Export demand was reported in the domestic market for chilli varieties which supported the Chilli prices to gain.
- During the week under review, satisfactory sowing reports from Andhra Pradesh with bright crop outlook prospect might limit aggressive gains.
- Red Chilli sowing progress in Andhra Pradesh reported well with favourable weather condition.

Fundamental Analysis

Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (23 rd Sept - 30 th Sept 2011) in bags	Arrivals during the last week (16 th Sept- 23 rd Sept2011) in bags	Arrivals during the year (23 rd Sept - 30 th Sept 2010) in bags
Guntur (Andhra Pradesh)	+33.34	240,000	180,000	2,90,000

1 Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 240,000 bags (1 bag=45Kg) during the week period higher by 60,000 bags as compared to the previous week period due to releasing stocks by stockists are at higher prices level with comfortable stock position during this season.

Red chilli Teja variety' export demand was reported higher from EU in the overseas market. Red chilli other variety like fatki, sanam etc. also demand was reported in the domestic market. In Guntur spot market, Red chilli variety wise prices was reported like teja Rs 8,600-9,400 a quintal, indo-5 at Rs 8,800-9,600, sanam at Rs 8,200-8,800, no. 273 at Rs 8,800-9,700 and fatki at Rs 4,500-5,000 per quintal. In addition export demand from Pakistan, Bangladesh and China support the prices to gain in the market.

Heavy rainfall in major Chilli producing areas of Madhya Pradesh may keep Chilli prices supportive at lower levels. Sources revealed that, heavy rainfall in major producing areas of Chilli in Madhya Pradesh may delay the Chilli new crop arrivals. Sources also mentioned that the new fresh arrivals of Chilli are normally starts in the month of November to Mid- December. Total production of Chilli in Madhya Pradesh is normally ranges between 1.20-1.80 lakh bags. Last year, the total production of Chilli was down 33% to 1.20 lakh bags due to unpredictable monsoon in the state along with weak sowing acreage of Chilli crop.

Rainfall Scenario:

Actual rainfall and % Departure for the period of 1st June – 28th September

Regions	Actual Rainfall (mm) 1 st June – 28 th Sept.	Normal Rainfall (mm) 1 st June – 28 th Sept.	% Departure from LPA 1 st June – 28 th Sept.
Madhya Maharashtra	757.1	718.2	5%
Coastal A.P	535.6	568.2	-6%
Telangana	663.8	746.3	-11%
Rayalaseema	375.9	387.5	-3%
Tamil Nadu and Pondicherry	294.0	308.2	-5%

Source: IMD

In Andhra Pradesh, most of the Chilli growing regions had received deficit rainfall during this period however in initial stage it had received normal rainfall which support chilli sowing progress. In Rayalaseema regions chilli sowing activity increased as compared to the Coastal A.P and Telangana regions. In Rayalaseema regions chilli sowing area was reported 17756 hectares in 2011 as compared to the 13635 hectares in 2010.

Chilli Sowing Progress in AP:

Red Chilli has been sown in 1.27 lakh hectares in A.P as on 28th September 2011 as compared to the last week 1.17 lakh hectares. Red chilli sowing activity increasing week on week due to favourable weather condition in growing regions. Sources revealed that, chilli production increase this year due to favourable weather condition. Red Chilli area may also increase in AP regions in current sowing period.

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 21/09/11 Crop	% Sown to	
Crop	Season	As on date	As on 21/09/09	As on 21/09/10		Season	As on date
Red Chilli	1.61	1.27	1.56	1.52	1.27	78	99

In Andhra Pradesh, though Red chilli sowing progress reported satisfactory during the week period however it is lagging y-o-y. Most of the chilli growing regions like Coastal Andhra and Telangana had received deficit rainfalls which hinder the sowing progress. However, in Rayalaseema had received normal rainfall and sowing progress also increased as compared to the last year. With favourable outlook we expect sowing acreage to surpass these current seasons.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (30-09 - 2011)	Week Ago (23 -09- 2011)	Month Ago (24-08-2011)	Year Ago (23-09-2010)
Red Chilli	Guntur-334	+2.94	8500-9000	8200-8800	7800-8200	-
	Guntur-Teja	Unch	8600-9400	8600-9400	8500-9300	5800-6100

Price Outlook Red Chilly :(Guntur Spot market)


Red chilli prices breached the support level of 8904 and remained with weak bias during the week. 8838 level seems immediate support for the prices and breaching the level likely lead to a fall up to 8688 levels in near term. 8911 level seems immediate resistance on higher side. Positioning of RSI is down in neutral zone which indicates down trend to continue. The prices likely remain range bound with weak bias in coming week in the range of 8864-8907.

