

## **TURMERIC**

### **Spot Market Recap**

- In major turmeric markets, arrivals were down during the month.
- At lower price level buyers were active in the domestic market.
- Turmeric growers are waiting for good rainfall in growing regions. However as per farmer's information, turmeric area may decrease due to lower price in the current year.
- In Erode domestic market farmers were not interested to sell their produce at lower prices level.
- Turmeric export increased in April 2012 against in April 2011. This was largely due to good demand amid low prices.

### **Fundamental analysis**

#### **Monthly Turmeric Arrival Scenario:**

Market	% Change during corresponding period last month	Arrivals during the July 2012 in bags	Arrivals during the June 2012 in bags	Arrivals during the July 2011 in bags
Nizamabad (AP)	<b>-26.41</b>	58500	79,500	32000
Erode (TN)	<b>-42.01</b>	98000	1,69,000	153500

1 bag = 75kgs

In Erode and Nizam markets, Turmeric arrivals were down by 71,000 bags and 21,000 bags respectively against last month.

Traders purchased the good turmeric as they had received specific orders from Delhi and Punjab for quality goods. Some traders purchased the turmeric for use in Virudhunagar, Madurai, Coimbatore and some other towns in powdering units.

Turmeric acreage in India, the world's biggest producer and exporter of the yellow spice, is likely to fall 30- 35 percent during the current sowing period, may reducing exports in 2013/14, even though total overseas sales are still expected to be above average.

#### **Actual rainfall and % Departure for the period of 1<sup>st</sup> June – 19<sup>th</sup> July**

Regions	Actual Rainfall (mm) 1 <sup>st</sup> June, 2012 – 19 <sup>th</sup> July 2012	Normal Rainfall (mm) 1 <sup>st</sup> June, 2012 – 19 <sup>th</sup> July, 2012	% Departure from LPA 1 <sup>st</sup> June, 2012 – 19 <sup>th</sup> July, 2012
Madhya Maharashtra	179.0	292.4	-39
Coastal A.P	208.0	196.3	+6
Telengana	234.2	269.0	-13
Rayalaseema	123.7	119.7	+3
Tamil Nadu and Pondicherry	77.7	85.1	-9

Source: IMD

Rainfall during the period of 1<sup>st</sup> June – 19<sup>th</sup> July remains lower and near to its normal which is threat to the crop as of now. However, farmers are waiting for normal precipitation received during Aug.

### **Weather Watch (21 - 27 July)**

Rainfall would occur at many places along the west coast and at a few places over interior south Peninsula. However light to moderate rainfall would occur at a few places during next two days and at many places thereafter. Rainfall would be subdued over plains of northwest India during first half of the week. However it would increase during the second half. Isolated heavy to very heavy falls are expected mainly over Madhya Pradesh, Vidarbha, on some days of the week and on one or two days over Odisha and Chhattisgarh.

### **Sowing Progress:**

Turmeric has been sown in 0.25 lakh hectares in A.P as on 18<sup>th</sup> July 2012. Turmeric sowing in Andhra Pradesh is going on. The comparative sowing progress in AP is tabulated below:

**Turmeric Crop Sowing Progress: Andhra Pradesh**

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 18/07/12	% Sown to	
	Season	As on date	As on 18/06/10	As on 18/07/11		Season	As on date
<b>Turmeric</b>	0.67	0.39	0.50	0.44	0.25	37	64

Turmeric sowing in Andhra Pradesh is going on. The districts of Krishna, West Godavari, Vizianagaram, Guntur, Adilabad, Karimnagar, Khammam, Warangal, Anantapur, Kadapa, and Chittoor received good rainfall during the week period allowing the farmers take up sowing/transplantation operations in brisk.

**Export Scenario:**

Turmeric export increased by 70 tonnes to 7,300 tonnes during in April 2012 against 7,230 tonnes in April 2011. Turmeric exports till April was up by 1%. However, the value has decreased to Rs 4,124.50 lakh against Rs 8,654.31 lakh last year. Target for 2012 - 13 is 70,000 tonnes with the value of Rs.38, 500/- lakh.

