

TURMERIC

Spot Market Recap

- Lower arrivals were reported in Nizamabad turmeric markets during the month; as stock position is reported low. However, in Erode higher arrivals were reported.
- Turmeric prices were up during the period. Masala millers were active in the domestic market.
- Traders, exporters and stockists were the main buyers. However, Exporters purchase was limited in the domestic market.
- Turmeric sowing began in Mysore region. However, turmeric sowing will pick pace from June in Erode region.

Fundamental analysis

Monthly Turmeric Arrival Scenario:

Market	% Change during corresponding period last month	Arrivals during the May 2012 in bags	Arrivals during the April 2012 in bags	Arrivals during the May 2011 in bags
Nizamabad (AP)	-50.45	1,08,500	2,19,000	21,000
Erode (TN)	+24.75	2,52,000	2,02,000	1,75,000

1 bag = 75kgs

In Nizam, turmeric arrivals were down by 110,500 bags against last month. However, in Erode arrivals were up by 50,000 bags against last month. In Nizamabad arrivals were down due to lower stock position as compared to the Erode market and producers were holding good quality produce on expectation of better prices in future.

Turmeric growers have begun to hold back quality produce, looking for higher remuneration. Farmers have very limited stocks; around 70 percent of the stocks are already sold. In Erode around 9 lakh bags old stocks were reported out of the 10 - 11 lakh all India stocks. Stockists are the main buyers in the domestic market. Stockists looked for quality stocks but farmers are bringing only fair average variety to the market.

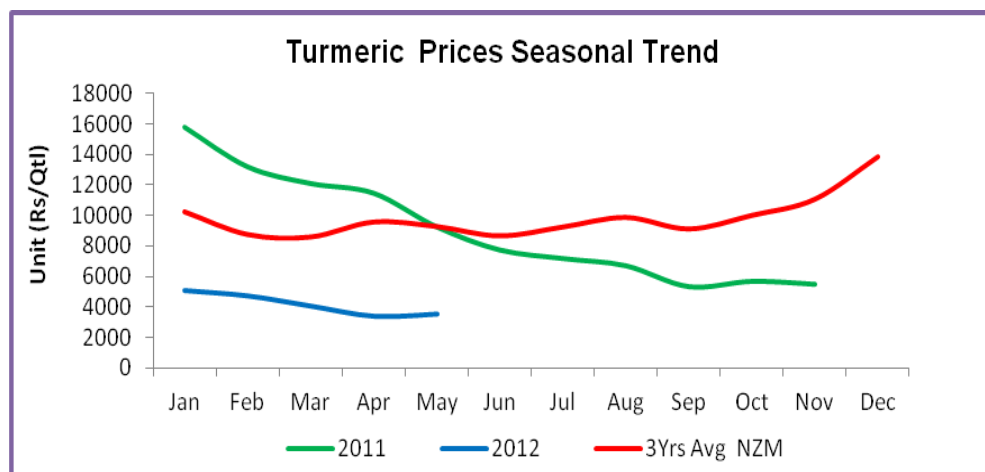
As per market sources, the total production of turmeric in the current year is likely to be 90 lakh bags against 70 lakh bags that were reported last year in the same period. Moreover, sturdy carryover stocks in major mandis of around 20-22 lakh bags are also leading to some selling pressure at higher levels.

Exporters said that they received almost no orders from North India; they now expect orders in July. As per exporters information, negligible orders have been from Delhi and Kolkata, and only for quality hybrid varieties. Due to heavy purchases by stockists and rumours of market intervention by Karnataka, Andhra Pradesh and Tamil Nadu resulted in stockists investing their funds in turmeric.

Turmeric sowing will start from June in Erode regions. Turmeric area may lower by 50 – 60 percent in coming sowing period due to significantly lower price in current year.

The following chart depicts the price trend in Nizamabad market in 2011, 2012 and 3 years Averages seasonality -

As shown in the chart, turmeric prices in Nizamabad were down during the current year as compared to the 2011 and 3 years average prices. In India total production of turmeric in the current year is likely to be 80 - 85 lakh bags against 70 lakh bags that were reported last year in the same period leading to the pressure on the prices.

