



Technical Recommendations

Commodity	S3	S2	S1	Close	R1	R2	R3	Recommendation
Pepper Apr	21136	21711	22588	23465	24040	24615	25492	Buy in the range 23100-23260 TP 24100 then 24420 SL Below 22700
Jeera Apr	14813	15267	15668	16070	16523	16977	17378	Sideways
TMC Apr	8913	9387	9653	9920	10393	10867	11133	Sideways
Chilli Apr	8787	8999	9137	9274	9487	9699	9837	Sideways
Cardamom Apr	1015	1046	1092	1137	1168	1199	1244	Buy at 1125-1120 TP 1210-1245 SL 1085



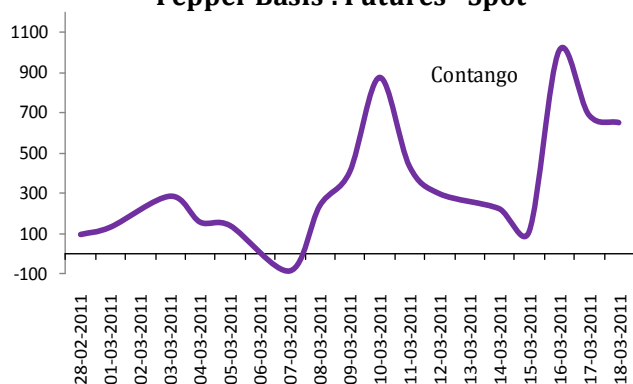
Pepper

Review

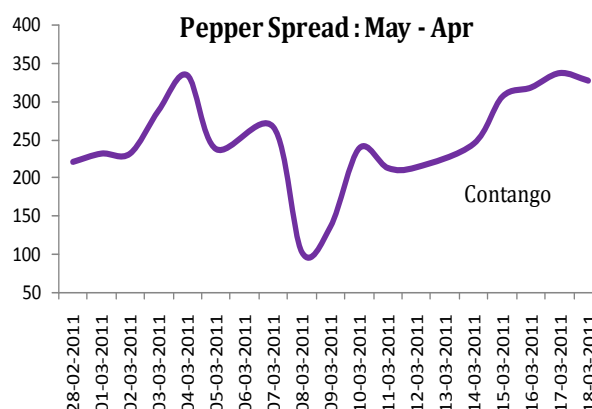
Pepper futures extended the positive trend on fresh buying during the week ended on March 19th, 2011. Prices started the week on lower note on profit booking at previous gains. Sluggish spot market activity amid lack of active buying interest also supported the down side movement. However, prices bounced back from the lower levels on active buying. Fresh buying in far month contracts on March expiry supported the prices. Indian prices also traded inline with other origins which also added to the upside. Thus, on expectations of export inquires for Indian pepper pushed the prices. Nonetheless, prices again reversed the trend on active profit booking however; the fall was not enough to pull the prices in negative side and futures ended the week on positive note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	22795	23738	22286	23454	2.77	42226	68.06	9033	21.59
May	22860	24019	22550	23755	3.13	3778	197.25	1209	60.34
Jun	23051	24299	22990	23941	2.56	401	218.25	163	40.52

Pepper Basis : Futures - Spot



Pepper Spread : May - Apr



Outlook

The NCDEX pepper expected to continue the recovery in coming week on active buying interest taking cues from spot market activity. However, we can see decent corrections initially on profit selling. However, these corrections might create buying on lower levels. Limited arrivals at spot market might also support the prices. Exporters are expecting some export inquires from overseas buyers as Indian prices are now competitive on international front. Overall fundamentals of reduced production this year might also support the prices in near term.

