

RED CHILLI

Spot Market Recap

- Higher arrivals were reported during the week period.
- In Karnataka, Arrivals have started. Local demand is normal. Byadagi variety is being traded at steady levels.
- In Tamil Nadu, Arrivals are slated to begin by the first week of March. Recent rains are proving beneficial for the standing crop.

Fundamental Analysis

Red Chilli Arrival Scenario:

| Market | % Change Over Previous Week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|------------------------|-----------------------------|--|--|--|
| Guntur(Andhra Pradesh) | +25.00 | 220000 | 165000 | 255000 |

1Bag=45 Kgs

At Red Chilli Guntur market, higher arrivals were reported during the week period. Daily average arrivals of new crop are around 40,000 bags (40 Kgs), of which 60% is reportedly sold. There are no reports yet of rains damaging the standing crop.

In Madhya Pradesh, harvesting is over. Traders from Tamil Nadu and Maharashtra are actively trading in the flavour of the season. This season production estimates are around 4 to 4.5 million bags (1 bag= 30 Kgs).

Spot Prices Weekly Change

| Commodity | Centre& Variety | % Change Over Previous Week | Prices (Rs/Qtl) | | |
|------------|-----------------|-----------------------------|---------------------|----------------------|-----------------------|
| | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) |
| Red Chilli | LCA 334 | 3.33 | 5800-6000 | 5700-5800 | 5500-6000 |
| | Teja | -2.77 | 7000-7200 | 7100-7400 | 7500-8000 |
| | No.5 | Unch | 7200-7300 | 6800-7300 | 6500-6600 |
| | No.273 | 2.77 | 7000-7200 | 6800-7000 | 6500-6600 |
| | Fatki | 8.57 | 2600-3500 | 2700-3200 | 2200-2500 |
| | Byadgi | 1.26 | 7700-7900 | 7700-7800 | 6000-6500 |

Red Chilly weekly Price Chart (Future market, Continuous chart)


Candlesticks chart pattern reveals bearish trend in the market. RSI is moving down in the neutral region indicates prices may go down in the market. Prices closed between 9 days and 18 days EMAs indicates bearish sentiment in the market. 6300 level may take strong supports level for short term.

Expected Price Range of Red Chilly (INR/Qt): 6300 - 6620.

TURMERIC

Spot Market Recap

- Lower arrivals were reported in Turmeric market during the period.
- Stockists are the main buyers. Upcountry demand is expected to pick up by end - February and early March. While farmers from some villages have already started bringing their produce, bulk of the fresh arrivals is expected from mid-March.
- Exporters are likely to cover their requirements early during the season. A 5-10% drop from current levels as arrivals peak is probable in an otherwise firm market.

Fundamental analysis
Turmeric Arrival Scenario:

| Market | % Change during corresponding period last week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|----------------|--|--|--|--|
| Nizamabad (AP) | -85.00 | 20000 | 37000 | 22000 |
| Erode (TN) | Unch | 14500 | 14500 | 36000 |

1 bag = 75kgs

Lower arrivals were reported in the Nizamabad spot market.

Traders are buying less quantity. Stockists are the main buyers. Upcountry demand is expected to pick up by end - February and early March. While farmers from some villages have already started bringing their produce, bulk of the fresh arrivals is expected from mid-March.

Buyers including some local traders have procured the turmeric for local masala firms. Sources revealed that, after the first week of March, new orders from Delhi, Kolkata and some parts of Maharashtra may come. In Maharashtra, while the shortfall in production of Desi Cuddapah may help a price hike the same may not be true for other varieties.

Spot Prices Weekly Change

| Commodity | Centre & Variety | % Change Over Previous Week | Prices (Rs/Qtl) | | | |
|-----------|----------------------|-----------------------------|---------------------|----------------------|-----------------------|----------------------|
| | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) | Year Ago (22-2-2012) |
| Turmeric | Nizamabad-Nizam Cold | Unch | 5400 | 5400 | 5400 | 4900 |
| | Erode-Finger | 0.76 | 5850-6550 | 5800-6500 | 5800-6200 | 4100-4600 |

Turmeric weekly Price Chart (Future market, Continuous chart)


Candlestick chart pattern reveals range bound movement in the market. RSI is moving down in neutral region which may indicates prices may go down in near term. Prices closed below 9 days and 18 days EMAs indicates to bearish sentiment in the market. 6040 seems like a strong resistance level.

Expected Price Range of TMC: 6040-6250.

CUMIN SEED (JEERA)

Spot Market Recap:

- Higher arrivals were reported in the cumin seed spot market during the week period.
- Total cumin seed production in the country may be around 38 - 40 lakh bags (per bag=55 kg).
- New Jeera crop arrival coming to the market from Saurashtra region with daily 3000 – 4000 bags.
- In Porbandar region, jeera new crop arrival may start from first week of March. Weather conditions are conducive in major growing regions which might support crop yield.

