

TURMERIC

Spot Market Recap

- Lower demand from Masala millers was reported in the domestic spot market at higher price level as they are having ample quantity of stocks for their requirements.
- Anticipation of higher production due to favourable weather condition may put pressure on prices.
- Stockists are off-loading their old stocks in the domestic market before onset of peak arrivals due to expectations of another bumper crop. Peak arrivals of turmeric are expected by the March end.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (13 th Jan – 19 th Jan 2012) in bags	Arrivals during the last week (7 th Jan – 12 th Jan 2012) in bags	Arrivals during the last year (13 th Jan – 19 th Jan 2011) in bags
Nizamabad (Andhra Pradesh)	+240.9	7,500	2,200	-
Erode (Tamil Nadu)	-46.15	14,000	26,000	-

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 5300 bags as compared to the same period last week. However, in Erode spot market lower arrivals were reported. Arrivals in Erode were down by 12,000 bags as compared to the same period last week as market was reported closed due to Pongal festival.

Turmeric crop looks good and over 80% of the crop in important growing region of AP has matured and is ready to get harvested. There is no major impact of pest and diseases and yield is expected to improve y-o-y. Turmeric crop in Karnataka is also in good shape and peak arrival is expected during mid-March. New crop arrivals to the tune of 400-500 bags are reported from Karnataka. Recent rains in TN increased the soil moisture which might delay the crop by 1-2 weeks though there is no water logging reported in the fields. Overall outlook for the crop from TN is good and we are expecting new crop arrivals by month end.

Based on farmer's info we expect turmeric yield to be in the range of 15–20 quintals per hectare. Considering higher acreage y-o-y we project turmeric production to touch 80 lakh bags (1 bag = 65 kgs) for 2012 against 70 lakh bags last year. In Erode, we are expecting production to touch 25-30 lakh bags which is higher by 50% from last year crop and in Nizamabad, production to touch 15 lakh bags which is higher by 10% from last year crop.

Ample old stocks are lying with the traders to the tune of 15 lakh bags and this continues to weigh on the market sentiments. In Erode, stock is around 6-7 lakh bags against 2 lakh bags last year while in Nizamabad, it is near 70,000 bags against 50,000 bags last year as reported by the trade sources. With expectation of harvest to pick pace during coming couple of weeks we expect turmeric prices to stay at subdued levels during the coming couple of weeks.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (19-01-2012)	Week Ago (12-01-2012)	Month Ago(19-12-2011)	Year Ago (19-01-2011)
Turmeric	Nizamabad-Nizam Cold	-3.70	5200	5400	5300	15800
	Erode-Finger	Unch	4500-4800	4500-4800	3900-4200	15000-15200

Turmeric Weekly Price Outlook (Nizamabad Spot market)



Candlestick chart pattern depicts bearish sentiment in the market. 4850 is a strong supports level breaching this level is likely to test towards 4800 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: 4850 - 5100.

CUMIN SEED (JEERA)

Spot Market Recap:

- In Unjha, cumin arrivals were reported lower during the week under review.
- Stockists are releasing their old stock which is now getting depleted fast.
- As per trade sources, new crop arrivals will start by March end which is late by 15 days.
- As per trade sources, anticipation of lower production may keep cumin prices at higher level.
- Weather continues to remain a concern for Jeera production.

Fundamental analysis

Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (13 th Jan – 19 th Jan 2012) in bags	Arrivals during the last week (7 th Jan – 12 th Jan 2012) in bags	Arrivals during the last year (13 th Jan – 19 th Jan 2011) in bags
Unjha (Gujarat)	-7.31	19,000	20,500	13,500

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the indicative market, arrivals were reported at 19,000 bags during the period of 13th Jan – 19th Jan 2012 lower by 1,500 bags as compared to the previous week and 4,500 bags lowered as comparison to last year during the same period. Stockists who earlier were interested in liquidating their old stocks have now changed their plans. They are likely slowly release their stocks with expectation of Jeera prices to improve further during the coming couple of weeks. They expect production to decline for 2012 due to un-favourable weather during its growth and development.