Factors to watch out

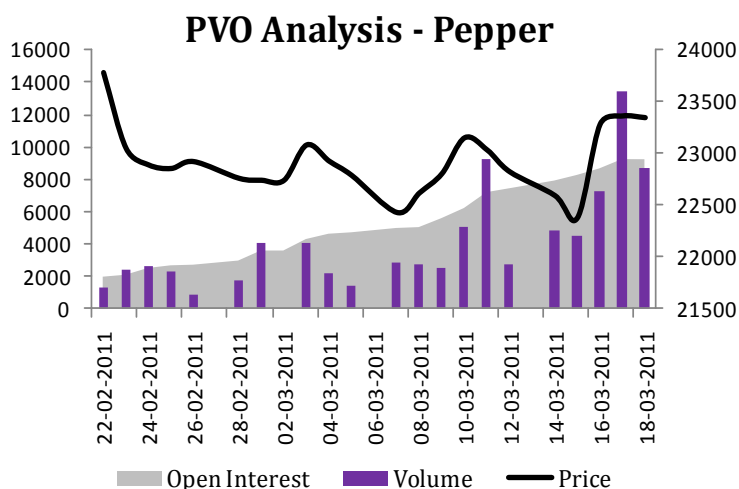
- ❖ Average daily prices at spot market of Kochi were very volatile last week; price for both the grades witnessed an up down of ₹300-500 and ended the week on higher side to ₹21,900 and ₹22,700 per quintal for Ungarbled and MG-1 grade respectively
- ❖ Prices quoted by India in international market moved in the range of \$5050-5300 per ton which was earlier traded inline with other origins but later on rise in spot prices pushed the export quote also



- ❖ As per trade sources, there is no clear cues from other major producer countries which is leading a very volatile movement in prices as of now where overall underlying fundamentals are bullish
- ❖ Stock positions at the NCDEX accredited warehouses are at 2828 tons as on 17th March 2011
- ❖ As per Spices Board data, international price of pepper in New York market remained unchanged to \$5.51 per kg during the week ended March 11th against \$3.26 per kg quoted in the same period last year

Derivative Analysis

The NCDEX Pepper April contract prices, volumes and open interest all are rising. Market is attracting larger numbers of traders willing to open positions from the long side and hold them. Traders are more confident that prices will continue to climb in favor of a working long. This scenario is good clue that uptrend is secure & that the trend may continue further for a period of time.

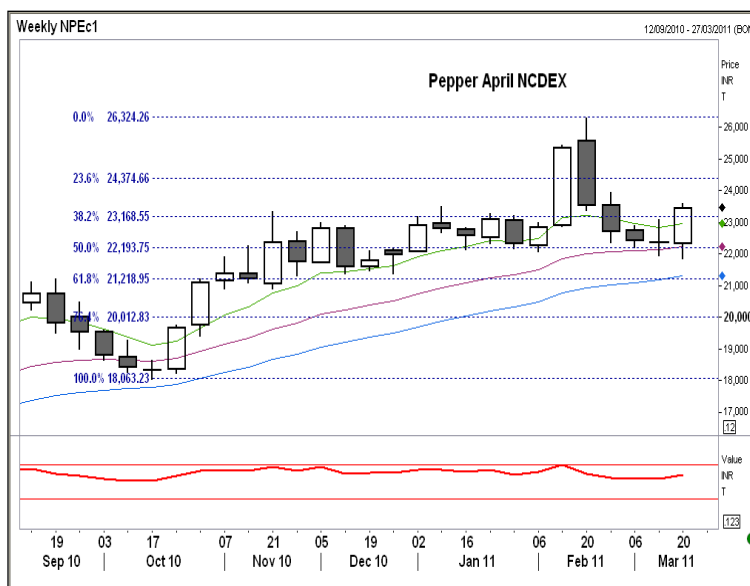


Technical

Pepper prices bounce back this week after making a low of 22286, and settled at 23454 this week.

A Long White candle sticks with high volumes suggesting positive mode for the coming week in the pepper prices. Prices settled above the short (8) and medium term (21) exponential moving averages suggesting bullish mode for the coming week. For this time market settled above 23168 that is 38.2% retracement level of the range 18063-26324 as per Fibonacci principle. The technical indicator RSI (14) is at 0.62 indicating an upside potential for the market.

We expect pepper prices to remain on the higher side and recommend buying for the coming week.





