

TURMERIC

Spot Market Recap

- Higher arrivals were reported in Nizamabad and Erode spot market during the week period.
- Having enough quantity of stocks amid increasing production y-o-y, stockists are inactive in the domestic market.
- Also, inactive response from Masala Millers in the spot market at higher price level was reported during this period.
- Turmeric crop progress reported satisfactory in South Indian parts mainly in Nizamabad, Warrangal and Tamil Nadu regions.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (7 th Oct - 14 th Oct 2011) in bags	Arrivals during the last week (1st Oct - 7th Oct 2011) in bags	Arrivals during the year (7th Oct - 14th Oct 2010) in bags
Nizamabad (Andhra Pradesh)	+263.63	4,000	1,100	3000
Erode (Tamil Nadu)	+105.88	35,000	17,000	44,000

1 bag = 90kgs

As shown in the above tables, higher arrivals were reported in Nizamabad spot market during the week period due to stockists are offloading their stocks at current prices level in the domestic market. Arrivals in Nizam were up by 2900 bags as compared to the same period last week. Similarly, in Erode spot market also higher arrivals were reported. Arrivals were reported at around 35,000 bags, 18,000 bags were up as compared to previous week.

Higher buying ahead of Diwali festival supports spot turmeric prices to move up in spite of heavy arrivals. Wholesale buyers have received fresh orders from North India, which they have to fulfil before Diwali festival so they are quoting higher for quality turmeric. Producers are selling huge stocks at the current prices anticipation for festival expenses. Higher stocks amid better production prospect in coming period which may increase in carry in stocks for the next season continue to pressure on the prices at higher levels. Turmeric prices will not sustain at higher levels as stockists and traders are not interested to go for higher buying during the current period due to sufficient quantity of stocks. Total turmeric stocks in India is reported at 20 – 22 lakh bags (1 bag= 65 kgs) and around 15 lakh bags will be carry forward for coming season. 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.

Turmeric crop progress reported satisfactory in South Indian parts mainly in Nizamabad, Warrangal and Tamil Nadu regions. Turmeric crop it's at critical growth stages or knee height stage. Turmeric plant till now at around 1feet high which maximum 3 feet high is during December month. 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.

Weather Watch

Fairly widespread rain/thundershowers would occur over Karnataka and Kerala. Scattered rain/thundershowers would occur over Rayalaseema, Tamilnadu and Andaman & Nicobar Islands. Isolated rain would occur over rest of the region.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (14-10-2011)	Week Ago (04-10-2011)	Month Ago (14-09-2011)	Year Ago (14-10-2010)
Turmeric	Nizamabad-Nizam Cold	-3.70	5200	5400	5100	14850-15050
	Erode-Finger	+15.30	5300-6000	4500-5300	4600-5400	13650-14250

Turmeric Weekly Price Outlook (Nizamabad Spot market)



Candlestick chart pattern indicates correction in turmeric prices in the spot market. 5380 is a strong supports level if prices breach this level it may come down towards 5142 in near term. Positioning of RSI is up in neutral zone indicating up trend likely for short term and bulls likely get active at this point.

Expected Price Range of TMC Nizamabad spot market: 5380 - 6370.

CORIANDER SEED

Spot Market Recap

- In Ramganj and Baran market, prices were reported down during the week. However, In Kota coriander market, prices were reported up due to speculation in the market.
- In coriander major markets, higher arrivals were reported during this week (7th Oct - 14th Oct) compared to previous week as market was closed last week due to Navratra festival.
- Sources revealed that anticipation of increased area in Rajasthan and Madhya Pradesh during the coming sowing period may put pressure on prices to go down.
- Coriander sowing will be start from October onwards and new crop arrivals will start from January.

