

TURMERIC

Spot Market Recap

- Turmeric arrivals were reported higher during February against January month.
- During the month, anticipation of higher turmeric production due to increase in area with favourable weather conditions keeps prices at lower side.
- Higher carry forward stock was reported in the turmeric market which restricted the price gain.
- Lower export demand was noticed in the turmeric market.
- Stockists are releasing their stocks in the domestic market on expectations of better crop production.

Fundamental analysis

Monthly Turmeric Arrival Scenario:

Market	% Change during corresponding period last month	Arrivals during the February 2012 in bags	Arrivals during the January 2012 in bags	Arrivals during February 2011 in bags
Nizamabad (Andhra Pradesh)	+206.15	99,500	32,500	1,55,000
Erode (Tamil Nadu)	+168.29	2,20,000	82,000	1,16,000

1 bag = 75kgs

In major turmeric markets, Turmeric arrivals were reported higher due to higher production and good pace of harvest. In Erode, turmeric arrivals increased by 1,38,000 bags against last month and by 104,000 bags against last year during the same period. In Nizam, turmeric arrivals increased by 67,000 bags against last month and decreased by 55,500 bags to 99,500 bags in comparison to last year during same period.

New Crop Arrivals

In Nizam, Turmeric new crop arrivals have started and peak arrivals will be in the mid March. In K Samudram and Warangal region turmeric arrivals will be by the end of March. Based on farmers inputs, we project total turmeric production to increase to 80 lakh-1 crore bags (1 bag = 65 kgs) against 60-70 lakh bags last year. Anticipation of higher turmeric production due to increase in area with favourable weather conditions kept prices on the lower side.

Stock Position:

Turmeric growers and stockists are releasing their stocks in the spot market. In Erode, Higher carry forward stock was reported at around 7-8 lakh bags against 2-3 lakh bags last year due to increase in production year on year basis which restricted the prices.

Export Scenario:

As per trade sources, Turmeric export demand was reported lower against last year as they are expecting further fall in prices due to higher production. However, Turmeric export increased by 24,600 tonnes to 62,000 tonnes during the period from April – December 2011 against 37,400 tonnes in April- December 2010. Turmeric exports till December were up by 66%. The value has also increased to Rs 60,376.80 lakh against Rs 52,804.30 lakh last year. Target for 2011-12 is 50,000 tonnes with the value of Rs.50, 000/- lakh. (Source: Spices Board India)

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.02.12	30.01.12	
Turmeric	Erode	Finger	3900-4400	4400-4700	-8.79
		Gattah	3700-4000	4100-4400	-9.41
	Nizamabad	Nizam	4700	4800	-2.08

Turmeric Price Outlook Monthly Chart (Nizamabad Spot market)


Candlestick chart pattern reveals bearish trend in the market. Prices closed below 9 and 18 days EMAs indicating the bearish sentiment in the market. Momentum indicator RSI is moving down in oversold region, indicating that prices may correct in near term. Prices may take immediate support level at 3765 in the coming weeks, and breaching this level is likely to test 3580 in near term.

We expect turmeric spot prices to stay in the range of 3765 – 4700.

CORIANDER SEED
Spot Market Recap

- In major coriander markets, higher arrivals were reported during the month in comparison to last month.
- In major coriander markets, new crop arrivals have started though they contain high moisture levels.
- Coriander prices are getting support due to increase in demand.
- Stockists were trying to release their stock in the coriander market.
- Anticipation of higher production due to higher acreage and favourable weather conditions weigh on prices.

Fundamental analysis
Monthly Coriander Arrival Scenario:

Market (Rajasthan)	% Change during corresponding period last month	Arrivals during the February 2012 in bags	Arrivals during the January 2011 in bags
Kota	+93.15	70,500	36,500
Ramganj	+58.45	90,000	56,800
Baran	+47.12	43,400	29,500

1 bag=40 kg

In major coriander markets, higher arrivals were reported during the month against last month as new crop arrivals have started. Taking Kota spot markets as the indicative market, arrivals increased by 34000 bags to 70,500 bags against 36,500 bags last month.

Crop Conditions:

In major producing regions, Coriander sowing has increased with the higher acreage against last year. However, in A.P., coriander has been sown in 0.09 lakh hectares till date which is decreasing year on year basis as farmers have shifted to chana and sunflower crop. Based on trader's information, in Rajasthan region, area has increased to 237469 hectares against 197891 hectares last year. This year, coriander crop is in good condition. There was no major attack of pest and disease. As per trade sources,

yield is expected to improve by around 15% against last year and production to increase around 1-1.25 crore bags against 75 lakh bags due to higher acreage and favourable weather conditions.

New Crop Arrivals:

In major Coriander markets, new crop arrivals have started which contain higher moisture level. Sources revealed that in the start; new arrivals had around 10 to 60% moisture level which has reduced to 25% at this time.

