

TURMERIC

Spot Market Recap

- Escalating arrivals were reported in Nizamabad and Erode spot market during the week under review.
- 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.
- Sluggish demand from exporters in the spot market was reported. They were waiting for new fresh export enquiries.

Fundamental analysis

Turmeric Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in bags	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in bags	Arrivals during the last year (27 th Jan – 02 nd Feb 2011) in bags
Nizamabad (Andhra Pradesh)	+165.00	26,500	10,000	26,000
Erode (Tamil Nadu)	+133.34	28,000	12,000	16,000

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 16,500 bags as compared to the same period last week. Similarly, in Erode spot market also escalating arrivals was reported. Arrivals were reported at around 28,000 bags, 16,000 bags up as compared to the previous week.

Turmeric new crop arrivals have started. Sources revealed that, in Nizamabad and Erode regions turmeric crop harvesting completed and peak arrivals will start from March to May. Turmeric arrivals will start from K Samudram and Warangal regions from next month.

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.

Exporters were reported inactive in the domestic market. As per trade sources, no fresh export enquiries were reported during this period and this may keep turmeric prices at lower levels. However, market participants are expecting that demand may increase from Europe, US, West Asia and Japan and supports the prices in the coming days.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-02-2012)	Week Ago (25-01-2012)	Month Ago(03-01-2012)	Year Ago (02-02-2011)
Turmeric	Nizamabad-Nizam Cold	+2.00	5100	5000	5100-5200	16800
	Erode-Finger	-	4500-4900	Closed	4600-4900	16150-16550

Turmeric Weekly Price Outlook (Nizamabad Spot market)


Candlestick chart pattern depicts bearish sentiments in the market. 4630 is a strong support level and breaching this level is likely to test 4570 in near term. Positioning of RSI is moving down in oversold region indicating prices may correct in short term.

Expected Price Range of TMC Nizamabad spot market: 4630 - 4900.

CUMIN SEED (JEERA)
Spot Market Recap:

- Higher arrivals were reported in the domestic market during the week under review.
- Higher stocks were reported with producers, stockists and they may offload their stocks in coming days before new crop arrivals starts.
- Sources revealed that new crop arrivals will start in the month of March and peak arrivals expected in April.
- Expectations of higher arrivals weigh on the jeera market sentiments in coming days.

Fundamental analysis
Jeera Arrival Scenario:

Market	% Change during corresponding period last week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in bags	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in bags	Arrivals during the last year (27 th Jan – 02 nd Feb 2011) in bags
Unjha (Gujarat)	+19.45	21,500	18,000	19,000

Unjha 1 bag = 55kgs

Taking Unjha cash markets as the indicative market, arrivals were reported at 21,500 bags during the period of 27th Jan – 02nd Feb 2012 higher by 3,500 bags as compared to the previous week. Stockists were releasing their stocks at higher prices level in the domestic market and they may offload their stocks before new crop arrivals starts.

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).

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 Feb-March.

In the international market, Syrian and Turkey's cumin seed offered at USD 3,200 per ton (fob), while, Indian cumin seed quoted at USD 2,950 per ton (cnf) Singapore.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-02-2012)	Week Ago(27-01-2012)	Month Ago (02-01-2012)	Year Ago (02-02-2011)
Cumin Seed	Unjha-Loose	-6.78	13500-14000	14500-15000	13450-13650	12675
	Jodhpur - Loose	--	--	15000	15000	13200

Jeera weekly Price Outlook (Unjha Spot market)



Candlestick chart pattern is indicating bearish sentiment in the market. 14520 might act as a strong support level and breaching this level is likely to test 14460 in near term. Positioning of RSI is moving down in neutral region indicating prices may go down in short term.

Expected Price Range of Jeera at Unjha (INR/Qtl): 14520 – 15200.

BLACK PEPPER

Spot Market Recap

- Lower arrivals were reported during the week under review (27th Jan – 02nd Feb 2012).
- New crop arrivals already started in the domestic market with lower quantity. Arrivals is expected to improve during month end.
- Domestic buyers were reported inactive at higher prices level.
- Sluggish export demand was reported with no fresh export enquiries.