**Spot Prices Monthly Change**

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			25.7.12	29.6.12	
<b>Turmeric</b>	<b>Erode</b>	Finger	6180-6470	4100-4300	<b>+50.46</b>
		Gattah	5780-6180	4100-4200	<b>+47.14</b>
	<b>Nizamabad</b>	Nizam	6000	3800	<b>+57.89</b>

**Turmeric Price Outlook Monthly Chart (Nizamabad Spot market)**


Candlestick chart pattern reveals bullish sentiment in the market. Prices closed between 9 and 18 days EMAs. RSI is moving up in neutral region, indicating that prices may go up in near term. Prices may trade in a range of Rs. 5380-6510. Breaching the level, prices may go up to 6898 level.

**We expect turmeric spot prices to stay in the range of 5380-6510.**

## **CORIANDER SEED**

### **Spot Market Recap**

- In major coriander markets, lower arrivals were reported during the month period.
- Higher production amid higher carry forward stocks put cap on prices at higher levels.
- Exporters were active in the domestic market; Coriander export increased during in April 2012 against April 2011.
- Stockists were also holding their produce in the domestic market.

### **Fundamental analysis**

#### **Monthly Coriander Arrival Scenario:**

<b>Market (Rajasthan)</b>	<b>% Change during corresponding period last month</b>	<b>Arrivals during the July 2012 in bags</b>	<b>Arrivals during the June 2012 in bags</b>
Kota	<b>-52.94</b>	44700	95000
Ramganj	<b>-69.74</b>	52500	173500
Baran	<b>-64.00</b>	36000	100000

**1 bag=40 kg**

Taking Kota spot markets as the indicative market, arrivals were down by 50,300 bags to 44,700 bags against 95,000 bags last month.

Around 60 – 70 percent arrivals traded in the domestic market. Coriander prices were significantly down as compared to the last year and producers were waiting for higher prices in coming days to releasing their produce.

Market analysts said increased buying by speculators driven by pick up in spot market demand against less arrival from producing belt mainly pushed up coriander prices. Sentiment improved further on limited stocks due to restricted arrivals from the major growing belts.

Coriander export increased by 1039 tonnes to 2600 tonnes during in April 2012 against 1561 tonnes in April 2011. Coriander export till April was up by 67%. The value has increased to Rs 1430.00 lakh against Rs 868.70 lakh last year. Target for 2012 - 13 is 35,000 tonnes with the value of Rs.19, 250/- lakh. In Ramganj market, export demand was noticed for Scotter variety. Sri Lanka and Nepal are the main export destination in Ramganj mandi.

### **Spot Prices Monthly Change**

<b>Commodity</b>	<b>Centre &amp; Variety</b>		<b>% Change Over Previous Month</b>	<b>Prices (Rs/Qtl)</b>	
				<b>25.7.12</b>	<b>29.6.12</b>
<b>Coriander Seed</b>	<b>Ramganj</b>	Badami	<b>-0.82</b>	2900-3000	2925-3025
		Eagle	<b>-0.81</b>	3000-3050	3025-3075
		Scooter	<b>+17.64</b>	4000	3400
	<b>Kota</b>	Badami	<b>+19.35</b>	3700	3100
		Eagle	<b>+18.18</b>	3900	3300
	<b>Baran</b>	Badami	<b>+6.01</b>	3525	3300-3325
		Eagle	<b>+4.31</b>	3625	3325-3475

**Coriander Price Outlook Weekly Chart (Spot market)**


Candlesticks chart pattern depicts that prices may go up in the market. Prices closed above 9 and 18 days EMAs indicating the bullish sentiment in the market. RSI is moving up in overbought region which might take correction in the near term. Prices may trade in a range of Rs. 4618-4882 level. Breaching the level, prices may go up to 5145 level.

**Expected price range: 4618-4882.**

## RED CHILLI

**Spot Market Recap**

- In Guntur, Red chilli arrivals were higher against last month.
- Buying from Bangladesh, Sri Lanka, Pakistan and Gulf countries is continued in the domestic market.
- Stockists have enough quantities of stocks and they are waiting for better prices in future.
- Red Chilli export increased during in April 2012 against in April 2011.

