

TURMERIC

Spot Market Recap

- Escalating arrivals were reported in Nizamabad and Erode spot market during the week under review.
- Stockists and Producers were releasing their stocks in the domestic market to help meet the export demand and on expectations of another bumper crop in 2012.
- Ample stocks in the major mandies continue to pressure turmeric prices.
- Favourable weather conditions are expected to lead to better turmeric yield in the coming season with higher production.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in bags	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in bags	Arrivals during the last year (10 th Dec – 16 th Dec 2010) in bags
Nizamabad (Andhra Pradesh)	+72.41	5,000	2,900	1700
Erode (Tamil Nadu)	+26.83	52,000	41,000	20,500

1 bag = 75kgs

As shown in the above table, higher arrivals were reported in Nizamabad spot market during the week. Arrivals in Nizam were up by 2,100 bags as compared to the same period last week. Similarly, in Erode spot market also escalating arrivals was reported. Arrivals were reported at around 52,000 bags, 11,000 bags up as compared to the previous week. As per trade information, stockists were offloading their stocks before new crop arrivals begin.

On the supply front, the arrivals and known high stocks in the major mandies will continue to pressure turmeric prices in the 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.

Turmeric export increased by 18,000 tonnes, (50,000 tonnes during the period from April – October 2011), compared to the 32,000 tonnes in April-October 2010. Current year exports till October were up by 56%. The value also has come up to Rs 50,000.00 lakh this year which was Rs 44,183.15 lakh last year and the target for 2011-12 is 50,000 tonnes with value Rs.50, 000/- lakh.

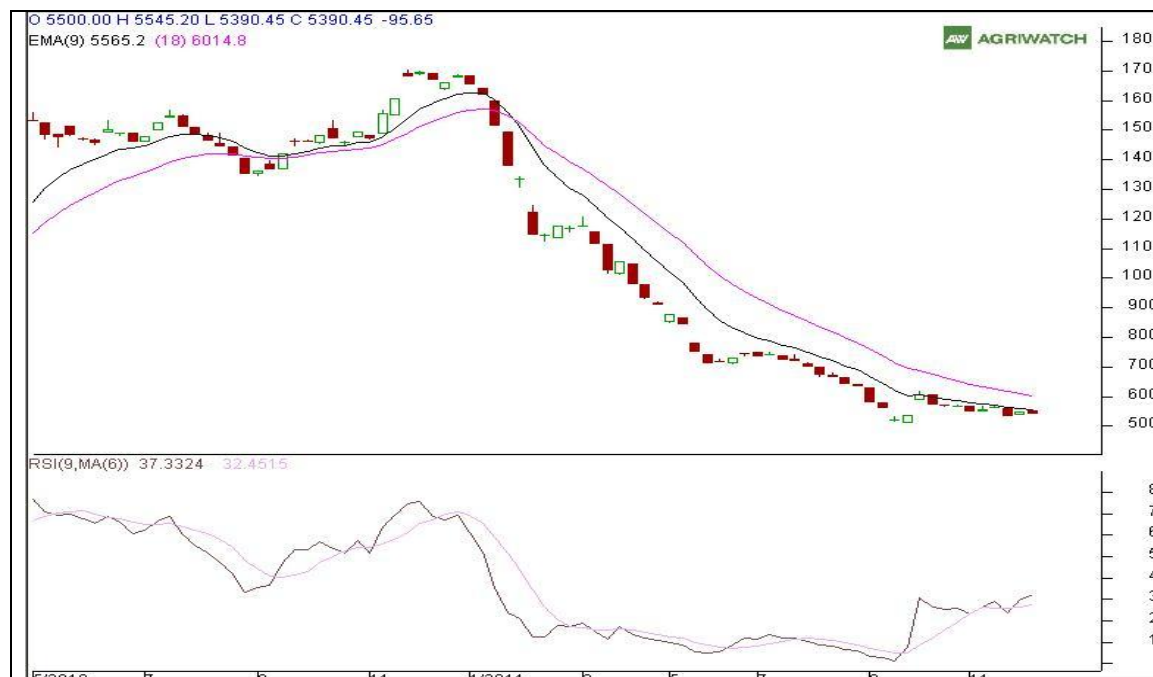
Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago(16-11-2011)	Year Ago (16 -12-2010)
Turmeric	Nizamabad-Nizam Cold	-7.01	5300	5700	5200-5300	17050
	Erode-Finger	-5.81	3900-4200	4100-4500	4600-5000	16300-16700

Weather Watch

Rain/thundershowers would occur at a few places over Tamilnadu, Lakshadweep and Andaman & Nicobar Islands and at one or two places over Kerala and south Andhra Pradesh. Mainly dry weather would prevail over rest of the region.