Fundamental Analysis

Black Pepper Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in tonnes	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in tonnes	Arrivals during the last year (27 th Jan – 02 nd Feb 2011) in tonnes
Kochi (Kerala)	-50.00	28	42	180

Lower arrivals were reported in Kochi (Kerala) spot market during the week. Arrivals in Kochi were down by 14 tonnes as compared to the same period last week.

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 we expect pepper production to stay close to 43,000 tonnes compared to the previous year when production was seen at 48,000 tonnes.

Global sentiment

Mixed sentiment witnessed in the domestic market during the week (27th Jan – 3rd Feb 2012). In Kochi, local prices mostly steady while at the futures market spot prices drop by 3%. Feb and March contract on NCDEX decreased by 8%, April & May by 7%, June & July contract decreased by 6%. Local prices in Lampung were stable while in Sri Lanka and Malaysia the local prices have increased.

Meanwhile harvesting in India is going on and the peak arrival is estimated to come in mid of Feb. In Vietnam, pepper harvest will be starting from March onwards. It was reported that due to unfavourable weather and prolong rainfall, pepper production in the growing areas in Tan Phu and Xuan Loc of Dong Nai province will be lower by around 30%. In Lampung, uncertain weather pattern last year, has affected the production of pepper from this growing area with more light berries now enter the market. From Brazil it was reported that Pepper from the state of Espirito Santo were offered at USD 6,600 per mt BASTA and USD 6,550 per mt B1 560gl (FOB Vitoria, for shipment February).

In the international market, Indian black pepper MG 1 is quoted at USD 6,400 per ton CNF Europe and USD 6,700 per ton C&F US. Vietnam GL 500 FAQ at USD 5,850 per ton FOB, 500 GL FAQ at USD 6,150 per ton FOB.

Import of pepper into the United States during January – November 2011 was 64,276 mt comprising of 47,742 mt whole black, 5,331 mt white and 11,203 mt ground peppers. The import was slightly higher when compared to the US import of 63,274 mt during the corresponding period last year. Import of whole black and white pepper increased by 3% and 1% respectively, while that of ground pepper decreased by 4%.

Indonesia remained the largest supplier of whole black pepper to the US market, shipping 17,844 mt (37%), followed by Vietnam (12,424 mt), Brazil (11,427 mt) and India (5,285 mt). Indonesia and Vietnam were the main sources of whole white pepper for United States, supplying 2,700 mt (51%) and 2.250 mt (42%) respectively. In the case of ground pepper, India and Vietnam were the largest suppliers, contributing 74% (India 4,510 mt - 40% and Vietnam 3,770 mt - 34%)

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)			
			Current (02-02-2012)	Week Ago (25-01-2012)	Month Ago (02-01-2012)	Year Ago (02-02-2011)
Black Pepper	Kochi-Ungarbled	-2.94	29700	30600	32100	21400
	Kochi-Garbled	-2.80	31200	32100	33600	22200
	New Delhi-Unpolished	-2.85	34000	35000	34000	22900
	New Delhi-Number 11.5	--	--	NA	--	25500

Black Pepper weekly Price Outlook (Kochi Spot market)


Candlesticks chart pattern indicates range bound movement in the market. 30520 would act as a strong support level. Positioning of RSI moving at oversold region indicating that prices may correct in short term.

Expected weekly black pepper price range: 30520 to 31700.

CARDAMOM

Spot Market Recap

- Higher arrivals were reported in the domestic market during the week under review.
- Cardamom harvest might gain momentum during coming couple of weeks with arrivals to increase.
- Expectation of increase supply during coming couple of weeks likely to edge any near term gain.
- Sources revealed that, at lower price level buyers may active for higher buying in coming days.

Fundamental Analysis:
Cardamom Arrival Scenario

Market	% Change during corresponding period last week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in Kgs	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in Kgs	Arrivals during the last year (27 th Jan – 02 nd Feb 2011) in Kgs
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	+13.75	64,3694	56,5911	16,7806

Cardamom arrivals were reported higher by 77783 kgs as compared to the previous week's arrivals. Cardamom arrivals may increase in coming days due to increasing picking activity in growing areas.