However Jeera stock in Unjha is reported at 6-7 lakh bags (1 bag = 65 Kg) which is lower when compared to previous year (12-14 lakh bags). Similarly total stocks in India is reported to stay in the range of 9-10 lakh bags (1 bag = 65 Kgs). We expect traders to hold old crop stocks or to release it slowly despite new crop arrivals to start from March. This is likely to lend underlying support to the Jeera prices moving forward.

Lower export demand was reported in the spot market. Exporters are reported inactive in the domestic market at higher price level and waiting for new crop arrivals to start from March.

In the global market, Syrian and Turkey's cumin seed is quoted at USD 3,200 and USD 3,200 per ton (fob) respectively, while, Indian cumin seed is being offered at USD 2,975-3,000 per ton (cnf) Singapore. This might turn buyers to Indian port once new crop arrivals start in March.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (19-01-2012)	Week Ago(12-01-2012)	Month Ago (12-12-2011)	Year Ago (12-01-2011)
Cumin Seed	Unjha-Loose	+1.01	14800-15200	14500-15200	12500-13000	12225
	Jodhpur - Loose	-5.00	14000-14500	15000	13100	13000

Jeera weekly Price Outlook (Unjha Spot market)



Candlestick chart pattern indicating range bound movement in the market. 15600 might act as a strong support level and breaching this level is likely to test towards 15550 in near term. However, we expect technical trigger buying towards its support in case of any near term decline which might lead to a bull run.

Expected Price Range of Jeera at Unjha (INR/Qtl): 15500 – 16000.

BLACK PEPPER

Spot Market Recap

- Lower arrivals were reported during the week under review (13th Jan – 19th Jan 2012).
- Pepper harvesting delayed due to recent rains.
- Prices are moving up on anticipation of lower production as comparison to last year.
- Lower new crop arrival as comparison to last year support prices to move up.
- Export demand was reported from USA.
- As per trade sources, pepper stock was reported lower as comparison to last year.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during	Arrivals during the	Arrivals during the	Arrivals during the
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	corresponding period last week	week (13 th Jan – 19 th Jan 2012) in tonnes	last week (7 th Jan – 12 th Jan 2012) in tonnes	last year (13 th Jan – 19 th Jan 2011) in tonnes
Kochi (Kerala)	-8.33	33	36	91.5

Lower arrivals were reported in Kochi (Kerala) spot market during the week. Arrivals in Kochi were down by 3 tonnes as compared to the same period last week due to Mullaperiyar dam issue. As per trade sources, stockists are holding their stocks on expectation of increase in prices as they expect lower production this year which may lead to increase in prices. As per trade sources, 6,000-7000 tons pepper stock was reported against 24,000-25,000 tons stock last year which also support prices at higher level.

New crop arrivals have already started in the domestic market mainly in Kochi regions. The crop harvesting normally begins in December but excessive rainfall delayed harvesting. With stagnant area y-o-y and marginal decline in yield, traders are expecting production at below 48,000 tonnes but that picture is not cleared yet. We expect pepper production to stay close to 48,000 tonnes compared to the previous year when production was seen at 50,000 tonnes which is down by 4%.

On the international front, Indian black pepper MG 1 is quoted at USD 6,600 per ton CNF US whereas Vietnam 500 GL is quoted at USD 6225 USD per ton. Buyers are waiting for Vietnam crop along with new India crop. As per trade sources, some export demand was noticed from USA and there are huge chances of further increase in export demand in coming days which may lead to prices at upper level.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (19-01-2012)	Week Ago (12-01-2012)	Month Ago (19-12-2011)	Year Ago (19-01-2011)
Black Pepper	Kochi-Ungarbled	+0.33	30400	30300	34500	21600
	Kochi-Garbled	+0.31	31900	31800	36000	22400
	New Delhi-Unpolished	+1.51	33500	33000	34500	22900
	New Delhi-Number 11.5	NA	NA	NA	37000	25500

International Pepper Prices

	% Change during corresponding period last week	Prices during the week (13 th Jan – 19 th Jan 2012)	Prices during the last week (7 th Jan – 12 th Jan 2012)
INDIA MG-1	+0.29	6730	6710
VIETNAM 500 GL faq	-8.11	6225	6775

Black Pepper weekly Price Outlook (Kochi Spot market)



Candlesticks chart pattern depicts that prices may go up in short term. 30950 might act as a strong support level. Positioning of RSI indicating that prices will move up in short term.