**Fundamental Analysis**
**Monthly Red Chilli Arrival Scenario:**

Market	% Change Over Previous month	Arrivals during the July 2012 in bags	Arrivals during the June 2012 in bags	Arrivals during the July 2011 in bags
Guntur (Andhra Pradesh)	+5.07	725000	690,000	400000

**1 Bag=45 Kgs**

In Guntur, Red chilli arrivals were higher against last month as last month Red Chilli market was closed from 7<sup>th</sup> May – 10<sup>th</sup> June due to summer vacation.

There is 1.10 crore bags stock of red chilli in all over Andhra Pradesh cold storage. Meanwhile, there is 54 lacs bags stock of red chilli at Guntur cold storage. Stockists have enough quantities of stocks and they are waiting for better prices in future. Exporters were active in the spot market.

With the monsoon being deficient, traders and stockists fear a supply shortage. Besides, production could also be lower this year. This is because some farmers in Andhra Pradesh could return to growing rice after having shifted to chilli last year.

**Chilli Crop Sowing Progress:**

Red Chilli has been sown in 0.05 lakh hectares in A.P as on 18<sup>th</sup> July 2012. Chilli sowing in Andhra Pradesh is going on. The comparative sowing progress in AP is tabulated below:

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 18/07/12	% Sown to	
Crop	Season	As on date	As on 18/07/10	As on 18/07/11		Season	As on date
Chilli	1.69	0.16	0.16	0.07	0.05	3	29

Chilli sowing in Andhra Pradesh is going on in the districts like Srikakulam, Kurnool, Anantapur, Mahabubnagar, Vizianagaram, Nizamabad, Mahabubnagar, Nalgonda, Karimnagars etc.

## Export Scenario:

Red Chilli export increased by 17,037 tonnes to 30,000 tonnes during in April 2012 against 12,963 tonnes in April 2011. Red Chilli export till April was up by 131%. The value has increased to Rs 23070.00 lakh against Rs 11776.89 lakh last year. Target for 2012 - 13 is 240,000 tonnes with the value of Rs.180, 000/-lakh. The major varieties of chilli being exported are LCA 334, Sannam, Teja, Byadagi, Mundu, Kashmiri chilli etc. The Chilli and Chilli products for export to other destinations including EU, USA, South Africa and Japan.

## Spot Prices Monthly Change

Commodity	Centre & Variety	% Change Over Previous Month	Prices (Rs/Qtl)	
			25.7.12	29.6.12
Red Chilli	LCA 334	+3.50	5500-5900	5200-5700
	Teja	+13.43	7200-7600	5700-6700
	No.5	+3.38	5900-6100	5200-5900
	Fatki	--	2200-2900	--
	Sanam 334	--	--	--
	Byadgi	+1.49	6200-6800	6400-6700

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



Candlestick chart pattern reveals bullish sentiment in the market. RSI is moving up in neutral zone. Prices may trade in a range of Rs. 5902-6514 level. Breaching the level, prices may go up to 7009 level.

**Expected price range: (INR/Qtl): 5902-6514.**

## CUMIN SEED (JEERA)

### Spot Market Recap:

- Higher arrivals were reported in Unjha market during the month period.
- Producers are expecting better prices in coming days and holding their produce to sell in future.
- Exporters were trying to buy at lower prices level.
- Almost 60 – 70 percent new crop arrivals already traded in the domestic market.

### Fundamental analysis

#### Monthly Jeera Arrival Scenario:

Market	% Change Over Previous month	Arrivals during the July 2012 in bags	Arrivals during the June 2012 in bags	Arrivals during the July 2011 in bags
Unjha (Gujarat)	+2.27	225000	2,20,000	180500

#### Unjha 1 bag = 65kgs

In Unjha, Cumin arrivals were reported up by 5,000 bags to 225,000 bags against 2,20,000 bags last month.

Demand is very strong in the domestic market from exporters and stockists. Demand is higher than the availability and this is keeping prices firm.

Exporters and domestic buyers were trying to buy at lower prices level. Spot traders reported that in Unjha mandi fresh export enquiries for Indian-origin jeera from buyers in Singapore and Dubai for Machine cut variety may support prices in future. Cumin Seed export increased by 131 tonnes to 2,500 tonnes during in April 2012 against 2,369 tonnes in April 2011. Cumin Seed exports till April was up by 6%. The value has also increased to Rs 3,312.50 lakh against Rs 3,153.14 lakh last year. Target for 2012 - 13 is 45,000 tonnes with the value of Rs.60, 750/- lakh.

