

## **TURMERIC**

### **Spot Market Recap**

- Lower arrivals were reported in major turmeric markets during the month period.
- Turmeric acreage down during the current sowing period in major growing regions.
- Despite lower sowing from last year, prices are not getting support at higher level as traders have sufficient stock in quantity.
- Turmeric crop are at vegetative/early vegetative stage to growth stage in this regions.
- Higher stocks were reported in Turmeric domestic market.

### **Fundamental analysis**

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

Market	% Change during corresponding period last month	Arrivals during the August 2012 in bags	Arrivals during the July 2012 in bags	Arrivals during the August 2011 in bags
Nizamabad (AP)	<b>-43.58</b>	33000	58500	27400
Erode (TN)	<b>-17.34</b>	81000	98000	86500

1 bag = 75kgs

In Erode and Nizam markets, Turmeric arrivals were down by 17,000 bags and 25,500 bags respectively against last month due to pricing dispute between the traders and farmers. Farmers were not interested to selling their produce below INR 9,000/- a quintal according to National Federation of Turmeric Farmers Association.

Sources revealed that they have sufficient amount stock in quantity in the domestic market. In Erode, around 25 lakh bags were reported in turmeric market.

Sources revealed that, area under turmeric cultivation will be substantially lower; nearly 50% reduction is foreseen. In Tamil Nadu, districts like Coimbatore, Erode, Salem, Dharmapuri regions area was decreased due to drought like conditions and lower prices in sowing time.

#### **Actual rainfall and % Departure for the period of 1<sup>st</sup> June – 3<sup>rd</sup> September, 2012**

Regions	Actual Rainfall (mm) 1 <sup>st</sup> June, 2012 – 3 <sup>rd</sup> September, 2012	Normal Rainfall (mm) 1 <sup>st</sup> June, 2012 – 3 <sup>rd</sup> September, 2012	% Departure from LPA 1 <sup>st</sup> June, 2012 – 3 <sup>rd</sup> September, 2012
Madhya Maharashtra	439.7	594.3	-26
Coastal A.P	492.3	436.3	13
Telangana	643.2	611.8	5
Rayalaseema	288.0	275.5	5
Tamil Nadu and Pondicherry	172.5	209.5	-18

Source: IMD

### **Sowing Progress:**

Turmeric has been sown in 0.54 lakh hectares in A.P as on 5<sup>th</sup> September 2012. 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 05/09/12	% Sown to	
	Season	As on date	As on 05/09/10	As on 05/09/11		Season	As on date
Turmeric	0.67	0.67	0.69	0.64	0.54	81	81

The following charts shows the total turmeric sowing progress in Andhra Pradesh zone wise, comparison of current year and previous year:

It is evident from the adjacent chart that, in Andhra Pradesh sowing is improved month on month but it is still lower in all three zones as compared to previous year same period. Due to lower price during the current period farmers were doing less sowing area.