Expected weekly black pepper price range: 30950 to 32550.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market during the week under review.
- Cardamom prices gain due to no carry forward stock amid good export demand.
- Cardamom production is expected to have increased by 25% compared to the last year due to favourable growing condition and supportive weather at crucial stages.
- As per trade sources, domestic demand will be increase in coming days as stockists and buyers have no stocks at current period which lend supports to the cardamom prices.
- Cardamom arrivals may further increase in coming days owing to increased picking activity.
- Competitive Indian prices of cardamom and continuous decline during last couple of months attracted importers towards India.

Fundamental Analysis:

Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (13 th Jan – 19 th Jan 2012) in Kgs	Arrivals during the last week (7 th Jan – 12 th Jan 2012) in Kgs	Arrivals during the last year (13 th Jan – 19 th Jan 2011) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	+122.18	482566	217190	115786

Cardamom arrivals were reported at 482566 Kgs higher by 265376 kgs as compared to the previous week. As per trade sources, cardamom stock per centre is around 200 tons against 50 tons per centre last year. We expect cardamom arrivals to increase during coming days as picking activity gains momentum. Source revealed that, fourth round of harvesting is going on and nearly 50 – 70 percent is completed so far. Cardamom production is expected to have increased by 25% compared to the last year due to favourable growing conditions and supportive weather at crucial stage.

Export Scenario:

As per trade sources, Despite of higher production as well as Japan rejection due to pesticide, no carry forward stock will be reported this season as export demand is higher by 30-35% this year against last year during same period mainly from south Arabia and if export demand remains continue by the month end, cardamom prices will go up further.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (19-01-2012)	Week Ago (12-01-2012)	Month Ago (19-12-2011)	Year Ago (19-01-2011)
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	+3.66	497.5	479.89	Closed	1306.85

Cardamom Daily Price Outlook (Kochi Future market)


Candlesticks chart pattern depicts that prices may go down in near term. 625 might act as a strong support level and breaching this level is likely to test towards 623 in near term. Positioning of RSI indicating that prices will go down in short term.

Expected weekly cardamom price range: 625 – 640.

CORIANDER SEED
Spot Market Recap

- Lower arrivals were reported in major coriander's market during the week under review.
- Anticipation of higher production amid lower demand put pressure on prices.
- Coriander arrival from Rajasthan is likely to start from the month of March. At the time crop was reported at leaf plucking to flowering stage.
- Higher carry in stock for 2012 may continue to weigh on the market sentiments.

Fundamental analysis
Coriander Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (13 th Jan – 19 th Jan 2012) in bags	Arrivals during the last week (7 th Jan – 12 th Jan 2012) in bags	Arrivals during the last month (13 th Jan – 19 th Jan 2011) in bags
Kota	-2.43	8,000	8,200	-
Ramganj	-34.13	11,000	16,700	-
Baran	-4.83	5,900	6,200	-

1 bag=40 kg

Arrivals in Kota were lower at 8,000 bags during the period of 13th Jan – 19th Jan 2012 down by 200 bags as compared to the previous week. Similarly arrivals decreased in Ramganj and Baran market as depicted in the above table. Old crop arrival is going to an end and Fresh arrivals from M.P. have started into the market which is negligible in terms of quantity to impact the prices. In M.P., it will start by mid-February while, in Rajasthan it should start in March.

Sowing Scenario:

As per trade sources, Coriander sowing has been completed with significant increase y-o-y in Rajasthan and Madhya Pradesh where in Rajasthan, crop was reported at leaf plucking to flowering stage. In Rajasthan region, farmers shifted their acreage from wheat to coriander due to better returns. Higher acreage along with better soil moisture condition might lead to anticipation of better crop production that is around 1 crore bags against 75 lakh bags last year. The same might keep coriander prices to stay weak for coming couple of week.

However, area of Coriander in AP might decline by 60% during current year and as on 18th Jan 2012 total area sown in the state is recorded at 0.09 lakh hectares. Lower acreage in AP might lead to lower production. This mean the demand from AP is likely to shift towards MP and Rajasthan once the arrival will start during Feb-Mar. The same shall lend underlying support to the coriander prices moving forward.