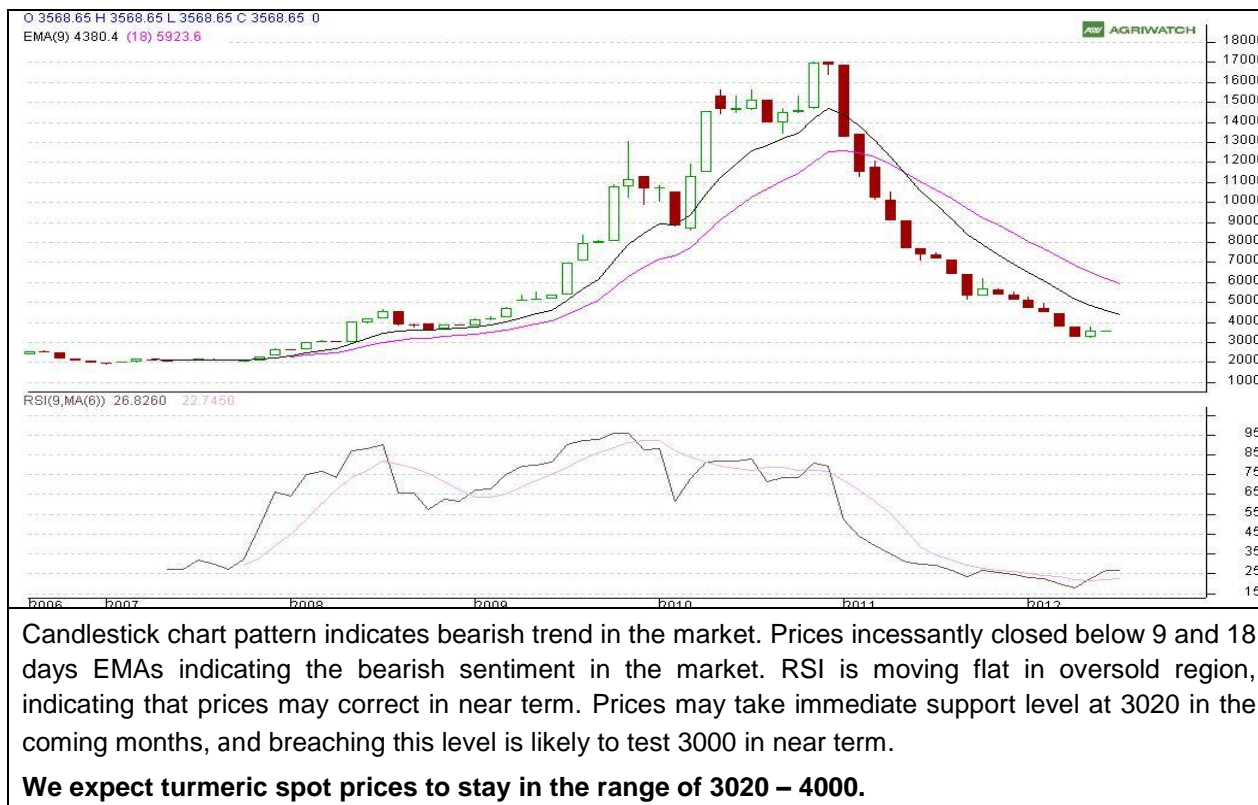


Source - Agriwatch

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			30.5.12	30.4.12	
Turmeric	Erode	Finger	3400-3600	3250-3450	+4.34
		Gattah	3400-3500	3250-3350	+4.47
	Nizamabad	Nizam	3800	3500	+8.57

Turmeric Price Outlook Monthly Chart (Nizamabad Spot market)



CORIANDER SEED

Spot Market Recap

- In major coriander markets, lower arrivals were reported during the month period.
- At lower price level producers were not releasing their produce in the spot market. Stockists were also holding their produce in the domestic market.
- Sluggish demand at spot markets may keep pressure on coriander prices in the coming days.
- Higher production amid higher carry forward stocks put cap on prices at higher levels.

Fundamental analysis

Monthly Coriander Arrival Scenario:

Market (Rajasthan)	% Change during corresponding period last month	Arrivals during the May 2012 in bags	Arrivals during the April 2012 in bags
Kota	-8.69	168000	184000
Ramganj	-41.57	312000	534000
Baran	+27.55	143500	112500

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were down by 16,000 bags to 168,000 bags against 184,000 bags last month. Coriander new arrivals will continue for one or two months more. Market participants are holding their old crop, and releasing their new crop in the domestic market. Stockists and Producers are expected better prices in coming days when they will be releasing their

produce. Coriander production during current year is around 1-1.25 crore bags against 75 lakh bags last year owing to around 12 - 15% higher yield against last year.