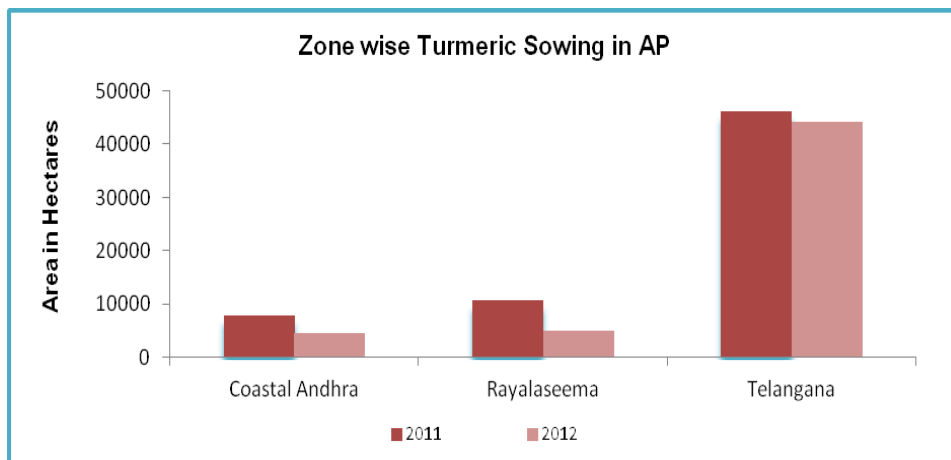


Fig - 1

## Agriwatch Turmeric Production Estimates

State	2010-11			2011-12			5 Yr Avg. Yield	Expected Area in 2012-13 (Ha)	Expected Production in 2012-13 (MT)
	Area	Production	Yield	Area	Production	Yield			
Andhra Pradesh	78517	486807	6.20	293698	1820925	6.18	6.35	264329	1678489
Tamil Nadu	51446	277980	5.40	65453	353446	5.40	5.39	41551	353738

Area – Ha. Production – MT. Yield – MT/Ha.

In the current season, onset of south –west monsoon was delayed in the turmeric growing regions mainly in Andhra Pradesh and Tamil Nadu which has 80 percent of the total area. In this region, turmeric is an irrigated crop, so there was no major impact of rainfall during the last 5 years on area and yield. During the current period, in both major growing state's area was declined due to lower turmeric prices current year as compared to the last year so producers were move to other alternative crop.

Exporters were reported active in the domestic market as they have got fresh export demand from Pakistan. Turmeric exporters here failed to get fresh orders from Assam and other North-eastern States due to unrest there. Usually during this season Erode exporters will get orders from these places.

### Outlook:

***We expect turmeric prices may increase in long term period. Oversupply in the domestic market as well as higher carryover stocks during the current period may cap at higher levels.***

### Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.8.12	25.7.12	
Turmeric	Erode	Finger	Closed	6180-6470	-
		Gattah	Closed	5780-6180	-
	Nizamabad	Nizam	5800	6000	-3.33

**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. 5180 seems like a strong support level.

**We expect turmeric spot prices to stay in the range of 5180-6000.**

## **CORIANDER SEED**

### **Spot Market Recap**

- In major coriander markets, higher arrivals were reported during the month period.
- Limited demand from south Indian buyers amid higher stock may keeps coriander prices at steady level.
- Higher production amid higher carry forward stocks put cap on prices at higher levels.
- At lower price level producers were not releasing their produce in the spot market. Stockists were also holding their produce in the domestic market.

### **Fundamental analysis**

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

Market (Rajasthan)	% Change during corresponding period last month	Arrivals during the August 2012 in bags	Arrivals during the July 2012 in bags
Kota	-15.65	37700	44700
Ramganj	+3.61	54400	52500
Baran	+8.88	39200	36000

1 bag=40 kg

Taking Kota spot markets as the indicative market, arrivals were down by 7000 bags to 37,700 bags against 44,700 bags last month. Sources revealed that, almost 60 percent arrivals were traded in the market already.

Sources revealed that in Ramganj mandi, Stockiest and farmers have higher stock and they have started to release their stock in the market which may put further pressure on the prices. Higher carry forward stock which is around 55 lakh bags against 35 lakh bags during the last year also weigh on the

prices. In Kota market, Limited demand from south Indian buyers amid limited stock may keeps coriander prices at steady level in near term.

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%.

#### Spot Prices Monthly Change

Commodity	Centre & Variety		% Change Over Previous Month	Prices (Rs/Qtl)	
				29.8.12	25.7.12
Coriander Seed	Ramganj	Badami	-32.50	1925-2025	2900-3000
		Eagle	-31.96	2025-2075	3000-3050
		Scooter	-8.12	3675	4000
	Kota	Badami	--	Closed	3700
		Eagle	--	Closed	3900
	Baran	Badami	-4.25	3375	3525
		Eagle	-4.13	3475	3625

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



Candlesticks chart pattern depicts prices may go down in the market. Prices closed below 9 and 18 days EMAs indicating the bearish sentiment in the market. RSI is moving down in neutral region which indicates prices may go down in the near term. 4180 seems like a strong support level.