Coriander new crop arrivals are increasing week on week and peak arrivals will be around the first week of April. Sources revealed that due to late sowing and rainfall at the harvesting time, peak arrivals have delayed.

Stock Position:

Stockists were trying to release their stock in the coriander market on the expectation of higher crop arrivals. As per trade sources, in Ramganj, Coriander carry forward stock is around 1 lakh bags against 3.5 lakh bags last year. In Kota, stock is around 70,000 bag against 2 lakh bags last year and in Baran, stock is around 20-25 thousand bags against 2 lakh bags last year.

Coriander Export Scenario:

As per trade sources, higher coriander demand was noticed from South India and U.P. buyers. However, export demand will arise at lower rate and for better quality around the peak arrivals time. Sources revealed that prices of Badami are lower in comparison to last year. Traders are expecting that prices of badami quality to increase in the near term.

As per Spices Board India, Coriander export decreased by 11,695 tonnes to 20,200 tonnes during the period from April – December 2011, compared to same period last year when exports were reported at 31,895 tonnes. Current year exports till December were down by 37%, value has also decreased by Rs 321.08 lakh to Rs.11,901.65 lakh this year which was Rs 12,222.73 lakh last year. Target for 2011-12 is 35,000 tonnes with the value Rs.14,500 lakh.

Spot Prices Monthly Change

Commodity	Centre & Variety		% Change Over Previous Month	Prices (Rs/Qtl)	
				29-02-12	31-01-12
Coriander Seed	Ramganj	Badami	-3.22	3000	3000-3200
		Eagle	-6.06	3100	3200-3400
		Scooter	-5.41	3500	3700
	Kota	Badami	+6.06	3500	3300
		Eagle	+8.82	3700	3400
	Baran	Badami	+7.26	3300-3350	3100
		Eagle	+8.73	3400-3450	3100-3200

Coriander Price Outlook Weekly Chart (Spot market)


RED CHILLI

Spot Market Recap

- In Guntur, higher arrivals were reported during the month against last month.
- Higher domestic and export demand supports the red chilli prices.
- In M.P., Red chilli crop arrivals will end sometime next week.
- In Andhra, arrivals will continue till March end.
- Higher arrivals due to higher production weigh on chilli prices.

Fundamental Analysis
Monthly Red Chilli Arrival Scenario:

Market	% Change Over Previous month	Arrivals during the February 2012 in bags	Arrivals during the January 2012 in bags
Guntur (Andhra Pradesh)	+74.27	11,92,000	6,84,000

1 Bag=45 Kgs

In Guntur, red chilli arrivals were reported higher by 508,000 bags to 11, 92,000 bags against 6, 84,000 bags (1 bag=45Kg) during last month due to peak arrivals in the red chilli market. In Guntur, red chilli arrivals started one month earlier this year in comparison to last year. In A.P., arrivals will continue till March end and In M.P., Red chilli crop arrivals will end next week.

Stock Position:

In Andhra Pradesh, red chilli stock was reported around 60 lakh bags (Under Guntur- 35 lakh bags). Sources revealed that in A.P., around 20-25 lakh bags may add further in the stock. However, in M.P., no stock was reported in the red chilli market.

Export Scenario:

Chilli export decreased by 37,000 tonnes to 1,53,500 tonnes during the period from April – December 2011, compared to same period last year when exports were reported at 1,90,500 tonnes. Current year

exports till December were down by 19.42% but now demand is increasing day by day and the value has increased by Rs 29,997.12 lakh to Rs.1,46,008 lakh this year which was Rs 1,16,010.88 lakh last year, due to increase in export price. Target for 2011-12 is 2,25,000 tonnes with the value of Rs.1,43,500 lakh. (Source: Spices Board India)

During the month, anticipation of higher production and new crop arrivals weigh on red chilli prices. But now, export demand has started from Pakistan, Bangladesh, Malaysia and China which could lead the red chilli prices. If export demand continues in the coming weeks, it could lead the prices higher.

Spot Prices Monthly Change

Commodity	Centre & Variety	% Change Over Previous Month	Prices (Rs/Qtl)	
			29-02-12	30-01-12
Red Chilli	LCA 334	-18.80	4500-5000	5500-6200
	Teja	-9.23	5700-6100	6000-7000
	No.5	-14.63	5000-5500	6000-6300
	Fatki	-18.18	2000-2500	2500-3000
	Sanam 334	-	-	-
	Byadgi	-	5200-5800	-

Price Outlook Red Chilly Monthly Chart :(Guntur Spot market)



Candlestick chart pattern reveals bearish sentiment in the market. RSI is moving down in oversold zone which might lead to correction in short term. Prices can move in a range of Rs. 5052-5779, breaching this level, prices can move up to 6099 level.

Expected price range: (INR/Qtl): 5052-5779.