As per trade sources, in Ramganj, Coriander old stock is around 3 lakh bags. In Kota, stock is around 70,000 – 1,00,000 bag and in Baran, stock is around 20-25 thousand bags recorded. In Ramganj mandi, around 35 lakh bags of new arrivals were stocked. Stockists are the major buyers in the domestic market. They are buying actively in the market at lower levels on expectation of higher prices in coming days.

Domestic buyers were unresponsive in the market. North Indian Masala millers were also inactive in the market. As per farmer's information, if coriander prices go up then they will release their produce otherwise they are may continue to hold. Coriander prices were significantly down this year as compared to the previous year. In the current year, higher production due to higher acreage and favourable weather condition put pressure on prices.

Export demand was noticed for Eagle, Eagle A1 and Scotter variety in the current spot market. Sri Lanka and Nepal are the major export destination from Ramganj mandi.

Spot Prices Monthly Change

Commodity	Centre & Variety		% Change Over Previous Month	Prices (Rs/Qtl)	
				30.5.12	30.4.12
Coriander Seed	Ramganj	Badami	Unch	2700	2700
		Eagle	+3.57	2900	2800
		Scooter	-6.25	3000	3200
	Kota	Badami	+7.14	3000	2800
		Eagle	+6.89	3100	2900
	Baran	Badami	+2.58	2975	2900
		Eagle	+4.16	3125	3000

Coriander Price Outlook Weekly Chart (Spot market)



Candlesticks chart pattern depicts sideways movement in the market. Prices closed below 9 and 18 days EMAs indicating the bearish sentiment in the market. Prices may take immediate support at 3700. RSI is moving up in neutral region, indicating that prices may go up in near term.

Expected price range: 3700-4040.

RED CHILLI

Spot Market Recap

- In Guntur, Red Chilli market was closed due to summer vacation, market will reopen on 4th June. No major sentiments were reported.

Fundamental Analysis

Monthly Red Chilli Arrival Scenario:

Market	% Change Over Previous month	Arrivals during the May 2012 in bags	Arrivals during the April 2012 in bags	Arrivals during the May 2011 in bags
Guntur (Andhra Pradesh)	---	Closed	11,60,000	2,70,000

1 Bag=45 Kgs

Spot Prices Monthly Change

Commodity	Centre & Variety	% Change Over Previous Month	Prices (Rs/Qtl)	
			30.5.12	30.4.12
Red Chilli	LCA 334	-	Closed	4000-4800
	Teja	-	Closed	4800-5000
	No.5	-	Closed	NA
	Fatki	-	Closed	NA
	Sanam 334	-	Closed	NA
	Byadgi	-	Closed	NA

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 indicates prices might lead to correction in the short term. Prices may take immediate support at 4760, breaching this level price can move up to 4700 level.

Expected price range: (INR/Qtl): 4760-5200.

CUMIN SEED (JEERA)

Spot Market Recap:

- Lower arrivals were reported in Unjha, market during the month period.
- Producers are expecting better prices in the coming days and holding their produce to sell in future.
- Cumin new crop arrivals in Turkey and Syria, will start in the month of June and July.
- Exporters are active in the domestic market at this lower price level.

Fundamental analysis

Monthly Jeera Arrival Scenario:

Market	% Change Over Previous month	Arrivals during the May 2012 in bags	Arrivals during the April 2012 in bags	Arrivals during the May 2011 in bags
Unjha (Gujarat)	-23.38	4,75,000	6,20,000	2,50,500

Unjha 1 bag = 65kgs

In Unjha, Cumin arrivals were reported down by 145,000 bags to 475,000 bags against 620,000 last month. Farmers and Stockists were holding their stocks on expectation of better prices in future. Almost half of the production has been traded till now.

Cumin seed arrivals may fall in the coming days. Around 60% new arrivals traded in the domestic market. Producers are interested in bringing their produce only at higher prices. Exporters were active in the domestic market at the lower price level.

Jeera stock in Unjha is reported at 5 - 6 lakh bags (1 bag = 65 Kg) which was lower as compared to the previous year stocks. Similarly total stocks in India is reported to stay in the range of 8 - 9 lakh bags (1 bag = 65 Kgs).

Cumin seed sowing in Syria has been reported lower by around 30 per cent. Due to the political disturbances in Syria there is low labour availability and on the unfavourable weather conditions cumin seed production is expected to be not more than 50 per cent of the average. However, clear condition of crop will come after one month. Cumin seed production in Turkey will be around 60 per cent of last year's. On the unfavourable condition cumin seed production in Turkey is expected around 10,000-11,000 tons. Cumin new crop arrivals in Turkey and Syria, 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.