Arrivals will increase in coming days due expectations of better harvesting in cardamom growing regions. As per farmer's information, fourth round of harvesting will completed by 15th of February and fifth round picking activity will start from April onwards given favourable climatic condition with better production. Cardamom production may increase by 25% compared to the last year (2010) due favourable growing condition and supportive weather at crucial stages. Expectation of increase supply during coming couple of weeks likely to edge any near term gain.

During April-November 2011, 3100 tonnes of small cardamom were exported compared to 570 tonnes in the same period in 2010, a rise of 207%. During the April-November, 475 tonnes of large cardamom were also exported, compared to 380 tonnes in the corresponding period in 2010, a rise of 48 per cent.

Market participants are expecting that, at around 4,500 - 5,000 tonnes of small cardamom to be exported from India by March due to Indian cardamom is better in quality than Guatemala's. The major importers are West Asia, Japan and Europe in the current period. Domestic demand will increase in coming days as stockists and buyers have no stocks at current period which lend supports to the cardamom prices to recover.

Spot Prices Weekly Change

Centre	Commodity & Variety	% Change Over Previous Week	Average Auction Prices (Rs/Qtl)			
			Current (02-02-2012)	Week Ago (25-01-2012)	Month Ago (02-01-2012)	Year Ago (02-02-2011)
Vandanmettu, Thekkady, Kochi, Nedumkandam, Kumily, Santhanpara & Bodinayakanur (Kerala)	Small Cardamom	+11.30	555.56	499.13	492.72	1247.9

Cardamom Weekly Price Outlook (Future Continuous market)



Candlesticks chart pattern depicts bullish sentiment in the market. 640 might act as a strong support level and breaching this level might lead to testing 625 in near term. Positioning of RSI is moving up in neutral zone indicating that prices will go up in short term.

Expected weekly cardamom price range: 640 – 710.

CORIANDER SEED

Spot Market Recap

- In major coriander markets, higher arrivals were reported during the week against last week.
- In major coriander markets, new crop arrivals have started which will increase gradually in coming days.
- Anticipation of higher production due to higher acreage and favourable weather condition put pressure on prices.
- Higher carry in stock amid lower domestic and export demand put pressure on prices.

**Fundamental analysis
Coriander Arrival Scenario:**

Market	% Change during corresponding period last week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in bags	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in bags
Kota	+20.00	12,000	10000
Ramganj	+52.38	16,000	10500
Baran	+44.73	11,000	7600

1 bag=40 kg

In major coriander markets, higher arrivals were reported during the week against last week as new crop arrivals have started in major coriander markets which will increase day by day in coming weeks but peak arrivals will start by mid march.

Coriander sowing has been completed in major producing regions with the higher acreage against last year. In Baran and M.P., farmers are expecting increase in area by 1.5 times against last year. However, In Kota market, farmers are expecting same acreage as was in previous year. Based on trader's information, in Rajasthan region, we expect area could increase to 237469 hectares against 197891 hectares last year. However, in A.P., coriander has been sown in 0.09 lakh hectares till date which is lower against last year during the same period. Details of sowing are enlisted in the following table:

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 01/02/12	% Sown to	
Crop	Season	As on date	As on 01/02/10	As on 01/02/11		Season	As on date
Coriander	0.27	0.27	0.34	0.17	0.09	32	33

Coriander crop looks in good condition. There was no major impact of pest and disease. As per trade sources, yield is expected to improve 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. Anticipation of higher crop arrivals amid lower domestic and export demand could weigh on prices in the next few weeks.