**Expected price range: 4180-4520.**

### RED CHILLI

#### Spot Market Recap

- In Guntur, Red chilli arrivals were reported lower during the month period.
- Due to higher stock available in the domestic market chilli prices were not going up.
- 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 August 2012 in bags	Arrivals during the July 2012 in bags	Arrivals during the August 2011 in bags
Guntur (Andhra Pradesh)	-2.06	710000	725000	565000

1 Bag=45 Kgs

Red chilli arrivals were reported lower by 15,000 bags to 710000 bags during the month against 725000 bags during the last month. There is 70-75 lac bags stock of red chilli in all over Andhra Pradesh cold storage. Meanwhile, there is 40 lacs bags (per bag 40 kg) stock of red chilli at Guntur cold storage.

Chilli sowing area was reported lower as compared to the last year. Some farmers in Andhra Pradesh could return to growing rice after having shifted to chilli last year. Assam state govt. is going to enhance Bilasipara - Chapor area as chilli growing area and govt. allocate the Rs.50 lakh tons to cultivate chilli in 6000 hectares. Exporters were buying some chilli varieties in the spot market.

**Chilli Crop Sowing Progress:**

Red Chilli has been sown in 0.73 lakh hectares in A.P as on 5<sup>th</sup> September 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 05/09/12	% Sown to	
Crop	Season	As on date	As on 05/09/10	As on 05/09/11		Season	As on date
Chilli	1.69	1.05	1.52	0.93	0.73	43	69

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

As per trade sources, Red Chilli transplanting is so far completed in 0.37 lac hectares, 51% of 0.72 lac hectares cultivated during normal season till mid August .

Despite higher export and local demand prices are not going up by higher pace due to higher stock availability. Stockists are waiting for better prices in future. Exporters were active in the spot market. 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%.

**Spot Prices Monthly Change**

Commodity	Centre & Variety	% Change Over Previous Month	Prices (Rs/Qtl)	
			29.8.12	25.7.12
Red Chilli	LCA 334	-5.08	5300-5600	5500-5900
	Teja	Unch	7400-7600	7200-7600
	No.5	+3.27	6000-6300	5900-6100
	Fatki	+3.44	2200-3000	2200-2900
	Sanam 334	--	--	--
	Byadgi	-4.41	6000-6500	6200-6800



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


Candlesticks chart pattern depicts prices may go down in the market. Prices closed below 9 and 18 days EMAs indicating the bearish sentiment in the market. RSI is moving down in neutral region which indicates prices may go down in the near term. 5280 seems like a strong support level.

**Expected price range: (INR/Qtl): 5280 - 5910.**

### **CUMIN SEED (JEERA)**

**Spot Market Recap:**

- Lower arrivals were reported in Unjha market during the month period.
- Producers are expecting better prices in coming days and holding their produce to sell at higher prices.
- Prices fell due to weak overseas demand at higher price level but lower domestic supplies kept the downside limited.
- Around 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 August 2012 in bags	Arrivals during the July 2012 in bags	Arrivals during the August 2011 in bags
Unjha (Gujarat)	<b>-53.55</b>	104500	225000	99000

Unjha 1 bag = 65kgs

In Unjha, Cumin arrivals were reported down by 120500 bags to 225000 bags against 225000 bags last month.

Lower stocks were reported in Gujarat mandi during the current period. Around 10 lakh bags stocks were reported in all over india. In Rajkot mandi lower stocks were reported as compared to the Unjha mandi.

Exporters and domestic buyers were trying to buy at lower prices level. During the period, major export destination is Bangladesh till now 12-13 lakh bags already dispatched and 5- 6 lakh bags will be ship in days ahead.

## International Jeera Prices:

In the international market, Indian cumin seed one percent quoted at USD 2,800-2,850 per ton (cnf) Singapore. However, Turkey and Syria are not offering.

## 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
Aug	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
Aug	3200	3200	3200.00

## Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.8.12	25.7.12	
Cumin Seed	Unjha	Loose	14820-15120	14025-14125	+7.04
		Machine Cut	14620	14925	-2.04
		NCDEX Quality	14820-15020	15125-15325	-1.99
	Jodhpur	Loose	13000	15900	-18.23

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



Candlesticks chart pattern depicts prices may go down in the market. However, Prices closed above 9 and 18 days EMAs indicating the bullish sentiment in the market. RSI is moving down in neutral region which indicates prices may go down in the near term. 14700 seem like a strong support level.