Turmeric Weekly Price Outlook (Nizamabad Spot market)



Candlestick chart pattern depicts sideways movement in the market. 5200 is a strong supports level breaching this level is likely to test towards 5145 in near term. Positioning of RSI is moving down in neutral region indicating prices may go down in short term.

Expected Price Range of TMC Nizamabad spot market: 5200 - 5660.

CUMIN SEED (JEERA)

Spot Market Recap:

- Higher arrivals were reported in the domestic market during the week (10th Dec – 16th Dec 2011) under review.
- Ample quantities of stocks were reported with producers, stockists and they are offloading their stocks and this would continue to weigh on the market.
- Jeera export has increased during the period from April – October 2011 as compared to April – October 2010.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in bags	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in bags	Arrivals during the last year (10 th Dec – 16 th Dec 2010) in bags
Unjha (Gujarat)	+22.07	18,250	14,950	21,000

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the indicative market, arrivals were reported at 18,250 bags during the period of 10th Dec – 16th Dec 2011 higher by 3,300 bags as compared to previous week same period.

As sowing is due to begin, stocks are being liquidated but there is an expectation that almost 1.5 – 2 lakh bags may be carried forward to the next season.

As per trade information, demand for Machine cut or Poojari type (jeera variety) is high in Unjha due to its quality and lower stocks available in the market. However, overall jeera sentiment reported lower due to ample supply and expectation of higher production (34 - 35 lakh bags in 2011-12).

Cumin Seed export increased by 700 tonnes, which was 20,500 tonnes during the period from April – October 2011, compared to 19,800 tonnes in April-October 2010.. The value also has come up to Rs 29,236.25 lakh this year which was Rs 23,666.54 lakh last year and the target for 2011-12 is 35,000 tonnes with value Rs.40,000/- lakh.

In the international markets, Syrian and Turkey's cumin seed is being offered at USD 3,300 per ton (fob) respectively while; Indian cumin seed is quoted at USD 2,900 per ton (cnf) Singapore.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago (16-11-2011)	Year Ago (16-12-2010)
Cumin Seed	Unjha-Loose	+0.77	13000-13200	12500-13500	12580	12425
	Jodhpur - Loose	+3.05	13500	13100	12500	12000

Jeera weekly Price Outlook (Unjha Spot market)



Candlestick chart pattern depicts bearish price trend in the spot market. Jeera prices have been going down for a few weeks now.. 13820 is a strong supports level. RSI is moving up in neutral region indicating prices may go up in the short term.

Expected Price Range of Jeera at Unjha (INR/Qtl): 13820 – 14400.

BLACK PEPPER

Spot Market Recap

- Lower arrivals were reported during the week under review (10th Dec – 16th Dec 2011).
- Black pepper prices were traded at its all time high due to lower production prospect in current year period amid lower global supplies.
- Sources revealed that, black pepper area in Kerala was steady as compared to the same period last year.
- Increasing export demand was reported in the domestic spot market as compared to the same period last year.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in tonnes	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in tonnes	Arrivals during the last year (10 th Dec – 16 th Dec 2010) in tonnes
Kochi (Kerala)	-12.85	95	109	117

In Kochi (Kerala) market, lower arrivals were reported during the week period as compared to the last week.

Black pepper prices are at a lifetime high in the domestic market due to higher demand in international market in 2011. In Kochi new crop arrivals started slow.. Sources revealed that, currently only 4 - 5 tonnes bags come to the market and is only expected to pick up in the first week of January when arrivals from Idukki will join the current Kottayam Pepper.. In Kerala, around 25,000 tonnes pepper production expected in current year with the area remaining largely same as last year.

Favourable weather conditions in pepper growing regions mainly in Kerala are expected to lead to higher production of high quality this year.

The falling rupee has also made Indian pepper more competitive globally and providing the necessary impetus in the domestic markets. This is likely to continue since even efforts by the Reserve Bank would only likely help stem the fall and not return the Rupee to its previous levels.

Pepper Export Scenario

Black Pepper export increased by 3,400 tonnes, which was 13,750 tonnes during the period from April – October 2011, compared to same period in 2010 when exports were reported at 10,350 tonnes. Current year exports till October were up by 33%. The value also has come up to Rs 40,027.50 this year which was Rs 18,578.55 last year and target for 2011-12 is 20,000 tonnes with value Rs.45,000/-.

