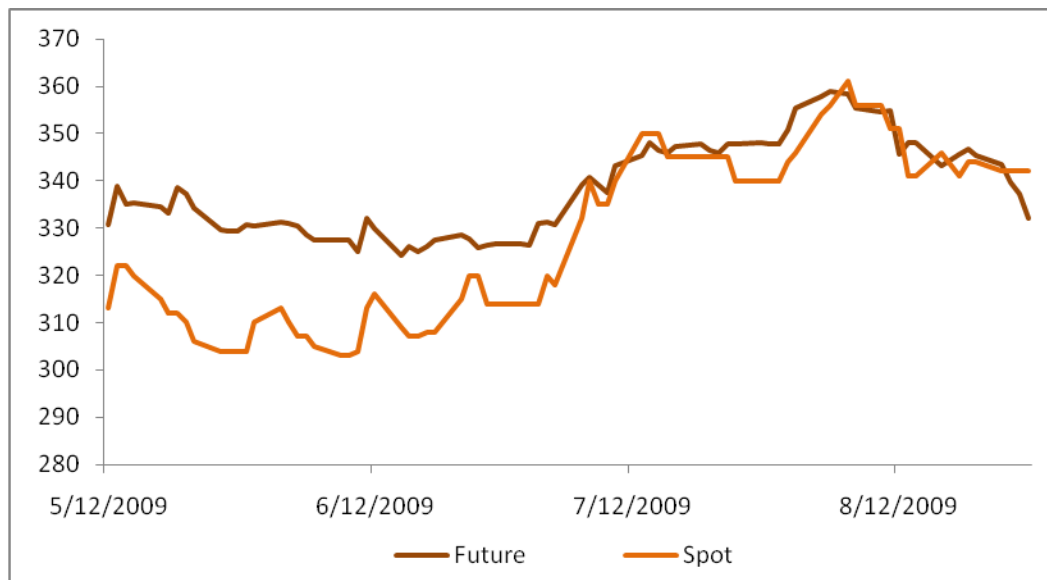


ALMOND FUTURES DEFIANT BEHAVIOR

Almond is a primarily an imported commodity and the major exporter for India is California. Indian Imports up to 98 percent from California. The record shipments from California to Middle East, North Africa, China and India have been showing an increased consumption trend towards Almond. The shipments come almost every month to India. Due to fresh and significant quantity of arrivals in the month of September, shipment in this month is crucial factor for deciding the price trend. This year the expectations are of delay in shipments due to crop damage in California and delay in harvest. This year the production expectation is on the lower side to 1.35 billion pounds, down by 17 percent than 2008 crop.

MCX Almond futures price and Almond spot rate (Rs per quintal)



Almond Spot rate has been showing an uptrend while contrary to this MCX Almond futures are moving on the lower side since last few consecutive weeks. Almond spot rate has increased by 9 percent since 12 May 2009 to Rs 342 per Kg. On the other hand, futures upon a making a higher closing at 359 levels on 04 August 2009, is on a continuous downtrend and has touched the levels of 332 as it was at the launch of the contract on 12 May'09.

According to market sources, closure of the major market at Delhi during the week of 15 August 2009 resulted into lack of demand in the physical market might be a reason for the fall in prices. As cash transactions were not allowed during this week, so, demand remained on the lower side.

We gave a buying recommendation on 12 August 2009, MCX September buy first lot at 345 levels, 2nd lot at 340/338, targeting 362 and below stop loss at 330. Market was on the higher side for two consecutive days and then took a u-turn.

As per Technical chart, market might continue the downtrend for some time and might touch the lower levels, around 320. But, the long term view for this commodity is still bullish, supported by both fundamental and technical analysis.

As our inventors have taken the positions in reference to our recommendation, we advice our investor to hold on to their positions keeping in view the long term prospects of bull trend.

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