Fundamental analysis

Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (7th Oct - 14th Oct 2011) in bags	Arrivals during the last week (1st Oct - 7th Oct 2011) in bags
Kota	+50.00	21,000	10,500
Ramganj	+32.25	15,500	10,500
Baran	+46.42	14,000	7,500

1 bag=40 kg

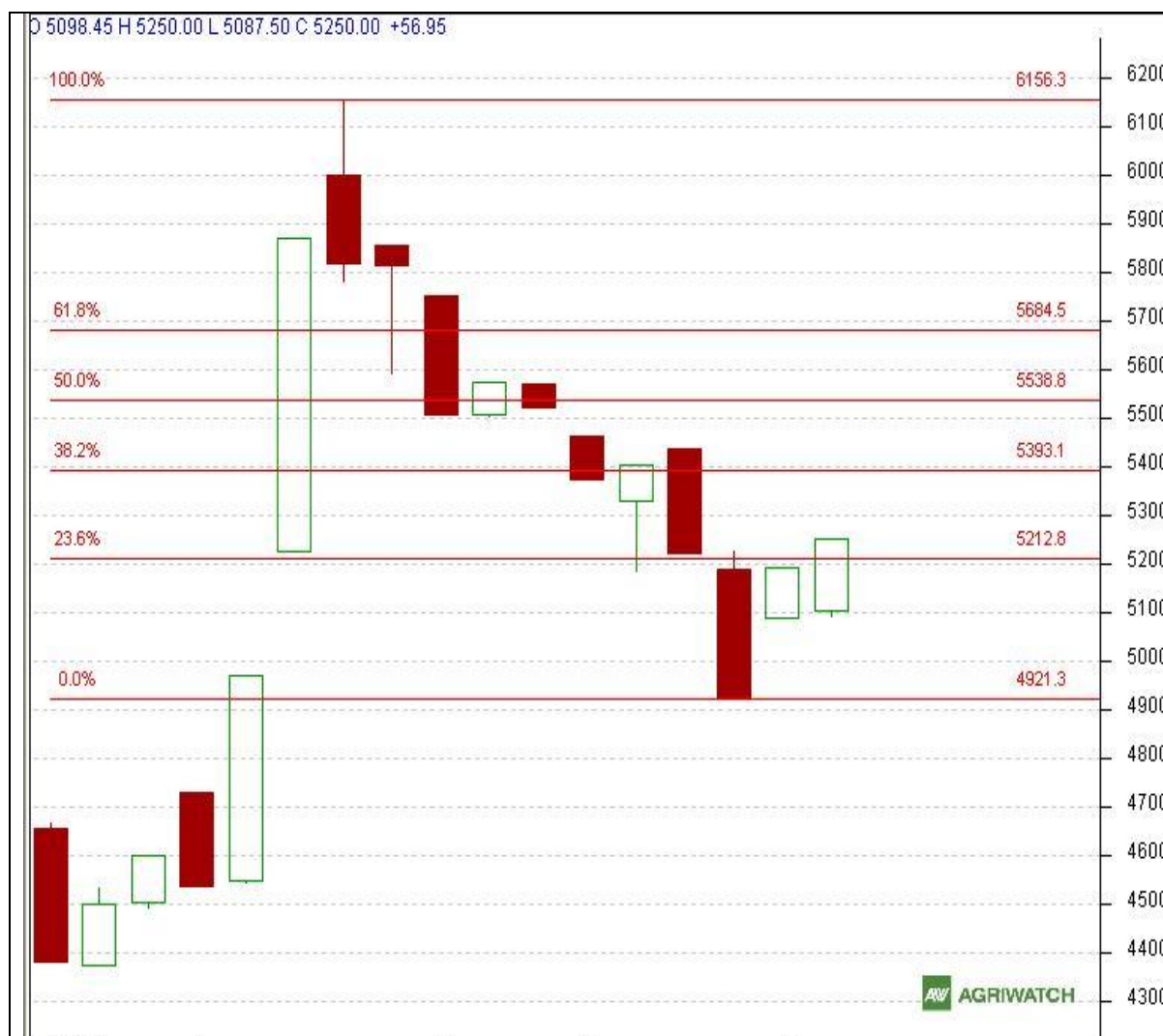
Taking Kota spot markets as the indicative market, arrivals were reported at 21,000 bags during the week under review up by 10,500 bags compared to the same period last week. Coriander prices are not getting support at higher price level due to higher carry in stock of last year which was around 50-60 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. Coriander exports decreased by 47% which were 12,750 tonnes during the period from April – August 2011, compared to previous year same period when exports were reported at 23,850 tonnes. At present Hindustan Enterprices, Ruchi Soya Industries Ltd were the major domestic buyers at lower price level.