Coriander Sowing Progress: Andhra Pradesh

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 18/01/12	% Sown to	
Crop	Season	As on date	As on 18/01/10	As on 18/01/11		Season	As on date
Coriander	0.27	0.26	0.33	0.17	0.09	32	33

Spot Prices Weekly Change

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (19-01-2012)	Week Ago (12-01-2012)	Month Ago (19-12-2011)
Coriander Seed	Ramganj	Badami	-3.64	3250-3350	3375-3475	3300-3400
		Eagle	-3.49	3350-3550	3475-3675	3400-3600
		Scotter	-3.03	4000	4125	4050
	Kota	Badami	-1.42	3450	3500	3250
		Eagle	-1.40	3500	3550	3550
	Baran	Badami	-4.34	3300	3450	3400
		Eagle	-4.28	3350	3500	3500

Coriander weekly Price Outlook (Kota Spot market)



Down trend is in continuation as depicted by the weekly chart of candlestick. EMA is acting as a stiff resistance and any surge towards the same might pressurize the prices. However, near term support act towards 3700 for short term. Breaching the same might bring the prices to test towards 3650. Positioning of RSI indicating that prices may go down in near term.

Expected Price Range of Coriander Kota spot market: 3700-4150.

RED CHILLI

Spot Market Recap

- Lower arrivals were reported in Guntur during this week compared to last week as market was reported closed due to Pongal festival.
- Anticipation of higher production put pressure on prices.
- In Guntur, red chilli new crop arrivals will gain momentum during January end and we expect prices to stay weak for medium term.

Fundamental Analysis

Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (13 th Jan – 19 th Jan 2012) in bags	Arrivals during the last week (7 th Jan – 12 th Jan 2012)in bags	Arrivals during the year (13 th Jan – 19 th Jan 2011) in bags
Guntur (Andhra Pradesh)	-22.59	1,37,000	1,77,000	265,000

1Bag=45 Kgs

Red Chilli arrivals in Guntur were reported 1,37,000 bags (1 bag=45Kg) down by 40,000 bags as compared to the previous week as market was reported closed due to Pongal festival. As per trade sources, production to increase by 25-30% against last year provided in A.P. no damage occurs in coming days due to rainfall. New crop arrivals have started but peak arrivals will be start after 10 February.

Lower export demand continues to keep chilli prices at lower rates this time. However a few export deals are happening for select varieties and traders are expecting better export demand in coming weeks. Bangladesh, Malaysia and Sri Lanka are demanding Teja and No.5 varieties of red chilli which keep the prices of these varieties at higher levels. As per trade sources, demand from Kolkata is not high as it was last year during the same period. Price for variety LCA 334 is expected to stay weak till new crop arrival which is expected to start from February month.

Chilli Sowing Progress in AP during Rabi Season:

Sowing in major chilli growing area is almost completed. Red Chilli has been sown in 0.48 lakh hectares in A.P. as on 18th January 2012. Details of sowing are enlisted in the following table:

Area in Lakh hectares	Normal		During Period		Current Year as on 18/01/12 Crop	% Sown to	
Crop	Season	As date on	As 18/01/10 on	As 18/01/11 on		Season	As date on
Red Chilli	0.47	0.41	0.53	0.53	0.48	102	117

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (19-01-2012)	Week Ago (12-01-2012)	Month Ago (19-12-2011)
Red Chilli	LCA 334	-2.3	6100-6600	6200-6800	6000-7300
	Teja	-3.73	6100-6800	6200-7200	7000-8000
	No.5	-2.14	6600-7100	6500-7500	6000-7500
	Sanam 334	NA	NA	NA	6000-7500
	Byadgi	-	-	7200-9000	9000-9500

Red Chilly weekly Price Outlook (Guntur Spot market)


Candlesticks formation reveals downward trend in the market. 6600 might act as a strong support level and breaching this level is likely to test towards 6530 in a near term. However, Positioning of RSI is flat indicating possibility of sideways consolidation for short term.

Expected Price Range of Red Chilly Guntur spot market (INR/Qtl): 6600 – 6830.

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