Exporters and domestic buyers were trying to buy at lower prices level. During this month, export orders were reported from US and Singapore for Machine cut variety. Exporters were trying to buy at lower prices level. Export demand from Bangladesh was reported in the Unjha mandi. Stockiest were also trying to buy on expectation of higher prices in coming days.

In the international market, Indian cumin seed quoted at USD 2,400-2,450 per ton (cnf) Singapore.

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			30.5.12	30.4.12	
Cumin Seed	Unjha	Loose	12745-13045	12520-12720	+2.55
		Machine Cut	13845-13945	13120-13420	+3.91
		NCDEX Quality	13545-13645	12820-13120	+4.00
	Jodhpur	Loose	Closed	Closed	-

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


Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving up in neutral zone and indicates the bullish sentiment in the market in the near term. 12430 seems a strong support level in near term and breaching this level, would take prices to 12340 levels.

Expected monthly Jeera price range: 12430-14130.

BLACK PEPPER

Spot Market Recap

- In Kochi, Pepper arrivals were reported higher during the month period.
- Producers were releasing their stocks in the domestic market at higher prices.
- Expectations of lower supply in the spot market may support the black pepper prices to gain further.
- Lower stocks position in the domestic mandis amid global shortage were reported.
- In international market, buyers were unresponsive during the last week of May; actually they are waiting for new arrivals from Indonesia and Sri Lanka.

Fundamental Analysis

Monthly Black Pepper Arrival Scenario

Market	% Change Over Previous month	Arrivals during the May 2012 in tonnes	Arrivals during the April 2012 in tonnes	Arrivals during the May 2011 in tonnes
Kochi (Kerala)	+67.52	521	311	596.50

In Kochi, Pepper arrivals were reported up by 210 tonnes in comparison to last month. At higher price level producers were releasing their produce in the spot market. Black pepper prices were up during this period. In Kochi, pepper producers are expecting further increases in prices in the coming days on expectation of good demand, lower stocks position and lower supply.

Market participants are expecting that production will be lower around 25 to 35% against last year and may lead the prices in the coming days. At lower price level producers were not releasing their produce in the spot market. Sources revealed that, Sri Lanka has a bumper crop this year and hence pepper would come to Indian market soon for re-export to other destinations in coming days. However, sharp fall in the value of the rupee against the dollar may turn out to be a major hurdle making the imports costlier.

Global Pepper scenario:

As per IPC, total export of pepper from producing countries other than pepper oil and oleoresin was around 252,900 mt valued at around USD 1.52 billion, as against 269,200 mt worth USD 1,016 million in 2010. Vietnam received the major portion of nearly 50% from total earnings in 2011 followed by Brazil, Indonesia and India.

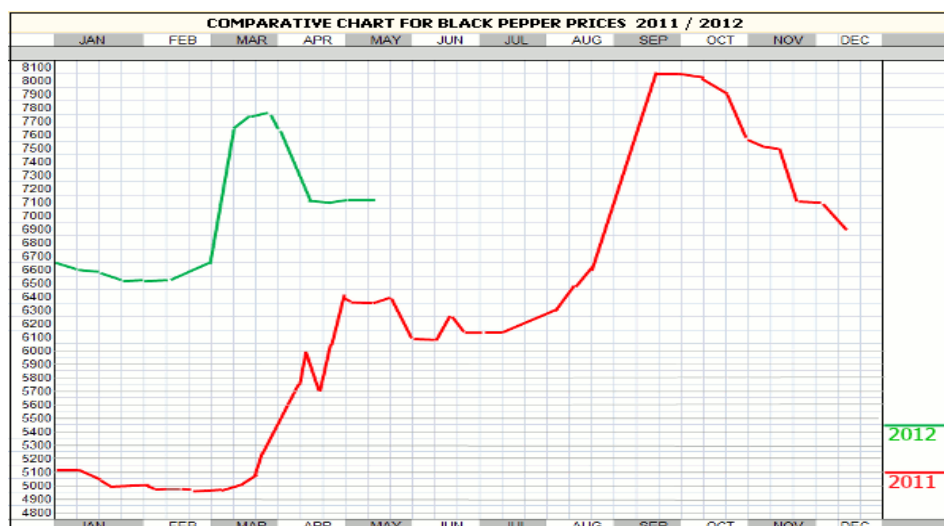
International pepper market is balanced owing to poor off take from the Euro zone and the expected bumper crop in Indonesia and Sri Lanka. European buyers are awaiting the new crop from Indonesia. Due to strong speculation in the market prices were got support. According to reports from Indonesia, pepper production during the current year around 30,000- 35,000 tonnes. The normal crop size is 22,000-25,000 tonnes. However, actual situation would be known only by July/August. Brazilian crop will follow the Indonesian. Sri Lanka is also expected bumper crop this year around 15,000 tonnes. Therefore, a majority of buyers from Europe are waiting for the season in Indonesia and Sri Lanka to end.