Spot Prices Weekly Change

Commodity	Centre & Variety		% Change Over Previous Week	Prices (Rs/Qtl)		
				Current (02-02-2012)	Week Ago (25-01-2012)	Month Ago (02-01-2012)
Coriander Seed	Ramganj	Badami	-7.57	2950-3150	3250-3350	3475-3575
		Eagle	-5.80	3150-3350	3350-3550	3575-3775
		Scotter	-8.75	3650	4000	4225
	Kota	Badami	-2.94	3300	3400	3600
		Eagle	-2.85	3400	3500	3700
	Baran	Badami	-4.47	3200	3300-3400	3450
		Eagle	-7.25	3100-3300	3400-3500	3550

Coriander weekly Price Outlook (Kota Spot market)


Candlesticks chart pattern depicts range bound movement in the near term. However, Positioning of RSI indicates bearish sentiment in the market. Prices may move in a range of 3835-3950. Breaching these level prices may go down upto 3725 level.

Expected Price Range of Coriander Kota spot market: 3835-3950

RED CHILLI

Spot Market Recap

- In Guntur' red chilli market, higher arrivals were reported during the week as comparison to last week.
- As per trade sources, lower domestic and export demand was noticed in the red chilli market.
- Anticipation of higher production due to higher acreage put pressure on prices.
- In Guntur, red chilli new crop arrivals will increase in mid of Feb.

Fundamental Analysis
Red Chilli Arrival Scenario:

Market	% Change Over Previous Week	Arrivals during the week (27 th Jan – 02 nd Feb 2012) in bags	Arrivals during the last week (20 th Jan – 25 th Jan 2012) in bags	Arrivals during the last year (27 th Jan – 02 nd Feb 2011) in bags
Guntur (Andhra Pradesh)	+27.58	1,85,000	1,45,000	2,60,000

1Bag=45 Kgs

In Guntur' red chilli market, higher arrivals were reported at 1,85,000 bags up by 40,000 bags against last week. Sources revealed that in Guntur, 20,000 to 25,000 bags are arriving on daily basis and in M.P. around 2,00,000 bags are arriving on weekly basis against 1,00,000 bags last year during same period. In Guntur cold storage, carry forward stock was reported at 20-25 lakh bags which is similar to last year stock. However, on NCDEX, no stock was reported at this time.

Chilli Sowing Progress in AP during Rabi Season:

In A.P., red chilli sowing area is below 5.66% against 2010 period. However, it is above 8.69% to 0.50 lakh hectares against last year during the same period. Details of sowing are enlisted in the following table:

Area in Lakh hectares	Normal		During Corresponding Period		Current Year as on 01/02/12	% Sown to	
Crop	Season	As on date	As on 01/02/10	As on 01/02/11		Season	As on date
Red Chilli	0.47	0.42	0.53	0.46	0.50	106	117

As per trade sources, in M.P., yield is expected around 30-35 quintal per hectare and production could be increased to 75 lakh bags against 45 lakh bags last year due to higher acreage. In Karnataka, production could be around 10-15 lakh bags and in Maharashtra, production could be 8-10 lakh bags which is similar to last year production. However, in A.P., traders are expecting lower yield against last year due to rainfall damage but production would not be effective much higher due to higher acreage. In A.P., Peak arrivals are expected in the mid of February.

Spot Prices Weekly Change

Commodity	Centre & Variety	% Change Over Previous Week	Prices (Rs/Qtl)		
			Current (02-02-2012)	Week Ago (25-01-2012)	Month Ago (02-01-2012)
Red Chilli	LCA 334	-4.16	5500-6000	5600-6400	6100-6900
	Teja	-8.75	6000-6500	6500-7200	5000-7500
	No.5	Unch	6000-6500	6000-6500	6500-7000
	Sanam 334	-	-	NA	6000-7000
	Byadgi	-	-	-	9000-9500

As per trade sources, export demand from Pakistan reported higher amid lower stock position in the market. Demand from Kolkata and North India is also reported in the red chilli market. Exporters are expecting increase in demand in the mid of February at lower rates which may support the prices at some level. However, higher arrivals may limit the gain.

Red Chilly weekly Price Outlook (Guntur Spot market)



Candlesticks formation reveals downward trend in the market. Positioning of RSI also indicate bearish trend in the market. 6365 might act as a strong support level and breaching this level is likely to test towards 6290 in a near term.

Expected Price Range of Red Chilly in Guntur spot market (INR/Qtl): 6365-6570

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