Fundamental analysis

Jeera Arrival Scenario:

| Market | % Change during corresponding period last week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|-----------------|--|--|--|--|
| Unjha (Gujarat) | 60.86 | 46500 | 18200 | 20000 |

Unjha 1 bag = 55kgs

Higher arrivals were reported during the week period. Daily average new arrivals is around 8,000-10,000 bags in Unjha mandi reported.

India Spices Board has set the target to export 45,000 tons cumin seed, which has been achieved and export is still continued and it is expected that export may be around 60,000 tons, which will be a new record.

In the international market best quality cumin seed offered at USD 2,500 per ton Europe CNF.

Spot Prices Weekly Change

| Commodity | Centre & Variety | % Change Over Previous Week | Prices (Rs/Qtl) | | | |
|------------|------------------|-----------------------------|---------------------|----------------------|-----------------------|----------------------|
| | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) | Year Ago (22-2-2012) |
| Cumin Seed | Unjha-Loose | -4.49 | 12000-12250 | 12700-12800 | 13000 | 12700-13000 |
| | Jodhpur – Loose | -0.83 | 12000 | 12000-12100 | 13000 | 13500-14000 |

Jeera weekly Price Chart (Future market, Continuous chart)


Candlestick chart pattern reveals bearish sentiment in the market. Prices closed below 9 days and 18 days EMAs in the market. RSI is moving down in neutral region indicates bearish sentiment in the market. Prices may take immediate support at 12630 levels in coming days.

Expected Price Range of Jeera (INR/Qtl): 12630-13160.

BLACK PEPPER

Spot Market Recap

- In Kochi market, higher arrivals were reported during the week under review.
- Pepper prices were reported down on reports of higher supply in the domestic market.
- At present, 6,800 tonnes of pepper stocks in the warehouses.

Fundamental Analysis

Black Pepper Arrival Scenario

| Market | % Change during corresponding period last week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|----------------|--|--|--|--|
| Kochi (Kerala) | +83.94 | 252 | 137 | 29.5 |

In Kochi, pepper arrivals were reported higher by 115 tonnes to 252 tonnes against 137 tonnes during the last week.

Interstate dealers from Jharkhand and Bihar are reported to have shifted their activities to Chikmagalur in Karnataka where the arrival of the new crop has started. However, main problem was the drought conditions in the growing areas.

India exported around 12,000 tonnes. India, which was the top exporter till 1995, has turned a net importer of the spice in the last calendar year. Vietnam's export of black pepper increased 463 tonnes in 2012. While that of white pepper fell 1,917 tonnes.

According to the projections made by the International Pepper Community (IPC), total availability of pepper in India in 2013, is at 85,066 tonnes with the breakup of - stocks carried forward at 15,066 tonnes; production 55,000 tonnes and imports at 15,000 tonnes. IPC put the total requirement at 68,000 tonnes - for domestic consumption 43,000 tonnes and for export 25,000 tonnes, leaving a carry forward stock for 2014 as 17,066 tonnes.

However, the trade and regional estimates put the total availability at 88,382 tonnes giving a break up of carry forward stock of 9,382 tonnes, production of 62,000 tonnes and import of 17,000 tonnes. It has projected the domestic consumption at 43,000 tonnes while the export has been shown as 35,000 tonnes and thus showed a total outgo of 78,000 tonnes leaving 10,382 tonnes for carrying forward to 2014.

Global Scenario

India is practically out of the global pepper export with the total exports in 2012 equivalent to just 10 percent of Vietnam, the world's largest producer. In 2012, Vietnam exported 116,962 tonnes of pepper (100,381 tonnes of black pepper and 16,581 tonnes of white pepper).