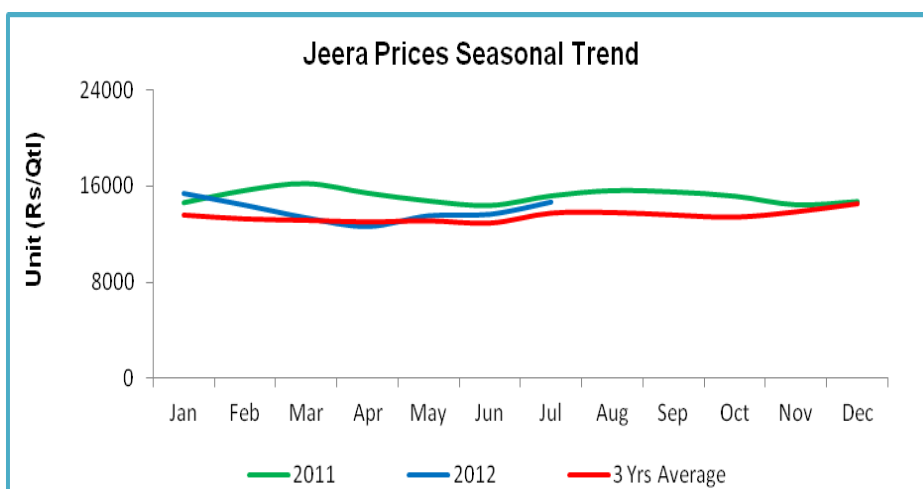
### International Jeera Prices:

In the global market, Indian cumin seed one percent July ready shipment offered at USD 2,825-2,850 per ton (cnf) Singapore. Meanwhile, Turkey and Syria are not offering. Cumin seed production in Syria is being reported around 15,000 tons and in Turkey it is being reported around 5,000 tons. Crop harvesting in Syria is not being done due to civil war in the country, as people from Syria are leaving the country.

The following tables shows Jeera Unjha prices in 2011, 2012 and 3 years average prices and their seasonality trends-

In 2011 from January to March prices were not seen following its seasonal trend and prices significantly went up along with its arrivals on crop concern due to rainfall in Gujarat and Rajasthan before new crop arrivals start and lower carry forward stocks. It then slowly declined and followed its 3 years average prices trend. It then continued to follow from Oct, Nov and Dec its 3 years average price movement indicating price seasonality.

We expect in 2012 Jeera prices may follow its 3 years average seasonal trend in coming days. During Apr, May and Jun prices were move above its seasonality due to higher export demand.





## International Prices

### India CIF (\$/tonne)

Month	Max Price	Min Price	Avg Price
March	3800	3800	3800.00
Apr	3800	3800	3800.00
May	3800	2800	3669.57
June	2800	2800	2800.00
July	2800	2800	2800.00

### Iran CIF (\$/tonne)

Month	Max Price	Min Price	Avg. Price
March	4000	4000	4000.00
Apr	4000	4000	4000.00
May	4000	3200	3895.65
June	3200	3200	3200.00
July	3200	3200	3200.00

## Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			25.7.12	29.6.12	
Cumin Seed	Unjha	Loose	14025-14125	13130-13230	+6.76
		Machine Cut	14925	14030	+6.37
		NCDEX Quality	15125-15325	14230-14430	+6.20
	Jodhpur	Loose	15900	11200-11250	+41.33

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



Candlestick chart pattern reveals that prices are moving in upward channel. RSI is moving up in neutral zone and indicates the bullish sentiment in the market. Prices closed above 9 days and 18 days EMAs indicates bullish sentiment in the market. 15053 seems like a strong support level. Prices may go up to 17000 level.