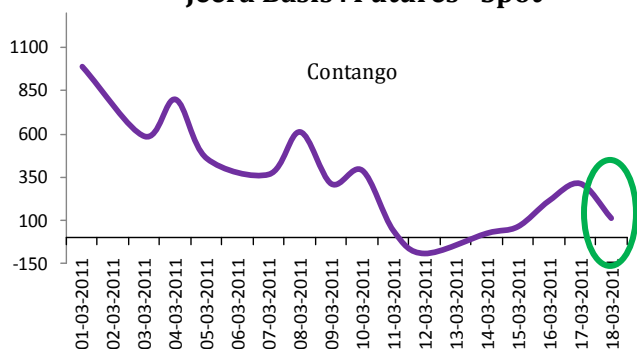
Jeera

Review

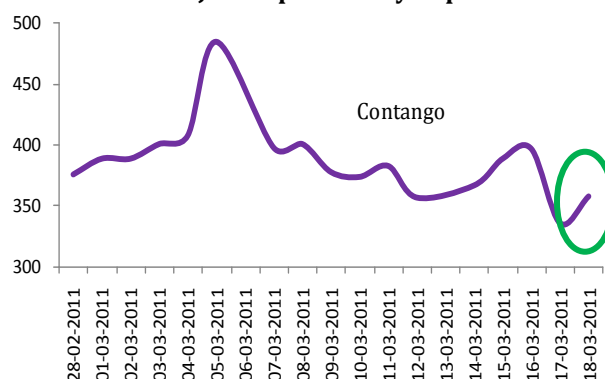
The jeera futures witnessed recovery on fresh buying after falling for 2 consecutive weeks on active selling. Futures started the week on negative note extending the previous week's losses. However, prices reversed the trend during the week on active buying at lower levels. Fresh buying in far month contract on March contract expiry also added to the upside. Slight decline arrivals from producing region also supported the prices. However, towards the closing of the week arrivals suddenly increased at spot market of Unjha. Farmers brought more produce at market as market will be closed for Holi. Thus, due to higher arrivals prices resumed the down side. However, corrections were not enough to pull down the prices on negative side and futures ended the week on slightly positive note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	15952	16575	15720	16075	0.17	57960	21.92	17688	1.24
May	16312	16890	16077	16413	0.05	14523	67.86	10923	48.01
Jun	16600	17225	16425	16743	-0.71	1590	307.69	690	618.75

Jeera Basis : Futures - Spot



Jeera Spread : May - Apr



Outlook

Jeera futures are expected to extend the bearish trend in coming week on strong selling interest taking cues from spot market activity. Huge arrivals at spot market might pressurize the prices. As per trade sources, arrivals at spot market of Unjha are reporting more than 25,000 bags. However, prices at futures might show small recovery initially on short covering at lower levels. Prices at spot market also witnessing a continuous fall in prices on sluggish demand. Moreover, overall bearish fundamentals may pull down the prices. However, any fresh inquires on export front might support the prices at lower level.

Factors to watch out

- ❖ Average daily prices at spot market of Unjha were in the range of ₹15,800-16,050 per quintal for NCDEX quality Jeera
- ❖ Fresh arrivals at spot market of Unjha were increased to 15,000-25,000 bags which might remain higher in coming week
- ❖ Poor export demand amid middle east concern as they are the major importers of Indian jeera might also weigh on prices



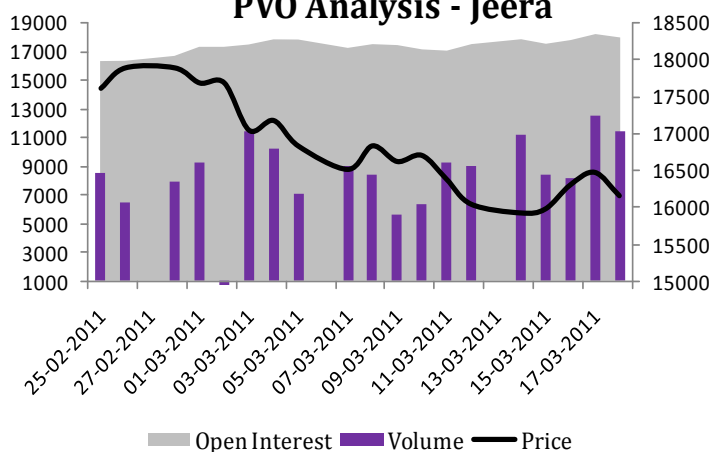
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- ❖ Dry weather conditions in major growing region also supporting the crop which might create pressure on prices
- ❖ As per data released by Spices board, jeera exports during April- January 2010-11 stood around 26,000 tons down by 36% compared to same period last year
- ❖ NCDEX accredited warehouses are at 11018 tons as on 17th March 2011
- ❖ As per Spices Board data, international price of jeera in New York market remained unchanged to \$3.84 per kg during the week ended March 11th 2011 higher against \$3.20 per kg quoted in the same period last year