**Expected monthly Jeera price range: 14700-15710.**

## **BLACK PEPPER**

### **Spot Market Recap**

- In Kochi, Pepper arrivals were reported lower during the month period.
- Indian black pepper is costlier in comparison of other countries.
- Lower demand was reported in the overseas market, only selected pockets in Europe prefer only Malabar grade variety even at a higher price.

### **Fundamental Analysis**

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

Market	% Change Over Previous month	Arrivals during the August 2012 in bags	Arrivals during the July 2012 in bags	Arrivals during the August 2011 in bags
Kochi (Kerala)	<b>-71.07</b>	212	733	35

In Kochi, Pepper arrivals were reported down by 521 tonnes in comparison to last month. Producers were not releasing their stocks in the domestic market at lower prices level. Limited stock availability in Kerala and Karnataka region. Sources revealed that prices could go up in coming weeks. There was very less arrival of farm grade pepper from the primary markets. We expect Pepper availability continued to be tight in the domestic market in coming days. At higher prices producers were releasing their stocks in the domestic market.

Pepper prices are moving down due to absence of overseas demand. Lack of international demand buyers was unresponsive at higher prices level. Demand from upcountry markets remained weak. However, a few buyers were directly buying from the primary markets whatever material available.

### **Pepper International Prices:**

In the international market Indian black pepper for Europe offered at USD 7,800 per ton and for America at USD 8,100 per ton C&F. Indonesia Austa quoted at USD 6,300-6,400 per ton FOB. Vietnams 500 GL offered at USD 6,000 per ton, Brazils B Austa at USD 6,150 per ton FOB

### **Spot Prices Monthly Change**

Commodity	Centre	Variety/Type	Price Rs/Qtl		% Change
			29.8.12	25.7.12	
Black Pepper	Kochi	Ungarbled	Closed	40800	--
		Garbled	Closed	42300	--
	New Delhi	Unpolished	42500	45000	<b>-5.55</b>
		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 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: 40420-43200.**

## CARDAMOM

### Spot Market Recap

- Higher arrivals were reported in the domestic market during the month under review.
- Stockists were inactive at higher prices level as they have sufficient stock in quantity.
- Sluggish demand in the spot market mainly kept pressure on cardamom prices
- New crop arrivals weigh on the cardamom prices.

### Fundamental Analysis:

#### Monthly Cardamom Arrival Scenario

Market	% Change Over Previous month	Arrivals during the August 2012 in bags	Arrivals during the July 2012 in bags	Arrivals during the August 2011 in bags
Vandanmettu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala)	<b>+14.70</b>	<b>1317761</b>	<b>1148855</b>	<b>1515688</b>

In Kochi, Cardamom arrivals were reported higher by 168906 Kgs to 1317761 Kgs during August month in comparison to last month. New crop arrivals were coming to the auction center slowly in Puttady Spices Park, Vandanmedu auction center with lower quantity. Higher arrivals will expect to come one month delay from September – November in coming days.

Stockists have higher stocks with them and unresponsive at higher prices level. Cardamom production in 2012-13 expected lower around 30 – 40% as compared to the last year. Hot weather condition and

later poor monsoon damaged the plants widely across the Idukki district, which accounts for around 60 per cent of the production.

## Spot Prices Monthly Change

Commodity	Centre	Variety/Type	Small (Price Rs/Kg)		% Change
			30.8.12	25.7.12	
Cardamom (Small)	Vandanmettu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur				
		Max Auction Price	952.5	1129.50	<b>-15.67</b>
		Average Auction Price	737.00	836.84	<b>-11.93</b>

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



Candlestick chart pattern reveals bearish sentiment in the market. RSI is moving down in neutral zone and indicates the bearishness in the market. 802 seem like a strong support level. Prices closed below 9 days and 18 days EMAs indicates bearish sentiment in the market.

**Expected monthly cardamom price range: 800-1110.**

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