**Expected monthly Jeera price range: 15500-17000.**

## **BLACK PEPPER**

### **Spot Market Recap**

- In Kochi, Pepper arrivals were reported higher during the month period.
- At higher prices producers were releasing their stocks in the domestic market.
- The investors and processors were actively buying pepper in the domestic market.
- Local price of pepper in India continued to see an upward trend due to limited availability and high demand in the domestic market.
- Producers are further expecting increases in prices in the coming days due to good demand, lower stocks position and lower supply.

### **Fundamental Analysis**

#### **Monthly Black Pepper Arrival Scenario**

Market	% Change Over Previous month	Arrivals during the July 2012 in bags	Arrivals during the June 2012 in bags	Arrivals during the July 2011 in bags
Kochi (Kerala)	+4.71	733	700	215.50

In Kochi, Pepper arrivals were reported up by 33 tonnes in comparison to last month. Producers were releasing their stocks in the domestic market at higher prices level.

Black pepper prices As the prices were ruling high for a long time this year, the major buyers in the main seven centres in North India such as Nagpur, Gwalior, Indore, Ranchi, Delhi, Jaipur etc have not been keeping any inventory for more than three weeks because of the heavy investment involved. Added to this, the end users were buying only hand to mouth to meet their immediate requirement.

The week average local price has registered a 2% increase when compared to the last week average. Increasing trend was also recorded in the FOB price. During the week, the FOB price has increased by 3% when compared to the average price in the previous week and has made the Indian pepper price is much higher compared to other origins. In Indonesia the black pepper from the new crops in Lampung has started entering market.

#### **Export Scenario:**

Black Pepper export decreased by 1066 tonnes to 1,200 tonnes during in April 2012 against 2,266 tonnes in April 2011. Black Pepper exports till April was down by 47%. The value has decreased to Rs 4,473.60 lakh against Rs 5,487.12 lakh last year. Target for 2012 - 13 is 20,000 tonnes with the value of Rs.50, 000/- lakh.