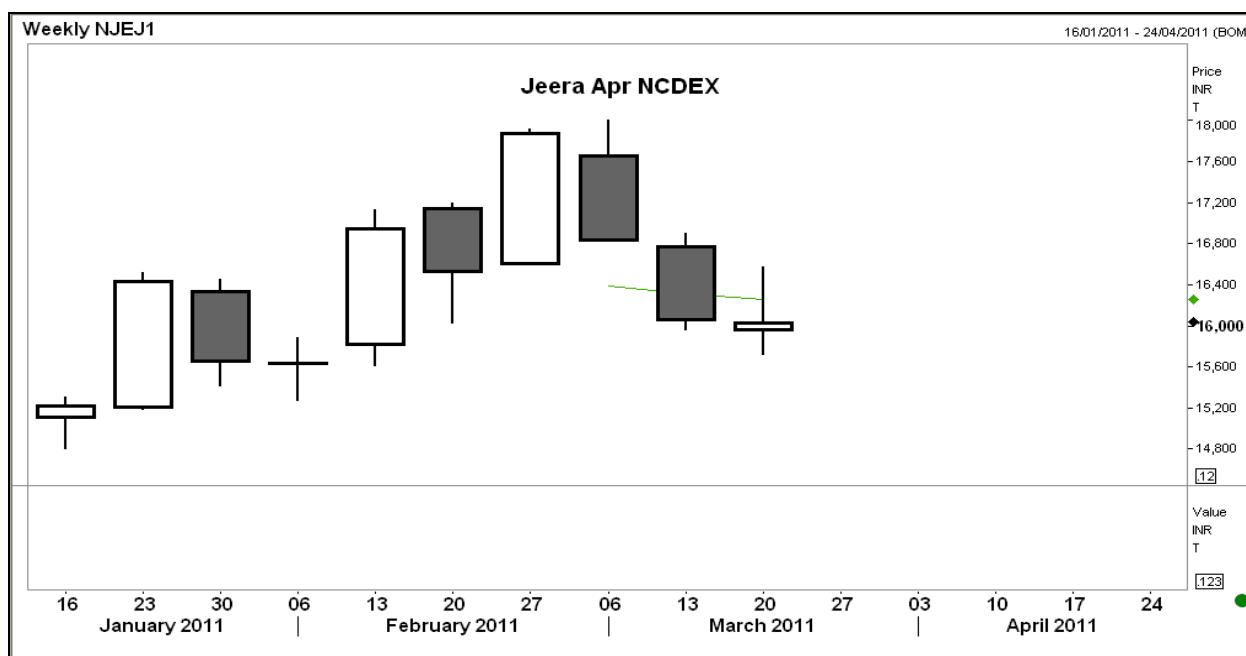
Derivative Analysis

The NCDEX jeera April contract prices, volumes and open interest all are rising. Market is attracting larger numbers of traders willing to open positions from the long side and hold them. Traders are more confident that prices will continue to climb in favor of a working long. This scenario is good clue that uptrend is secure & that the trend may continue further for a period of time.