Expected Price Range of Red Chilly Guntur spot market (INR/Qtl): 8838 – 8950.

CUMIN SEED (JEERA)

Spot Market Recap:

- Lower arrivals were reported in the major mandies due to weekend holidays.
- Higher stocks in domestic market put cap on jeera prices to gain. Higher carry in stocks were found in the spot market.
- No new fresh export enquiries were reported in the domestic market. Exporters were waiting for new shipments.
- Jeera sowing begins from October onwards and area may increase during this coming sowing period IN Gujarat and Rajasthan regions.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (23 rd Sept – 30 th Sept 2011) in bags	Arrivals during the last week (16 th Sept – 23 rd Sept 2011) in bags	Arrivals during the last year (23 rd Sept – 30 th Sept 2010) in bags
Unjha (Gujarat)	-63.64	10,000	27,500	21,000

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the indicative market, arrivals were reported at 10,000 bags during the week period down by 17,500 bags as compared to previous week due to extensive local holidays.

In Unjha market higher stocks were reported and they are trying to release their stocks before sowing period. Market participants were expecting that, near about 1.5 – 2 lakh bags may carry forward for coming season.

Sources revealed that prices may go down in near term due to higher carry forward stock in the market that is around 6 - 7 lakh bags and sowing area may also increased in M.P., Gujarat and Rajasthan region. In the upcoming Rabi season with sufficient soil moisture due to favourable weather conditions and there is anticipation of 30,000 lakh bags may come next year in the market. However, local demand from Delhi, Calutta, Patna, Chennai and Bangalore and export demand from Singapore, Bangladesh, Pakistan, Russia, Nepal supporting the prices. There is huge demand for machine cut variety, however from Bangladesh prefer loose variety of jeera. 5000-6000 bags daily traded in the market which may be increased by 10-20%.

Sources revealed that Jeera sowing may start in late October and there is anticipation of better sowing in the upcoming Rabi season with sufficient soil moisture due to favourable weather conditions in the growing areas may put pressure on prices to go down.

In the international market, Syrian and Turkey's cumin seed is being offered at USD 3,450 and USD 3,500 per ton (fob) respectively while; Indian cumin seed is quoted at USD 3,150-3,200 per ton (cnf) Singapore.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (27-09-2011)	Week Ago (22-09-2011)	Month Ago (29-08-2011)	Year Ago (30-09-2010)
Cumin Seed	Unjha-Loose	+0.71	14100	14000	14550	12150
	Jodhpur - Loose	Unch	14000-14500	14000-14500	13500-14500	12000-12300

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


Candlestick chart pattern depicts weak bias movement in the market. Prices were not sustained at higher levels. 15360 is a strong supports level. RSI is moving down in neutral region indicating bearish sentiment in near term.

Expected Price Range of Jeera at Unjha (INR/Qtl): 15360 – 15570.

BLACK PEPPER

Spot Market Recap

- Increasing arrivals were reported during the week period in the domestic spot market at higher price level.
- Expectations of lower supply in the spot market may support the black pepper prices to gain.
- Sources revealed that, black pepper area in Kerala was steady as compared to the same period last year.
- Pepper crop in Kerala was reported at flowering to fruit forming stage and new crop arrivals will be starts from January.
- Black pepper prices were traded at its all time high due to lower production prospect in current year period amid lower supply.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (23rd Sept - 30th Sept 2011) in tonnes	Arrivals during the last week (16th Sept - 23rd Sept 2011) in tonnes	Arrivals during the last year (23rd Sept - 30th Sept 2010) in tonnes
Kochi (Kerala)	-	104	-	235

In Kochi (Kerala) market, arrivals were reported during the week period as compared to the last week. Producers and stockists were liquidating their stocks during this period at higher price level. Sellers were not interested to sell their produce at lower price level and they were expected to increase further.

Higher export demand from US and Europe also supporting the prices to move up in the market. Prices may get further support in coming days due to winter season demand amid global scarcity of pepper stock. Black pepper crop in Kerala was reported at flowering to fruit development stage. New crop arrivals will be starts from January first in the market. Sources revealed that, pepper area was stagnant as compared to the same period last year. Rainfall was normal in pepper growing regions prospects for better production this year. 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. Indian pepper quality demands were higher in international market. Sources revealed that, shortage of supply amid lower pepper production and coming demand before festival season supports prices to gain. Black Pepper export demand and unit value was increasing day by day.