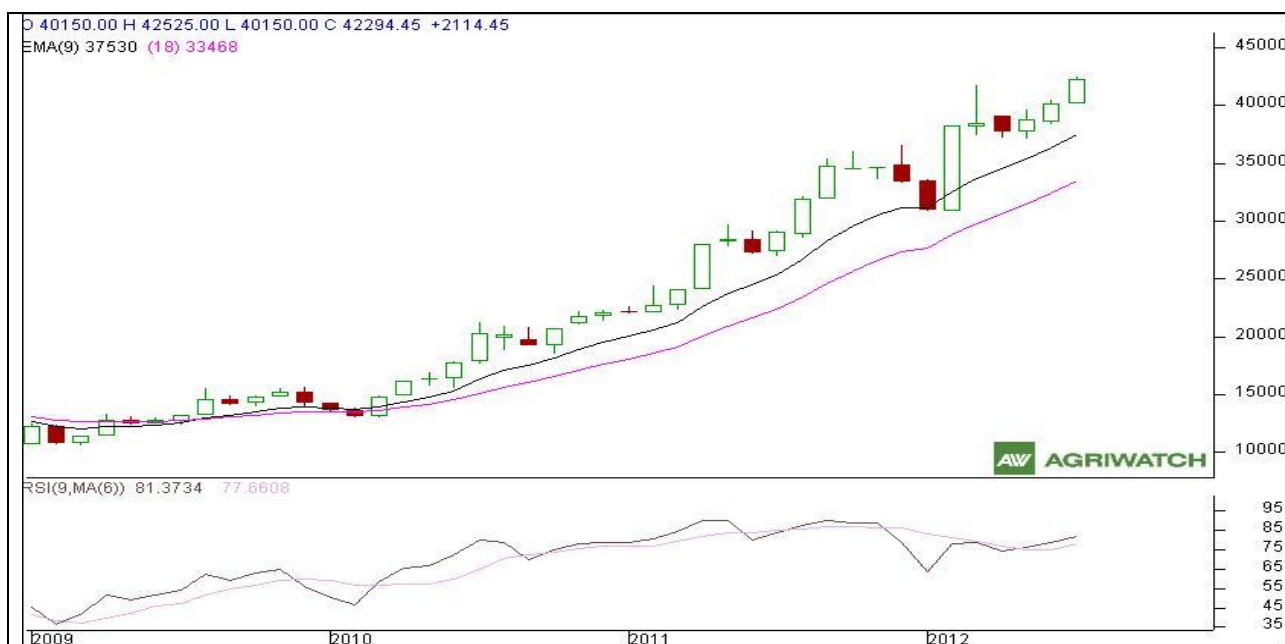
#### **Pepper International Prices:**

In the global market, Indian black pepper MG -1 is offered at USD 7,900-8,000 per ton Europe and USD 8,200-8,300 per ton C&F US. Vietnam 500 GL quoted at USD 5,950-6,000 per ton and Brazil B-1, USD 6,050-6,100 per ton and B Austa USD 6,150-6,250 per ton and Indonesia Austa at USD 6,350 per ton fob.

### **Spot Prices Monthly Change**

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			25.7.12	29.6.12	
Black Pepper	Kochi	Ungarbled	40800	38600	+5.69
		Garbled	42300	40100	+5.48
	New Delhi	Unpolished	45000	42000	+7.14
		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 indicates bullish sentiment in the market. However, RSI is moving up in overbought region which might take correction in short term.

**Expected monthly black pepper spot price range: 41015-44177.**

## **CARDAMOM**

### **Spot Market Recap**

- Higher arrivals were reported in the domestic market during the month under review.
- 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.
- Guatemala supplies have been very small in international market. Higher quality of Indian crop was reported as compared to the Guatemala crop as a result higher demand was reported.
- Export demand is higher by 30-35% this year against last year during same period mainly from Saudi Arabia and UAE countries.

### **Fundamental Analysis:**

#### **Monthly Cardamom Arrival Scenario**

Market	% Change Over Previous month	Arrivals during the July 2012 in bags	Arrivals during the June 2012 in bags	Arrivals during the July 2011 in bags
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	<b>+12.39</b>	<b>1148855</b>	<b>10,22,198</b>	<b>661368</b>

In Kochi, Cardamom arrivals were reported higher by 126657 Kgs to 1148855 Kgs during July month in comparison to last month. 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.

As the market showed an upward trend those holding stocks were seen releasing them, which in turn, raised the volume of arrivals. Upcountry buyers were seen active and that resulted in an upsurge in prices. Inadequate rains and a consequent possibility of poor and delayed next crop may support cardamom prices further in the domestic market. However, coverage for the Ramzan season is yet to begin. Slackness in Ramzan buying is attributed to a possible carry over stock with stockists in the overseas market. Indian shipment of cardamom during the last fiscal was the highest ever.

Total arrivals during the current season from August 1, 2011 up to July 15, 2012 were at 20,197 tonnes and the sales were at 19,418 tonnes as against 12,503 tonnes of arrivals and 12,190 tonnes of sales in the same period last year.

#### Export Scenario:

Small Cardamom export increased by 45 tonnes to 120 tonnes during in April 2012 against 75 tonnes in April 2011. Small Cardamom exports till April was up by 60%. The value has increased to Rs 998.28 lakh against Rs 912.34 lakh last year. Target for 2012 - 13 is 3,000 tonnes with the value of Rs.22, 500/- lakh.

On the other hand, Large Cardamom export increased by 70 tonnes to 100 tonnes during in April 2012 against 30 tonnes in April 2011. Large Cardamom exports till April was up by 233%. The value has increased to Rs 656.70 lakh against Rs 256.29 lakh last year. Target for 2012 - 13 is 1,000 tonnes with the value of Rs.7, 000/- lakh.

Exporters were active in the domestic market. Export demand is higher by 30-35% this year against last year. During the period mainly from Saudi Arabia and UAE countries are the major importers.

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. Shortage of arrivals in coming months may support the cardamom prices in the domestic market.

#### Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Small (Price Rs/Kg)		% Change
			25.7.12	29.6.12	
Cardamom (Small)	Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur	Max Auction Price	1129.50	1206.50	-6.38
		Average Auction Price	836.84	703.45	+18.96

#### 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. 1235 seems like a strong support level. Prices closed above 9 days and 18 days EMAs indicates bullish sentiment in the market.

**Expected monthly cardamom price range: 1321-1504.**

- **Our Research team is out for survey, field trip; more updates are likely in coming weekly and monthly.**

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