Coriander sowing will be start from October onwards 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 trade sources, 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 (14-10-2011)	Week Ago (07-10-2011)	Month Ago (14-09-2011)
Coriander Seed	Ramganj-Badami	-0.70	3500-3550	3500-3600	3600-3800
	Kota-Badami	+2.42	4100-4150	4000-4050	3900
	Baran-Badami	-1.31	3750-3850	3800-3900	3750-3800

Coriander weekly Price Outlook (Kota Spot market)


Candlestick chart pattern depicts firm movement with upward bias in the market. **5070 - 5370 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 Red chilli during this week compared to last week.
- During the week under review, Red Chilli sowing progress in Andhra Pradesh reported well with favourable weather condition.
- As per trade sources, around 20 – 25 lakh bags (1 Bag=45 Kgs) of red chilli currently held in Guntur cold storage.
- Red chilli exports decreased by 43,000 tonnes, which were 68,000 tonnes during the period from April – August 2011, compared to previous year same period when exports were reported at 1,11,000 tonnes.
- Export demand from Pakistan, Bangladesh, Sri Lanka and China for Red chilli varieties support the prices to move up.

Fundamental Analysis

Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (7 th Oct - 14 th Oct 2011) in bags	Arrivals during the last week (1 st Oct- 7 th Oct2011) in bags	Arrivals during the year (7 th Oct - 14 th Oct 2010) in bags
Guntur (Andhra Pradesh)	+75.00	1,40,000	35,000	2,10,000

1 Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 1,40,000 bags (1 bag=45Kg) during the week period higher by 1,05,000 bags as compared to the previous week period due to market closed on the occasion of Navratra festival.

Export demand from Pakistan, Bangladesh, Sri Lanka and China for Red chilli varieties were noticed in domestic market. In Guntur spot market, Red chilli prices for Teja variety was reported 9,000-9,400 Rs. per quintal, indo-5 at Rs 8,000-9,500, sanam at Rs 8,000-9,000, no. 273 at Rs 8,400-9,500 and fatki at Rs 4,500-5,000 per quintal.

Heavy rainfall in major Chilli producing areas of Madhya Pradesh may keep Chilli prices supportive at lower level. 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 Oct – 12th October

Regions	Actual Rainfall (mm) 1 st Oct – 12 th Oct.	Normal Rainfall (mm) 1 st Oct – 12 th Oct.	% Departure from LPA 1 st Oct – 12 th Oct.
Madhya Maharashtra	29.7	47.1	-37%
Coastal A.P	25.3	81.1	-69%
Telangana	8.7	49.9	-83%
Rayalaseema	47.5	62.3	-24%
Tamil Nadu and Pondicherry	46.5	60.3	-23%

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 Tamil Nadu and Rayalseema region chilli sowing activity increased as compared to Telangana and Coastal A.P regions.

Chilli Sowing Progress in AP:

Red Chilli has been sown in 1.46 lakh hectares in A.P as on 12th October 2011 as compared to the last week 1.30 lakh hectares. Red chilli sowing activity increasing week on week due to favourable weather conditions 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 12/10/11 Crop	% Sown to	
Crop	Season	As on date	As on 12/10/09	As on 12/10/10		Season	As on date
Red Chilli	1.61	1.61	1.56	1.52	1.46	90	90

In Andhra Pradesh, Red chilli sowing progress reported satisfactory during the week period. However, it is lagging y-o-y basis. Most of the chilli growing regions like Telangana and Coastal A.P. had received deficit rainfalls which obstruct the sowing progress. However, Tamil Nadu and Pondicherry region had received better rainfall as comparison to other regions so there are chances of better crop production.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (14-10 - 2011)	Week Ago (07 -10- 2011)	Month Ago (14-09-2011)	Year Ago (14-10- 2010)
Red Chilli	Guntur-334	-	8500-8800	Closed	8200-9000	-
	Guntur-Teja	-	9000-9400	Closed	9200-9600	6000-6400

Red Chilly weekly Price Outlook (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:

- Higher arrivals were reported in the domestic market during the week (7th Oct – 14th Oct) under review.
- Ample quantities of stocks were reported with producers, stockists and they are offloading their stocks in coming days.
- Sources revealed that, expectations of higher arrivals weigh on the jeera market sentiments further.
- Jeera sowing started in Gujarat and area may increase during this sowing period due to sufficient soil moisture amid favourable weather condition.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (7 th Oct – 14 th Oct 2011) in bags	Arrivals during the last week (1st Oct – 7th Oct 2011) in bags	Arrivals during the year (7 th Oct – 14th Oct 2010) in bags
Unjha (Gujarat)	+430.00	26,500	5,000	15,500