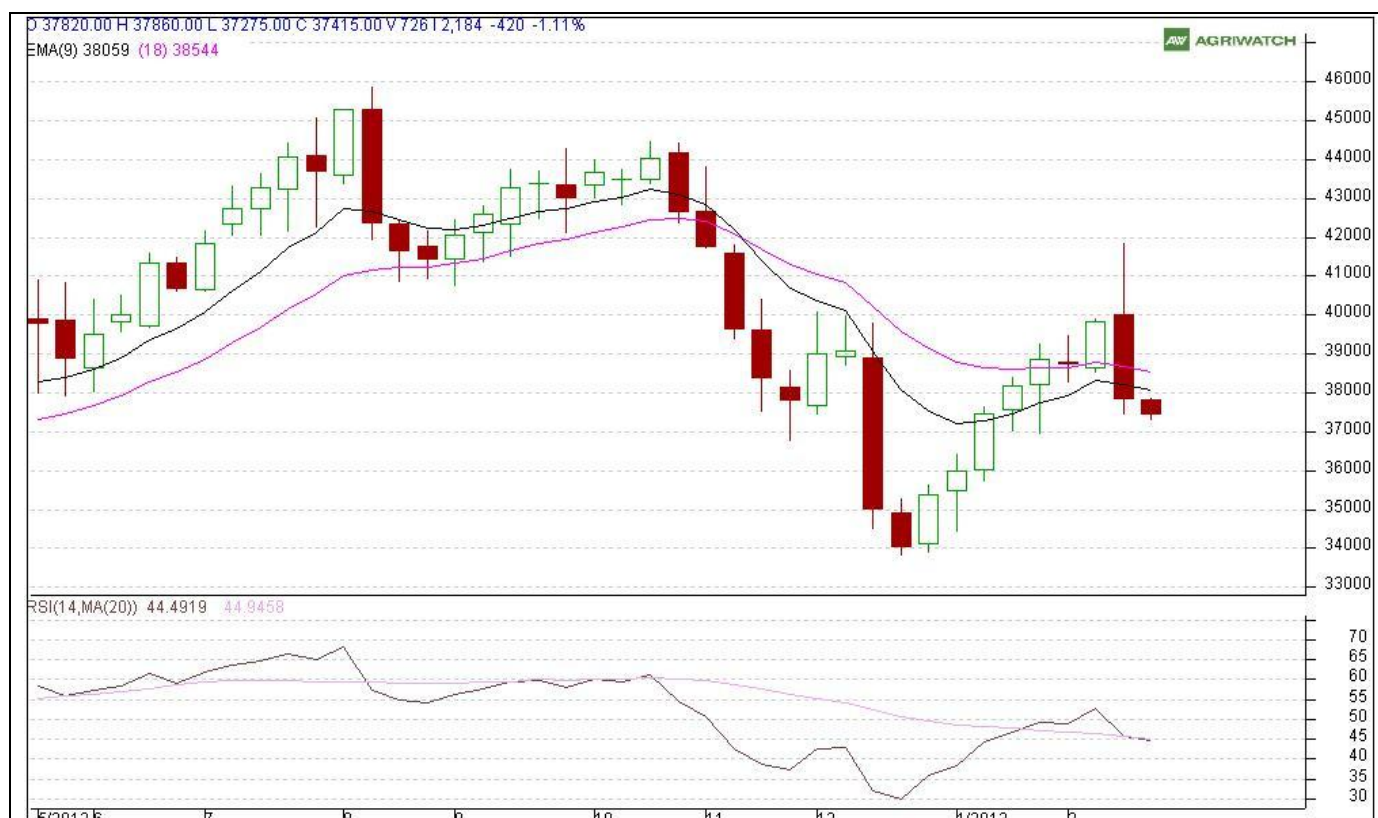
According to latest data from the Vietnam Pepper Association. Compared to 2011, turnover of black pepper increased 18 per cent. India's total exports of just 12,000 tonnes in 2012. India had imported 15,000 tonnes during 2012, making the country a net importer of pepper. India's shipment was over 20,000 tonnes couple of years back, but now it is not a major destination for pepper. The average export price of pepper in Vietnam in 2012 was \$6,390 a tonne (\$927 higher than the average price in 2011) and that of white pepper was \$9,176 a tonne (\$1,220 higher than 2011), according to VPA data. The major import markets for Vietnam pepper are the US, Germany, Holland, India, Singapore, Spain and Egypt. Europe imported 45,609 tonnes, while Asian countries imported 42,249 tonnes. The US imported 17,147 tonnes in 2012. On the global export front, India has now slipped to fourth spot after Vietnam, Indonesia and Brazil. Sri Lanka, which exports close to 10,000 tonnes, is a real threat to India and is weakening India's position in the global market.

International Prices:

In the international market Indian black pepper quoted at USD 7,950 per ton, while March shipment offered at USD 7,200 per ton and April shipment at USD 7,000 per ton C&F New York. Vietnams Austa USD 6,925-6,975 per ton, Indonesia 550 GM-1 at USD 6,900 per ton, Brazil Austa at USD 6,600 per ton, Brazil B-1 at USD 6,550 and Brazil B-2 at USD 6,200 per ton FOB.

Spot Prices Weekly Change

| Commodity | Centre & Variety | % Change Over Previous Week | Prices (Rs/Qtl) | | | |
|--------------|-----------------------|-----------------------------|---------------------|----------------------|-----------------------|----------------------|
| | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) | Year Ago (22-2-2012) |
| Black Pepper | Kochi-Ungarbled | -0.51 | 39500 | 39700 | 38500 | 32400 |
| | Kochi-Garbled | -0.49 | 41000 | 41200 | 40000 | 33900 |
| | New Delhi-Unpolished | -1.10 | 45500 | 46000 | 46000 | 37000 |
| | New Delhi-Number 11.5 | - | - | - | - | - |

Black Pepper weekly Price Chart (Future market, Continuous chart)


Candlesticks chart pattern indicates bearish sentiment in the market. RSI is moving down in neutral zone indicates prices may go down in the near term. Prices closed below 9 days and 18 days EMAs. Prices may take immediate support at Rs.36150 level in coming days.