PVO Analysis - Jeera



Technical





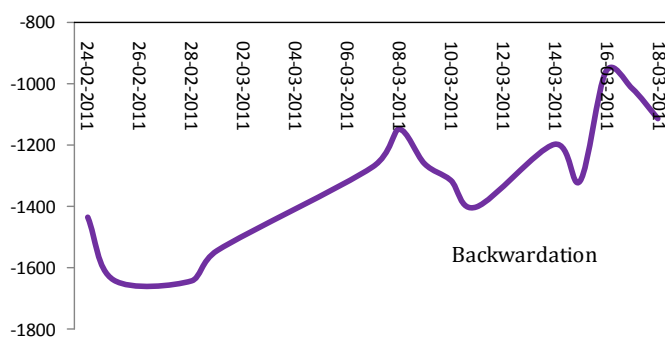
Turmeric

Review

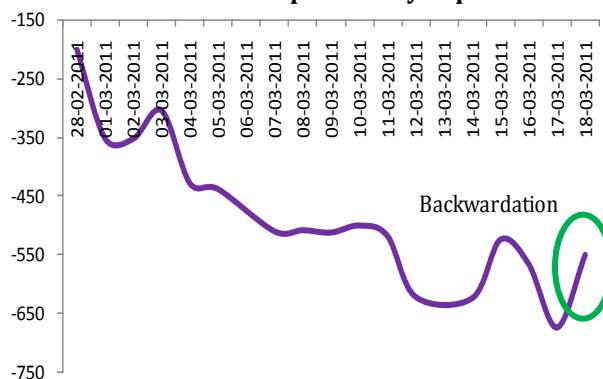
The NCDEX turmeric futures reversed the trend on negative side on active selling during the week ended on March, 19th. From starting of the week futures resumed the down trend on profit selling at previous huge gains. Increased arrivals at spot market of Nizamabad and Erode pulled down the prices. However, prices witnessed good recovery during the week on short covering at lower levels but failed to sustain the gains and fell drastically amid arrival pressure. Demand at spot market was only hand to mouth as traders were expecting further fall in prices. However, prices resumed the down trend in middle of the week on huge arrivals at spot market. In lieu of higher prices realization farmers brought huge quantity at spot market which pulled down the prices. Nonetheless, on Saturday prices at futures witnessed good buying on lower levels but overall bearish sentiments pressurized the prices and futures ended the week at negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	10304	10600	9860	9906	-5.39	25275	-20.74	7635	1.39
May	9750	10518	9696	9848	-4.51	8780	-35.19	4375	16.34
Jun	9740	10500	9650	9856	-4.71	2215	-13.77	2435	11.29

Turmeric Basis : Futures - Spot



Turmeric Spread : May - Apr



Outlook

Turmeric futures are expected to extend the losses on strong selling interest in coming week. However, prices might witness small recovery initially on short covering on previous losses. However, this recovery might create further selling in market. Increasing arrivals at spot markets across India might also add to the down side. Market activity will remain sluggish due to March closing. Thus, traders might not be interested in heavy buying which will further pressurize the prices.

Factors to watch out

- ❁ Average daily prices at Nizamabad, Erode hovered in the range of ₹11,200-15,000 and ₹11,500-12,000 per quintal
- ❁ Arrivals at Nizamabad and Erode market were 5000-10,000 bags and 22,000-25,000 bags respectively (each bag=70 kg)
- ❁ As per trade sources, huge arrivals at spot market are pressurizing the prices as of now