Buyers were waiting for lower price level. Importers are postponing buying and are waiting for lower price level further. Demand from West Asia is also low due to sufficient quantities of stocks owing higher buying during the period of January-March. Sources revealed that, Vietnam still have around 70,000 tonnes stocks. However, the actual demand supply position continues to remain uncertain.

The following charts depicts the black pepper average prices of Brazil, India and Vietnam, 500gl, 560gl, ASTA, in 2011 and 2012 in month wise –

In overseas markets, Black pepper prices were reported steady. However, pepper prices were up during the current year as compared to the last year. At higher price level buyers were inactive. European and American buyers are in a waiting mode for the price definition.

In international market, European buyers are awaiting the new crop from Indonesia and Sri Lanka. Malaysian pepper is slowly entered into the global market and pepper from the neighbouring country of Indonesia is also projected to reach the market by July.



Pepper International Prices:

In the international market, Indian black pepper MG -1 is quoted at USD 7,600 per ton per ton Europe and USD 7,900 per ton C&F US. Vietnam 500 GL quoted at USD 6,200 per ton and 550 GL at USD 6,500 per ton. Austa offered at USD 6,900-7,000 per ton, Indonesian Austa at USD 7,000 per ton FOB.

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			30.5.12	30.4.12	
Black Pepper	Kochi	Ungarbled	37600	36300	+3.58
		Garbled	39100	37800	+3.43
	New Delhi	Unpolished	41000	39000	+5.12
		Number 11.5	-	-	-

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


Candlestick chart pattern reveals bullish sentiment in the market. Price closed significantly above 9 and 18 day EMAs suggesting a bullish sentiment in the market. RSI is moving down in overbought region which might take correction in short term.

Expected monthly black pepper spot price range: 37000 to 40800.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market during the month under review.
- Cardamom fifth round or last round harvesting has finished in growing areas.
- Export demand was reported higher and domestic demand may increase in the coming days from stockists and buyers.
- Shortage of arrivals in coming months like June and July may support the cardamom prices in the domestic market.
- Cardamom harvesting starts in July, but this year it will begin only towards the end of August. Due to hot weather condition crop loss may around 40% this year.

Fundamental Analysis:
Monthly Cardamom Arrival Scenario

Market	% Change Over Previous month	Arrivals during the May 2012 in Kgs	Arrivals during the April 2012 in Kgs	Arrivals during the May 2011 in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	+91.74	16,63,179	8,67,377	9,82,863

In Kochi, Cardamom arrivals were reported higher by 795802 Kgs to 1663179 Kgs during May month in comparison to last month. Total arrivals during the current season from August 1, 2011 up to May 20, 2012 were 17,805 tonnes and the sales at 16,186 tonnes as against 9,975 tonnes of arrivals and 9,721 tonnes of sales in the same period last year.

Cardamom prices are expected to continue the positive trend on back of rising demand from local buyers and exporters. Reports of crop damage due to hot weather conditions that occurred in the recent past might also support the positive trend. According to traders, around 40% of crop has been damaged due to prolong dry spell in last 4 months. Crop failure in Guatemala has also shifted export demand towards Indian which might further add to the upside.

Exporters were active in the domestic market. Export demand is higher by 30-35% this year against last year during same period mainly from Saudi Arabia and UAE countries. As per trade information, EU countries are also biggest importers of Cardamom. Export demand may increase in the market in coming days. Higher quality of Indian crop was reported as compared to the Guatemala crop which quality is being poor y-o-y basis amid higher quantity.

Market participants are expecting that, Ramzan buying is expected to be beginning from mid-June.

We expect that, due to a combination of factors like robust export demand, production shortfall and possibility of a delayed harvest may support the cardamom prices in the domestic market.

Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Small (Price Rs/Kg)		% Change
			30.5.12	30.4.12	
Cardamom (Small)	Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur				
		Max Auction Price	1146.00	924.00	+24.02
		Average Auction Price	763.71	631.43	+20.94

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. Cardamom prices may take immediate support at 1120, breaching the prices could fall up to 1090.

Expected monthly cardamom price range: 1120 - 1415.

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