International sentiments for Pepper market:

Short supply of pepper in the global market will remain until the India and Vietnam crops hits the market in March 2012. In India and Sarawak, local prices increased by 2%, with very limited activities. In Lampung a decrease of 4% in local market was recorded, while in Vietnam and Sri Lanka, the prices were reported stable. In dollar terms, local price in Sri Lanka decreased by 2%. In Brazil, local price was at the level of BRL 11 per kg and USD 6,900 per mt fob.

Despite the rise in the futures market Indian parity in the international market remained unchanged at \$7,000 a tonne (c&f) for Europe and \$7,300 a tonne (c&f) for US because of the continuous depreciation of the rupee against the dollar.

In Bangka, local prices of white pepper increased marginally. A marginal decrease was recorded in Sarawak and in Vietnam the price continued to be stable.

Pepper International Prices:

In the global market, Indian black pepper MG 1 quoted at USD 7,000 metric tons for Europe and USD 7,300 per metric ton for New York (CNF). Brazil B Asta offered at USD 6,900 per ton, B1 at USD 6,800 and B2 at USD 6,700 per ton (FOB). Vietnam FAQ 500 GL is offered at USD 6,800 per ton (FOB) and 550 GL is at USD 7,100 per metric ton (FOB).

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago (16-11-2011)	Year Ago (16-12-2010)
Black Pepper	Kochi-Ungarbled	+3.31	34300	33200	32900	20800
	Kochi-Garbled	+3.17	35800	34700	34400	21300
	New Delhi-Unpolished	+0.88	34500	34200	34000	21600
	New Delhi-Number 11.5	Unch	37000	37000	40000	25500

Black Pepper weekly Price Outlook (Kochi Spot market)



Candlestick pattern reveals bullish sentiment in the market. 34200 is a strong support level in the short term. Breaching the level likely to lead to a fall up to 34000 levels. Prices stay considerably above 9 and 18-day EMA and indicate bullish sentiments in the market. However, RSI is moving up in overbought zone as well and prices may correct in the near term.

Expected weekly black pepper price range: 34000 to 36200.

CARDAMOM

Spot Market Recap

- No arrivals were reported in the domestic market during the week under review owing to local disturbances.
- Cardamom export has increased during the period from April – October 2011 as compared to April – October 2010.
- Expectations of better crop production current year as compared to last year.

Fundamental Analysis:

Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in Kgs	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in Kgs	Arrivals during the last year (10 th Dec – 16 th Dec 2010) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	-	-	189131	298000

No auction was reported in Kochi market from 5-12-2011 to till date due to unrest in Kerala and Tamil Nadu over the Mullaperiyar Dam. Sources revealed that, auction and supply will be on hold till an interim solution is found.

Cardamom production is expected to be around 12000 - 14000 tonnes in the current year. There is also an estimated 2000 tonnes of opening stocks before the commencement of the new season.

Sources revealed that, fourth round of harvesting has already started in Kochi cardamom growing regions. Small Cardamom export increased by 1,830 tonnes, which was 2,300 tonnes during the period from April – October 2011, compared to previous year same period when export were reported at 470 tonnes. Current year exports till October were up by 389%. The value also has come up to Rs 19,574.63 lakh this year which was Rs 5,459.83 lakh last year and target for 2011-12 is 1,500 tonnes with value Rs.12, 000/- lakh.

On the other hand, large Cardamom export increased by 40 tonnes, which was 350 tonnes during the period from April – October 2011, compared to previous year same period when export were reported at 310 tonnes. Current year exports till October were up by 13%. The value also has come up to Rs 2,802.50 lakh this year which was Rs 1,499.98 lakh last year and target for 2011-12 is 1,000 tonnes with value Rs.5, 000/- lakh.

Weather forecast

Rain/thundershowers would occur at a few places over Tamilnadu, Lakshadweep and Andaman & Nicobar Islands and at one or two places over Kerala and south Andhra Pradesh. Mainly dry weather would prevail over rest of the region.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago (16-11-2011)	Year Ago (16-12-2010)
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	-	closed	closed	516.32	1154.34

*No auction was reported in Kochi market till 5-12-2011 to till date due to dam protest.

Cardamom Daily Price Outlook (Kochi Future market)


Candlestick chart pattern indicates bearish trend in the market. Cardamom prices might find immediate support near 590, breaching the level is likely to test towards 585. Positioning of RSI is moving up in neutral zone indicates further bullish trend for short term.

Expected weekly black pepper price range: 590 – 622.