Unjha 1 bag = 55kgs

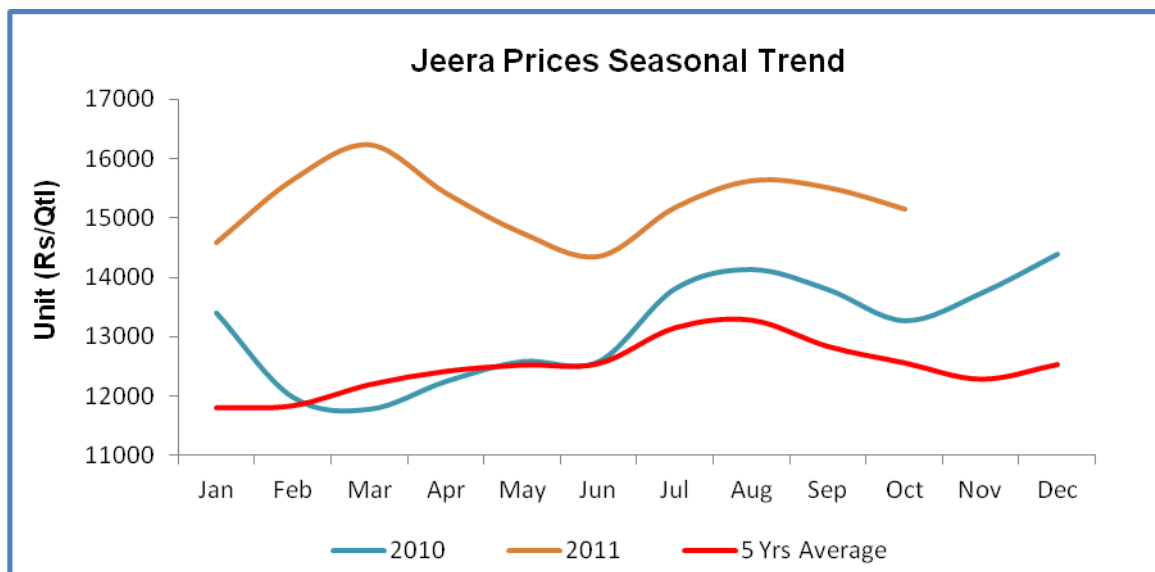
Taking Unjha cash markets as the indicative market, arrivals were reported at 26,500 bags during the week period up by 21,500 bags as compared to previous week due to Farmers, stockists have sufficient amount of stocks in domestic market and they are releasing their stocks. In Unjha spot market, higher stocks were reported this time as compared to the same period last year. Sources revealed that, all over India stocks reported at around 9 – 10 lakh bags (1 bag = 65 Kgs) and near about 2 – 3 lakh bags may carry forward for coming season.

As per trade information, higher demand for machine cut or Poojari type (jeera variety) found in Unjha market due to better quality and lower stocks available in the market. However, overall jeera sentiment reported lower due to ample supply and expectation of higher production 35 - 37 lakh bags in 2011-12.

Cumin seed export decreased by 6,200 tonnes, which was 9,500 tonnes during the period from April – August 2011, compared to previous year same period when export were reported at 15,700 tonnes. Domestic buyers are not interested for higher buying due to higher prevailing prices in the market and they are waiting for lower quotas. Local traders, Masala millers are the mainly buyers for jeera in the spot market.

Jeera sowing activity started in Gujarat districts like Jamnagar, Rajkot, Amreli and sowing area may increase in this region due to sufficient soil moisture amid favourable weather condition. In Rajasthan jeera sowing will start after Diwali festival.

The following tables shows Jeera Unjha all paid prires in 2010, 2011 and 5 years average prices and their seasonality trends-



*All above mentioned prices are Jeera all paid prices in Unjha spot market.

Source – Agriwatch.

It is evident from the above chart that, Jeera Unjha spot market prices (all paid) in 2011 were up as compared to the 2010 and 5 years average prices. In 2011 from January to March prices were not seen following its seasonal trend and prices significantly went up on crop concern due to rainfall in Gujarat and Rajasthan. It then slowly decline and followed its 5 years average prices trend. It then continue to follow its 5 years average price movement indicating price seasonality though still remain on higher side when compared to 2010 prices and its 5 year average prices.