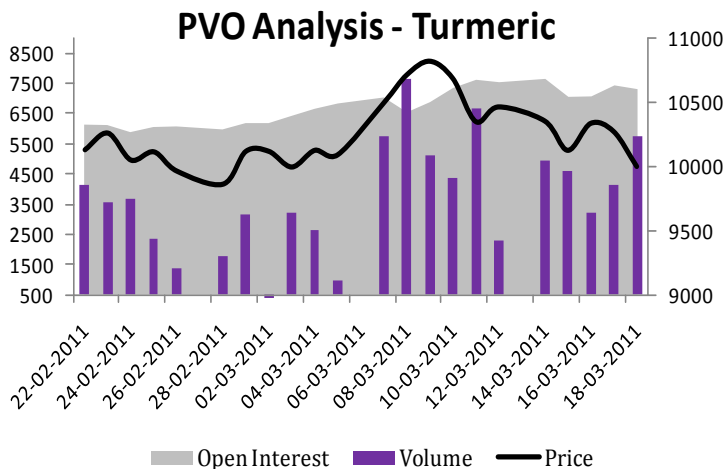


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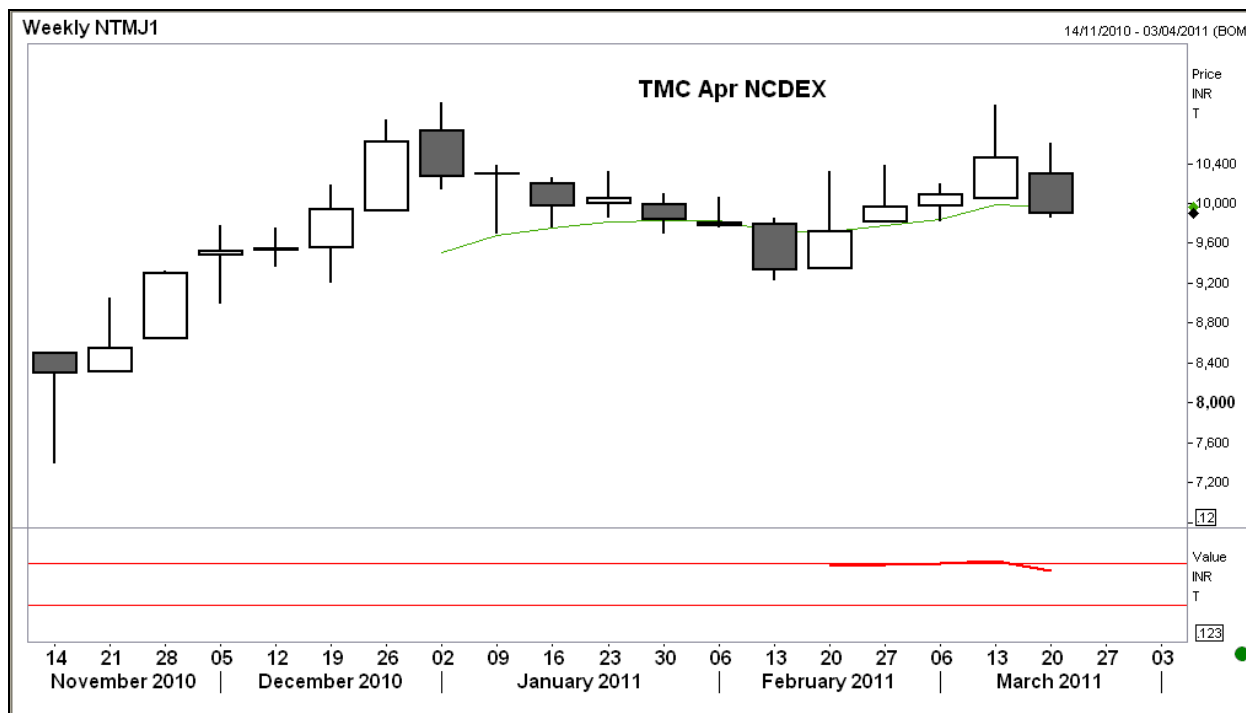
- As per trade sources, turmeric production in 2011 is estimated around 64 lakh bags against 45-48 lakh bags last year (Each bag=70Kg.)
- As per Spices Board data, international price of Turmeric in New York market were unchanged to \$5.29 per kg during the week ended March 4th against \$2.82 per kg quoted in the same period last year

Derivative Analysis

The NCDEX turmeric April contract prices, volumes are falling while open interest is rising. It is a good indication that a sharp rally against downtrend will develop creating a sell point for downtrend.