CORIANDER SEED
Spot Market Recap

- In Ramganj and Kota, lower arrivals were reported during the week. However, in Baran, higher arrivals were reported.
- Higher carry in stocks from last year in the coriander market has put pressure on prices.
- The trade expects a higher production due to the area increase in Rajasthan, Madhya Pradesh and Gujarat region which will lead prices down in the near term.
- As per trade sources, in Rajasthan and Gujarat regions, farmers are switching from wheat to coriander due to the attractive returns.
- Coriander new crop arrivals will start from January onwards.
- No new fresh export enquiries were reported for coriander.

Fundamental analysis
Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in bags	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in bags
Kota	-2.77	7,000	7,200
Ramganj	-2.89	6,700	6,900
Baran	+7.01	6,100	5,700

1 bag=40 kg

Taking Kota spot market as the indicative market, Coriander arrivals were reported down from the previous week. Coriander prices are not sustaining at higher price level due to the high carry in stock of last year in the MP and Rajasthan domestic market. As per trade sources, in Kota, coriander carry forward stock in cold storages is around 1,50,000-2,00,000 bags and in Ramganj, carry forward stock is around 2,00,000 bags and in Baran, carry forward stock is around 50,000 bags whereas on NCDEX, coriander stock is around 9-10 lakh bags all of which are pressuring the prices. Lower demand from Masala millers is also not helping.

As per trade sources, in Rajasthan region, sowing will be completed within a week. There may be higher production due to the expected area increases in Rajasthan and Madhya Pradesh region during this sowing period as compared to the last year. In Rajasthan region, farmers are switching from wheat to coriander due to attractive returns they have received this year from coriander in comparison to wheat.

Coriander Export Scenario:

No new fresh export enquiries were reported from countries like USA, UAE, Mauritius, Sri Lanka, South Africa with EU and New Zealand. In Ranganj market, Some demand was noticed for particular coriander varieties. Coriander export decreased by 13,100 tonnes, which was 16,000 tonnes during the period from April – October 2011, compared to previous year same period when export were reported at 29,100 tonnes. Current year exports till October were down by 45%. Target for 2011-12 is 35,000 tonnes with the value of Rs.14,500 lakh.

Spot Prices Weekly Change

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago (16-11-2011)
Coriander Seed	Ramganj	Badami	+1.56	3200-3300	3150-3250	3300-3400
		Eagle	+1.49	3300-3500	3250-3450	3450-3600
		Scotter	-1.28	3800-3900	3900	3600-3800
	Kota	Badami	-4.34	3300	3450	3650
		Eagle	+1.40	3600	3550	3750
	Baran	Badami	-2.15	3400	3475	3675
		Eagle	-2.09	3500	3575	3775

Coriander weekly Price Outlook (Kota Spot market)


Candlestick chart pattern depicts bullish sentiment in the market. Immediate support level likely to be 4025 in the short term. Breaching the level likely to lead to a fall up to 3970 levels in the near term. Positioning of RSI is moving up in neutral zone indicates bullish sentiment in the short term.

Expected Price Range of Coriander Kota spot market: 3970-4170.

RED CHILLI
Spot Market Recap

- In Guntur, Higher arrivals were reported during the week as compared to last week as , stockists are offloading their stock before new crop arrivals.
- No domestic demand , only some export demand was noticed in the red chilli market.
- As per trade sources, around 12 lakh bags (1 Bag=45 Kgs) of red chilli are currently held in Guntur cold storages.
- Guntur spot market new crop arrivals will pick up only in January.

Fundamental Analysis
Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (10 th Dec – 16 th Dec 2011) in bags	Arrivals during the last week (3 rd Dec – 9 th Dec 2011) in bags	Arrivals during the year (10 th Dec – 16 th Dec 2010) in bags
Guntur (Andhra Pradesh)	+2.85	1,80,000	1,75,000	210,000

1Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 1,80,000 bags (1 bag=45Kg) during the week period higher by 5,000 bags as compared to the previous week.

Sources revealed that around 12 lakh bags of red chilli are currently held in Guntur cold storages. New crop arrivals have started in MP (Indore). As per trade sources, in M.P., 1.5 - 2 lakh bags are arriving on a weekly basis. In A.P. (Guntur) new crop arrivals have start slow at 500 bags daily and will pick up in January.

Export Scenario:

No major domestic demand was noticed. However, some export demand was noticed from Bangladesh, Indonesia and Sri lanka. Bangladesh is demanding Teja variety of red chilli whereas Sri lanka is demanding Teja and 334 varieties of red chilli. Red Chilli export decreased by 39,000 tonnes, which was 110,500 tonnes during the period from April – October 2011, compared to previous year same period when export were reported at 149,500 tonnes. Current year exports till October were down by 26%. Target for 2011-12 is 225,000 tonnes with value of Rs.143,500 lakh.