As per the seasonal trend depicted in the above chart it is evident that prices might starts declining from Oct onwards and is likely to stay lower till Nov. Considering current fundamentals we expect price direction to stay in-line with its 5 years average price trend. Expectation of prices decline could be attributed to start of sowing and acreage anticipation.

Jeera prices were up as compared to the 2010 and 5 years average prices in current year. At current higher price level buyers were not interested to go for bulk buying in the domestic market. We expect jeera prices will follow the 5 years average prices in further days.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (14-10-2011)	Week Ago (07-10-2011)	Month Ago (14-09-2011)	Year Ago (14-10-2010)
Cumin Seed	Unjha-Loose	-11.34	12500	14100	14550	12100
	Jodhpur - Loose	Unch	14000	14000	14000	11800-12000

Jeera weekly Price Outlook (Unjha Spot market)


Candlestick chart pattern depicts weak bias movement in the market. Prices were not sustained at higher levels. 14690 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): 14690 – 15028.

BLACK PEPPER

Spot Market Recap

- Lower arrivals were reported during this week period (7th Oct – 14th Oct 2011) due to lean season.
- Buyers seen active in spot black pepper market which lends underlying support to the black pepper prices for short term.
- Stockists were not interested to offloading their stocks with relatively thin arrivals.
- As per trade information that, domestic demand in coming days due to festive season also push pepper prices to gain in short term.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (7 th Oct – 14 th Oct 2011) in tonnes	Arrivals during the last week (1 st Oct – 7 th Oct 2011) in tonnes	Arrivals during the last year (7 th Oct – 14 th Oct 2010) in tonnes
Kochi (Kerala)	-33.34	18	27	148

In Kochi (Kerala) market, Stockists were not releasing their stocks in the domestic spot market on expectations of higher prices further. Stiff supply situation and un-willingness of seller to go for active selling lend underlying support to the prices. Meanwhile, such situation is likely to extend during coming couple of weeks which might keep overall pepper fundamentals on encouraging note in coming days.

Lower stocks were reported from Kerala and Karnataka regions during this current period. On the other hand, higher demand from Oct to December may keep black pepper prices to move up. Indian pepper quality demands were higher in international market. As per trade information, supply crunch amid lower pepper production, festival season in India, winter season demand, discounted prices of Indian origin in the international market may supports prices to gain. In India, black pepper export demand and unit value was increasing day by day.

Crop Progress:

In current period, Black pepper crop in Kerala are reported at berry development stage to maturity stage almost 60 – 70% crop are matured. Pepper producers revealed that, in Kerala pepper picking or harvesting will start from November first week onwards and new crop arrivals may start from 15th December in the market. Black pepper area reported steady as compared to the same period last year. In India during current season pepper produces in old orchard and no renew reported till now. Favourable weather condition in pepper growing regions mainly in Kerala anticipation of better production this year.

Export Scenario:

India exported in 2010 was 16,700 mt of pepper valued at INR 3.04 billion as against 21,300 mt worth INR.3.33 billion in 2009, demonstrating a significant decrease of around 21.6% in volume and 8.7% in value. On the other hand, during 2011, export from India is estimated to increase due to increase in import demand up to August 2011. During January – August 2011, export of pepper from India was

13,400 mt as against 11,700 mt as compared to the same period last year, showing an increase of 1,700 mt an increase of 14.5%.

This reveals export demand to stay firm even during the off-season when prices generally stay firm. This indicates strong demand for Indian pepper which is likely to extend during coming couple of months. Quantity for export is likely to increase during coming couple of days with value in terms of rupees might go up. Sources revealed that, anticipation of total export of pepper from India during 2011 would be around 18,000 mt. This shall stand supportive for the overall pepper fundamentals during coming couple of trading session.

Global Pepper market:

In the global market, Indian black pepper MG 1 is quoted at USD 8,000-8,050 per ton for Europe and USD 8,300 per ton for America (CNF). Vietnam FAQ 500 GL is offered at USD 7,700 and 550 GL FOB also at USD 8150-8175 per ton. White pepper double washed is offered at USD 11,100 per ton. Brazil Asta is offered at 7,750-7,800, B1 560 GL at 7,700 per tone (fob). Indonesia Asta is quoted at USD 8,550 per ton for October-November shipment.