CUMIN SEED (JEERA)

Spot Market Recap:

- In Unjha, Cumin arrivals were reported higher during the month against last month.
- New crop arrivals have started earlier than expected due to favourable weather conditions.
- Cumin' peak arrivals are expected in the month of April.
- Anticipation of higher production has put pressure on jeera prices.
- Lower domestic demand was noticed in cumin market. However, export demand will begin by the month end.
- Higher stock weighs on jeera prices.

Fundamental analysis
Monthly Jeera Arrival Scenario:

Market	% Change Over Previous month	Arrivals during the February 2012 in bags	Arrivals during the January 2012 in bags	Arrivals during the February 2011 in bags
Unjha (Gujarat)	+38.46	1,35,000	97,500	61,450

Unjha 1 bag = 65kgs

In Unjha, Cumin arrivals were reported higher by 37,500 bags to 1,35,000 bags against last month and 63,550 bags against last year during the same period as new crop arrivals have started due to favourable weather conditions.

As per trade sources, anticipation of higher production amid lower demand put pressure on jeera prices to go down.

Stock Position

New crop arrivals have started which is earlier than expected. The new crop was expected to start in the month of March after resowing but due to favourable weather conditions, it started in mid feb. However, crop arrivals are same as in previous year and peak arrivals would be in the month end.

As per trade sources, higher stock was reported against last year. In Unjha, Jeera total stock is reported at around 6 lakh bags (1 bag = 65 Kg) against 4 lakh bags last year during same period and all over India, Jeera stock is reported at around 7 lakh bags against 5 lakh bags last year during the same period which weigh on the jeera prices.

Export Scenario:

In cumin market, export demand will begin by the month end when peak arrivals would start. In Turkey and Syria, cumin new crop arrivals will start in the month of June and July. In the mean time, our crop demand will be higher and will support the prices at lower level.

During April – December 2011, cumin Seed export increased by 9,750 tonnes to 31,500 tonnes against 21,750 tonnes in April- December 2010. Current year exports till December were up by 45%. The value has also increased to Rs45,037.05 lakh against Rs 26,211.24 lakh last year and the target for 2011-12 is 35,000 tonnes with the value Rs.40, 000/- lakh. (Source: Spices Board India)

Jeera International Prices

At the month end, Turkey's cumin seed was offered at USD 3,300-3,400 per ton (fob), while, Indian cumin seed quoted at USD 2,800-2,900 per ton (cnf) Singapore. Currently, Turkey's cumin seed is offered at USD 3,200 per ton (fob), while, Indian cumin seed is being offered at USD 2,700-2,900 per ton (cnf) Singapore.

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.02.12	30.01.12	
Cumin Seed	Unjha	Loose	13500-13800	14000-14500	-4.21
		Machine Cut	14100-14500	15200-15500	-6.84
		NCDEX Quality	13800-14000	14500-14800	-5.11
	Jodhpur	Loose	13000-13500	14000-14500	-7.02

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


Candlestick chart pattern reveals bearish sentiment in the market. RSI is moving down in neutral zone and indicates the bearishness in the market in the near term. 13179 seems a strong support level in near term and breaching this level, would take prices to 12785 level.

Expected monthly Jeera price range: 13179-14460.

BLACK PEPPER

Spot Market Recap

- In Kochi, Pepper arrivals were reported lower during the month period in comparison to last month.
- Higher demand amid lower stock keeps the prices at higher level.
- Anticipation of lower production from all growing regions supports the prices at higher level.
- Lower new crop arrivals against last year lead the prices in the pepper market.

Fundamental Analysis

Monthly Black Pepper Arrival Scenario

Market	% Change Over Previous month	Arrivals during the February 2012 in tonnes	Arrivals during the January 2012 in tonnes	Arrivals during February 2011 in tonnes
Kochi (Kerala)	-31.17	153.50	223	421

In Kochi, Pepper arrivals were reported lower by 69.5 tonnes in comparison to last month and 267.5 tonnes in comparison to last year during same period.

In Karnataka, new crop arrivals will start in the mid of March and Vietnam crop will start in the end of March. Traders are expecting that production will be lower around 25 to 35% against last year and that may lead the prices. We are expecting that prices may go up further amid higher demand and lower production.

No carry forward stock was reported in the pepper market. Stockists have already offloaded their old stocks which also supported the prices to move up in the market.

Production Estimate:

During the month, pepper stock was reported lower at around 4,000-5000 tons against 24,000-25,000 tons stock last year which also supported prices to move at higher level.

In Kochi regions, new crop arrivals have already started but arrivals are lower in comparison to last year. Traders are expecting that prices may go up as lower production is expected this year amid higher demand. As per trade sources, production may be around 35,000 tonnes to 40,000 tonnes though the final estimates are yet to come.