Expected weekly black pepper price range: 36150 – 38450.

CARDAMOM

Spot Market Recap

- In Kochi, Cardamom arrivals were reported lower during the week period.
- Slow buying was reported in the domestic market.
- Stockists were inactive at higher prices level as they have sufficient stock in quantity.

Fundamental Analysis:

Cardamom Arrival Scenario

| Market | %Change during corresponding period last week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|--|---|--|--|--|
| Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur (Kerala) | -44.16 | 129786 | 187101 | 454065 |

Lower arrivals were reported during the week period.

Export demand has been lower and some of the Indian traders have even been procuring cardamom from Guatemala. This lesser offtake ahead of the harvest season has been leading to increased supply in the market

Indian cardamom, which usually quotes a higher price, had become even more costly and subsequently export demand diminished. Weather conditions continued to remain totally unfavourable so far.

Adequate stocks position following increased arrivals from producing regions put cap on prices at higher levels.

Spot Prices Weekly Change

| Centre | Commodity & Variety | % Change Over Previous Week | Average Auction Prices (Rs/Qtl) | | | |
|---|---------------------|-----------------------------|---------------------------------|----------------------|-----------------------|----------------------|
| | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) | Year Ago (22-2-2012) |
| Vandanmedu, Thekkady, Kochi, Nedumkandam , Kumily, Santhanpara & Bodinayakanur (Kerala) | Small Cardamom | 1.54 | 703 | 692.17 | 840.12 | 680.43 |

Cardamom Weekly Price Outlook (Future market, Continuous chart)



Candlesticks chart pattern reveals bearish sentiment in the market. RSI is moving down in neutral zone indicates prices may go down in the market. Prices closed below 9 days and 18 days EMAs also indicates bearish sentiment in the market. 930 might act as strong support level.

Expected weekly cardamom price range: 930-1005.

CORIANDER SEED

Spot Market Recap

- Mostly higher arrivals were reported in major coriander market during the week.
- Farmers in Tamil Nadu are projecting an acute shortfall due to parched conditions. Price trend will look clearer as arrivals begin in March.
- Stockists are buying in anticipation of a supply crunch.
- Internal demand from local curry manufactures as well global demand is likely to rise in coming months.

Fundamental analysis
Coriander Arrival Scenario:

| Market | % Change during corresponding period last week | Arrivals during the week (16 th Feb 2013 – 22 th Feb 2013) in bags | Arrivals during the week (09 th Feb 2013 – 15 th Feb 2013) in bags | Arrivals during the week (16 th Feb 2012 – 22 th Feb 2012) in bags |
|---------|--|--|--|--|
| Kota | 18.18 | 22000 | 18000 | 10000 |
| Ramganj | Unch | 17500 | 17500 | 28000 |
| Baran | 12.65 | 16600 | 14500 | 8000 |

1 bag=40 kg

Mostly higher arrivals were reported in the coriander spot market. At higher price level producers were releasing their produce in the spot market.

According to preliminary reports, coriander cultivation in Baran and Jhalawar is the worst affected due to bad weather condition. Reports from these districts suggest over 50% damage to coriander crops.

Stockists are the main buyers in the domestic market. Farmers in Tamil Nadu are expecting lower production during the current period.

Spot Prices Weekly Change

| Commodity | Centre & Variety | | % Change Over Previous Week | Prices (Rs/Qtl) | | |
|----------------|------------------|---------|-----------------------------|---------------------|----------------------|-----------------------|
| | | | | Current (22-2-2013) | Week Ago (15-2-2013) | Month Ago (22-1-2013) |
| Coriander Seed | Ramganj | Badami | 4.00 | 5000 | 4800 | 5000 |
| | | Eagle | 3.85 | 5100-5200 | 4900-5000 | 5100-5200 |
| | | Scotter | 1.85 | 5400 | 5300 | 5400 |
| | Kota | Badami | 2.04 | 4900 | 4800 | 4800 |
| | | Eagle | 2.00 | 5000 | 4900 | 5000 |
| | Baran | Badami | 3.13 | 4700-4800 | 4600-4650 | 5000 |
| | | Eagle | 6.86 | 5000-5100 | 4700-4750 | 5100 |

Coriander Weekly Price Chart (Future market, Continuous chart)


Candlestick chart pattern reveals bearish trend in the market. RSI is moving down to neutral zone indicates prices may go down in short term. Prices closed above 9 days and 18 days EMAs in the market. 6520 level is a strong supports level in short term.

Expected Price Range of Coriander: 6520-7000.

Disclaimer

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