Black pepper prices increased further at most origins with the exception of Sri Lanka. However, significant changes were taking place in Sarawak this week. Local price of Sarawak black increased almost daily from MYR 15.83 (USD 4.97) per kg last week to MYR 16.5 (USD 5.26) at the week's close. FOB price increased by USD 500 per mt and reach USD 8,000 at the week's close, recording the highest. On an average, Sarawak black pepper increased by 7% locally and 6% in FOB.

In white pepper prices also took place in Sarawak. Local price of Sarawak white pepper increased by 5%. Fob price of Sarawak white increased significantly by 10%. In Bangka, local price of muntok white decreased marginally. White pepper price in Hainan stood at USD 9,819 per mt locally and USD 10,019 in fob.

In India pepper market increased as due to increase in the volume of trade at the Commodity Exchange. Average price of Malabar black increased by around 3%. In Lampung, local price of black pepper stood at IDR 67,000 (USD 7.50) per kg, recording 2% higher from last week's average. In Sri Lanka, pepper prices at growing areas decreased marginally by 1%. In Daklak, the price of black pepper was VND 150,000 per kg.

Spot Prices Weekly Change

Commodity	Centre Variety &	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (14-10-2011)	Week Ago (07-10-2011)	Month Ago (14-09-2011)	Year Ago (14-10-2010)
Black Pepper	Kochi-Ungarbled	+3.60	34500	33300	31000	18100
	Kochi-Garbled	+3.44	36000	34800	32000	18600
	New Delhi-Unpolished	+1.15	35000	34600	32500	19600
	New Delhi-Number 11.5	-	-	37000	36000	23500

Black Pepper weekly Price Outlook (Kochi Spot market)


Candlestick pattern reveals bearish sentiment in the market. 34790 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 up in the overbought zone as well and prices might be correct in near term.

Expected weekly black pepper price range: 34790 to 36300.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market during the week (7th Oct – 14th Oct 2011) under review.
- Arrivals may increase in further days due to picking up of harvesting in growing areas.
- At higher price level buyers were reported inactive in the domestic market and they are waiting for lower price quotas.
- In Guatemala, cardamom harvesting already started and anticipation of production around 20000 tons.

Fundamental Analysis:

Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (7 th Oct – 14 th Oct 2011) in Kgs	Arrivals during the last week (1 st Oct – 7 th Oct 2011) in Kgs	Arrivals during the year (7 th Oct – 14 th Oct 2010) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	+65.75	615340	371231	278898

Cardamom arrivals were reported at 615340 Kgs higher by 244109 kgs as compared to the previous week's arrivals. Arrivals were increase due to increasing picking progress in growing areas. Cardamom arrivals expected to increase in coming days with picking up of harvest. Sources revealed that, third round harvesting was already started, near about 60 - 70 percent was completed and it will end till end of this month. As per trade information, fourth round of Cardamom harvesting will start from 15th November onwards. Cardamom arrivals may increase in coming days due to increasing picking activity in growing areas with favourable weather condition.

Increasing cardamom production y-o-y helped to build up the stocks in domestic market. Higher carry in stocks and ample supply and lack of active buyers at higher price level in the domestic market continue to pressure prices. However, market participants were expecting global demand stay supportive in coming days which is likely to lend underlying support to the cardamom prices during medium term. As per trade sources cardamom production in India is slightly higher current year at around 18000 tons and 3,000 tonnes already came to the market.

On demand front, buyers were reported inactive in physical markets with the expectation of further decline in cardamom prices. Market participants are expecting that, at lower price level demand will come and supports the prices to gain.

In Guatemala, cardamom harvesting already started and anticipation of production around 20000 tons. In India Guatemala crop may come from first week of December however, in India if cardamom prices will down at that time crop will not arrive sources added.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (14-10-2011)	Week Ago (07-10-2011)	Month Ago (14-09-2011)	Year Ago (14-10-2010)
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-5.47	575.03	608.34	585.14	933.43

Cardamom weekly Price Outlook (Kochi Spot market)


Candlestick chart pattern indicates weak sentiment in the market. We expect that, **500 – 620 is the trading range for the price in coming week period**. Cardamom prices might find immediate support near 500. Positioning of RSI is moving down in neutral zone indicates the bearish trend for short term.

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