International sentiments for Pepper market:

Black pepper export increased by 6,150 tonnes to 19,500 tonnes during the period from April-December 2011 against 13,350 tonnes in April-December 2010. Current year exports till December were up by 46%. The value has increased to Rs 61,130.25 lakh this year against Rs 25,811.55 lakh last year. Export target for 2011-12 is 20,000 tonnes with the value of Rs.45,000/- lakh. (Source: Spices Board India)

Pepper International Prices:

In the worldwide market, Indian black pepper MG -1 is quoted at USD 7,900 per ton CNF Europe and USD 8,200 per ton C&F US. Vietnam's GL 500 at USD 6,400 per ton, 550 GL FAQ quoted at USD 6,700 per ton FOB. Austa variety from Vietnam quoted at USD 7,125 per ton CFR New York.

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.02.12	30.01.12	
Black Pepper	Kochi	Ungarbled	37200	30000	+24.00
		Garbled	38700	31500	+22.86
	New Delhi	Unpolished	41500	34000	+22.06
		Number 11.5	-	-	-

Technical Analysis Monthly Chart: Black Pepper (Kochi Spot market)



Candlestick chart pattern reveals bullish sentiment in the market. Price closed above 9 and 18 day EMAs suggesting a bullish sentiment in the market. RSI is moving up in overbought region which might take correction in short term. Level of 36381 is the immediate support for the price. If the prices breach this level it may drag down towards 33939.

Expected monthly black pepper spot price range: 36381 to 42000.

CARDAMOM

Spot Market Recap

- Lower arrivals were reported in the domestic market during the month under review.
- Cardamom production is expected to increase this year against last year due to favourable weather conditions.
- Higher demand amid lower stock leads the cardamom prices.

**Fundamental Analysis:
Monthly Cardamom Arrival Scenario**

Market	% Change Over Previous month	Arrivals during the February 2012 in Kgs	Arrivals during the January 2012 in Kgs	Arrivals during the February 2011 in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	-17.17	21,74,444	26,25,183	5,40,227

In Kochi, Cardamom arrivals were reported lower by 450,739 Kgs to 21,74,444 Kgs during February month in comparison to last month and higher by 16,34,217 Kgs in comparison to last year during same period. Cardamom prices gained considerably during recent past on account of good demand for better quality cardamom in auction center of Kochi.

The Forward Markets Commission (FMC) has levied 10 per cent special cash margin on cardamom taking it to 19.5-20 per cent from 9.5-10 per cent is effective from 1st March, 2012 to curb price volatility. The regulator has imposed margins only on the long side, which means only buyers would require keeping 10 per cent additional cash with exchanges for protection from price volatility.

Cardamom arrivals may increase in the coming weeks due to increasing picking activity in growing areas. Cardamom fourth round of harvesting has completed in the mid of Feb and fifth round picking activity will be over around mid April. Cardamom peak arrivals will start in the mid of May. As per trade sources, Cardamom prices may go up in the coming days as Market participants were expecting around 20,000 tons production this year but due to adverse weather conditions, around 10-15 % crop damage occurred in the growing regions. However, production will still be higher than last year production when it was around 16,000 tonnes.

Export Scenario:

Exporters are expecting further increase in demand due to higher quality of Indian crop in comparison to the Guatemala crop which is rated poor on a y-o-y basis. Guatemala crop will come in the market, in the month of November. At the mean time, Indian crop will lead the prices. Sources revealed that Cardamom demand will increase in the coming days.

Small Cardamom export increased by 2,745 tonnes to 3,450 tonnes during the period from April - December 2011 against 705 tonnes in April- December 2010. Current year exports till December were up by 389%. The value has increased to Rs 27,817.28 lakh this year which was Rs 8,044.58 lakh last year and the target for 2011-12 is 1,500 tonnes with value of Rs.12, 000/- lakh.

Large Cardamom export increased by 35 tonnes to 600 tonnes during the period from April – December 2011 compared to 565 tonnes in April- December 2010. Current year exports till December were up by 6%. The value has increased to Rs 4,574.00 lakh this year which was Rs 2,849.23 lakh last year and the target for 2011-12 is 1,000 tonnes with value of Rs. 5, 000/- lakh. (Source: Spices Board India)

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Small (Price Rs/Kg)		% Change
			29.02.12	30.01.12	
Cardamom (Small)	Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur				
		Max Auction Price	1080.50	753.50	+43.39
		Average Auction Price	744.35	567.94	+31.06

**Technical Analysis Monthly (Futures Continuous Chart)
Cardamom (values in Kg)**


Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving up in neutral zone and indicates the bullishness in the market. Prices closed above 9 days and 18 days EMAs indicates bullishness in the market. Cardamom prices may trade in a range of Rs. 866-998. Breaching the prices could fall up to 801 levels at lower side and at upper side, could move up to 1051 level.

Expected monthly cardamom price range: 866 and 998.

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