In the international market, Indian black pepper MG 1 is quoted at USD 7,900 per ton for Europe, and USD 8,200 per ton (cnf) America. Vietnam FAQ 500 GL is offered at USD 7,850, 550 GL at USD 8,250, Asta 570 GL at USD 8,650 per ton (fob). White pepper double washed is offered at USD 11,100 per ton.

Global Pepper market:

Black pepper in international market continued upward trend due to lower supply. In Brazil, India and Vietnam the increase was much higher at 8% locally, while in FOB 3% were recorded. Prices in Sri Lanka, Lampung and Sarawak also increased. The higher local price increase was more than fob. This indicates that lower stock available in the market. The market was volatile and unpredictable with very limited offers.

In Vietnam local prices increased by VND 20,000 per kg during the week, from VND 141,000 last week to VND 161,000 at the weeks close, recording an increase of 9%. In India local price for ungarbled black increased by around INR 30 per kg to INR 343 per kg In Brazil, local price was BRL 12 per kg, increased from BRL 10.5 last week. In Lampung, local price increased from IDR 59,000 per kg last week to IDR 63,000 this week.

In Bangka and Vietnam, white pepper prices increased significantly by around 6-7% locally and 3-4% in fob. In Hainan, the price increased by 2%. A marginal increase of 1% was also recorded for Sarawak white pepper.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (30-09-2011)	Week Ago (23-09-2011)	Month Ago (29-08-2011)	Year Ago (30-09-2010)
Black Pepper	Kochi-Ungarbled	-0.60	33000	33200	30300	18700
	Kochi-Garbled	-0.57	34500	34700	31300	19200
	New Delhi-Unpolished	-1.42	34500	35000	31200	-
	New Delhi-Number 11.5	-2.63	37000	38000	35000	-

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


Candlestick pattern reveals bearish sentiment in the market. 32200 is a strong supports level. 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.

Expected weekly black pepper price range: 32200 to 34580.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market during the week (23rd Sept – 30th Sept) under review.
- Arrivals may increase in further days due to picking up of harvesting in growing areas. Prospects of better crop production current year as compared to last year.
- Sources revealed that, at lower price level buyers may active for higher buying in coming days.
- Festive season demand also may increase in coming days and is likely to lend underlying support to the prices at lower price quotes.
- However, new crop arrivals may limit any near term gains in the domestic market.

Fundamental Analysis:

Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (23 rd Sept – 30 th Sept 2011) in kgs	Arrivals during the last week (16 th Sept – 23 rd Sept 2011) in kgs	Arrivals during the last year (23 rd Sept – 30 th Sept 2010) in kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	+4.20	695489	667460	249269

Cardamom arrivals were reported at 6, 95,489 Kgs higher by 28,029 kgs as compared to the previous week's arrivals. Arrivals were increase due to increasing picking progress in growing areas.

Arrival is expected to increase during coming days as harvesting (picking) is going on. Sources revealed that, at around 7 lakh Kgs of daily arrivals came to the market. As per trade information, third round harvesting was already started, near about 40 percent was completed and it will end till 15 October. Cardamom arrivals may increase in coming days due to increasing picking activity in growing areas with favourable weather condition.

Stockiest and cultivators liquidations continued in cardamom futures on the back of strong supplies in physical market against diminutive demand of traders and exporters. Traders are expecting the total production at around 16000 - 17000 tonnes in the current year which was up by 30 percent as compared to the last year. On the demand side, not much buying was reported in physical markets with the expectation of further decline in cardamom prices. Moreover, strong carryover stocks have also reduced the stockiest off take during the new season. Traders mentioned that almost 2000 tonnes of opening stocks were reported before the commencement of the new season.

Weather Watch (1 - 7 October):

Further withdrawal of southwest Monsoon is likely from some more parts of central India and some parts of adjoining east India. Rainfall may occur at a few places over north-eastern states. Isolated to scattered rainfall may occur over south Peninsula. Fairly Widespread rain would occur over Andman & Nicobar. Isolated rain would occur over rest of the region.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (30-09-2011)	Week Ago (23-09-2011)	Month Ago (30-08-2011)	Year Ago (30-09-2010)
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	+0.77	656.45	651.41	563.74	1031.38

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


Candlestick chart pattern indicates firm sentiment in the market. We expect that, **570 – 680 is the trading range for the price in coming week period.** Cardamom prices might find immediate support near 570. Positioning of RSI is moving up in neutral zone indicates the bullish trend for short term.

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