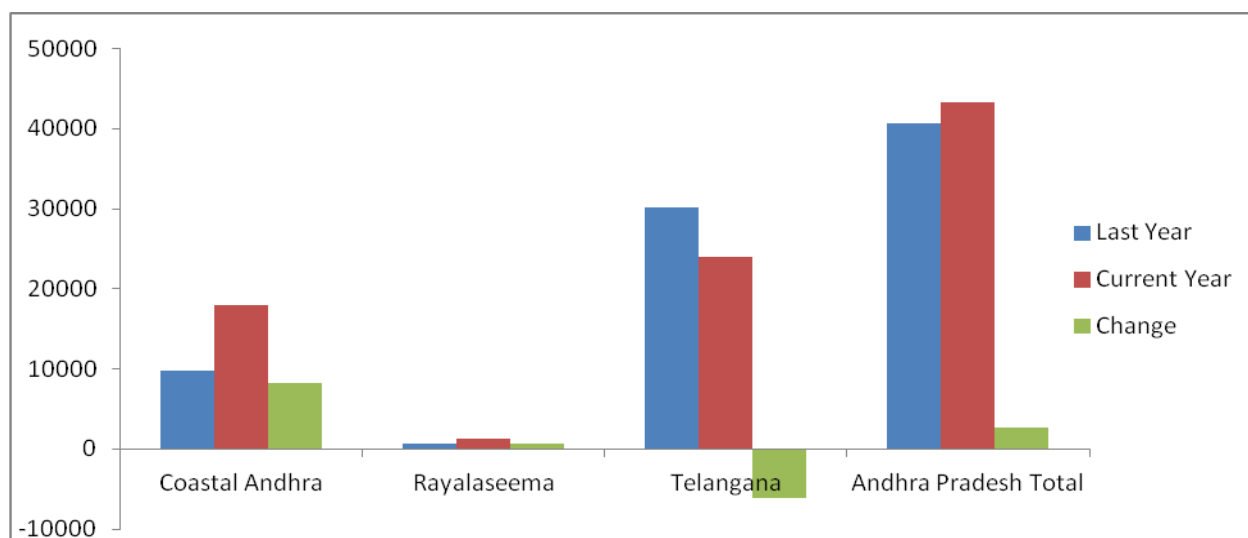
Chilli Sowing Progress in AP during Rabi Season:

Sowing in major chilli growing area is almost complete. Red Chilli has been sown in 0.43 lakh hectares in A.P. as of 14th December 2011 as compared to the last week 0.37 lakh hectares. Trade sources revealed that chilli production to increase this year due to increase in area. Details of sowing are enlisted in the following table:

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 14/12/11 Crop	% Sown to	
Crop	Season	As on date	As on 14/12/09	As on 14/12/10		Season	As on date
Red Chilli	0.47	0.37	0.44	0.41	0.43	92	118

Zone wise Area Sowing during Rabi 2011-12 till 14-12-2011

The following chart depicts Zone wise chilli sowing progress in Andhra Pradesh during Rabi season by comparing current and previous year data and their change in sowing area on yearly basis.



Unit – Area in hectares. Source – Dept. of Agriculture, Andhra Pradesh

In Andhra Pradesh, though Red chilli sowing progress reported satisfactory during the week period however it is lagging y-o-y in Telangana region whereas Coastal Andhra and Rayalseema had received normal rainfall which supports sowing progress. In Telangana region of A.P., red chilli has sown in 24050 hectares as comparison to 30220 hectares in last year same period due to unfavourable weather conditions whereas

in Coastal Andhra, red chilli has sown in 17930 hectares as comparison to 9748 hectares in last year same period and in Rayalseema, red chilli has shown in 1308 hectares as comparison to 675 hectares in last year same period.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (16-12-2011)	Week Ago (09-12-2011)	Month Ago (16-11-2011)
Red Chilli	LCA 334	+10.83	6000-7300	5000-7000	6000-7500
	Teja	+25.00	7000-8000	5000-7000	6000-7500
	No.5	+12.50	6000-7500	5000-7000	7000-8000
	Sanam 334	+12.50	6000-7500	5000-7000	6000-7500
	Byadgi	+54.16	9000-9500	5000-7000	8000-10000

Red Chilly weekly Price Outlook (Guntur Spot market)



Candlestick chart pattern reveals bullish trend during the week. 7130 level seems immediate support for the prices and breaching the level likely lead to a fall up to 6955 levels in near term. Positioning of RSI is moving up in oversold zone indicates bullish sentiment in the short term.

Expected Price Range of Red Chilly Guntur spot market (INR/Qtl): 6950 – 7490.

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