Technical





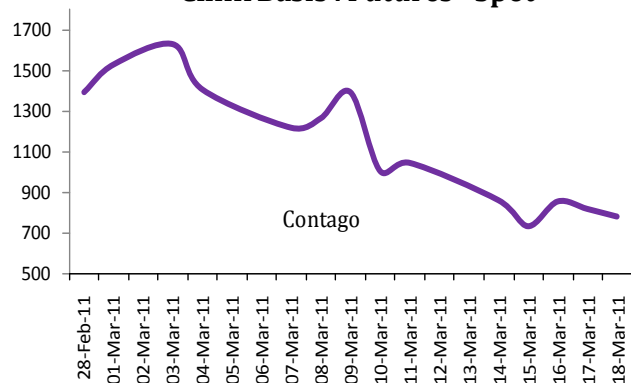
Chilli

Review

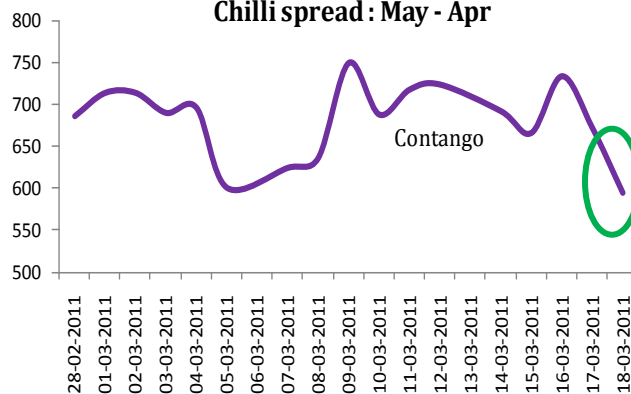
The Chilli futures traded down shading previous week's gains on active selling. From starting of week prices at futures witnessed huge fall on profit selling on gains. Subdued demand amid higher arrivals further added to the down side. Traders are not interested in bulk buying at they were expecting further fall in prices. However, prices witnessed small recovery in middle of week but that recovery further created selling opportunity in market. Huge arrivals at spot market of Guntur pressurized the prices at both spot and futures during whole week. Poor exports demand further added to the down side and futures ended the week on lower note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	9550	9562	9212	9256	-3.36	18660	-17.52	9680	17.12
Jun	10250	10290	9760	9782	-5.05	7775	14.84	5850	72.57
Jul	10550	10550	9992	10074	-4.91	780	13.87	440	300.00

Chilli Basis : Futures - Spot



Chilli spread : May - Apr



Outlook

The NCDEX Chilli futures are expected to extend the losses initially in the coming week on continued selling pressure. However, a smart recovery on losses can be seen during the week on lower levels. Nonetheless, sluggish spot market activity amid subdued demand may pressurize the prices. Increasing arrivals amid poor exports at spot market might also add to the down side. However, any sudden demand from overseas investors might lead to volatility in prices.

Factors to watch out

- ❖ Daily average arrivals at Guntur market were 50,000- 80,000 bags of new crop (each bag=40 kg)
- ❖ Daily Prices were came down to ₹7200-8200 per quintal for 334 variety and ₹8400-9200 per quintal for Teja variety
- ❖ As per trade sources, Chinese chilli crop has be improved by 10-15% this year from last year's losses
- ❖ As per news sources, export demand is likely to remain sluggish for chilli as most of the importing countries has tighten their food safety standards to zero tolerance level
- ❖ As per data released by Spices board, chilli exports during April- January 2010-11 stood around 2,00,000 tons up by 22% compared to same period last year



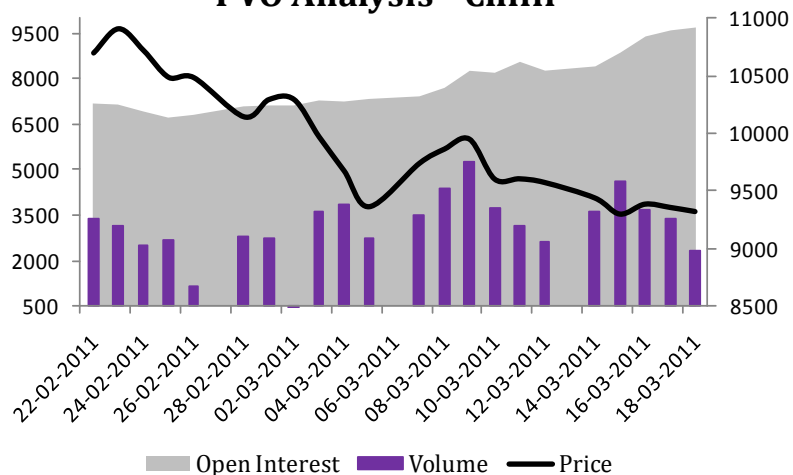
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- ✦ NCDEX warehouse stock of Chilli as on 17th March 2011 was 3615 tons
- ✦ As per Spices Board data, international price of chilli in New York market was unchanged to \$3.64 per kg during the week ended March 11th 2011 against \$2.54 per kg quoted in the same period last year

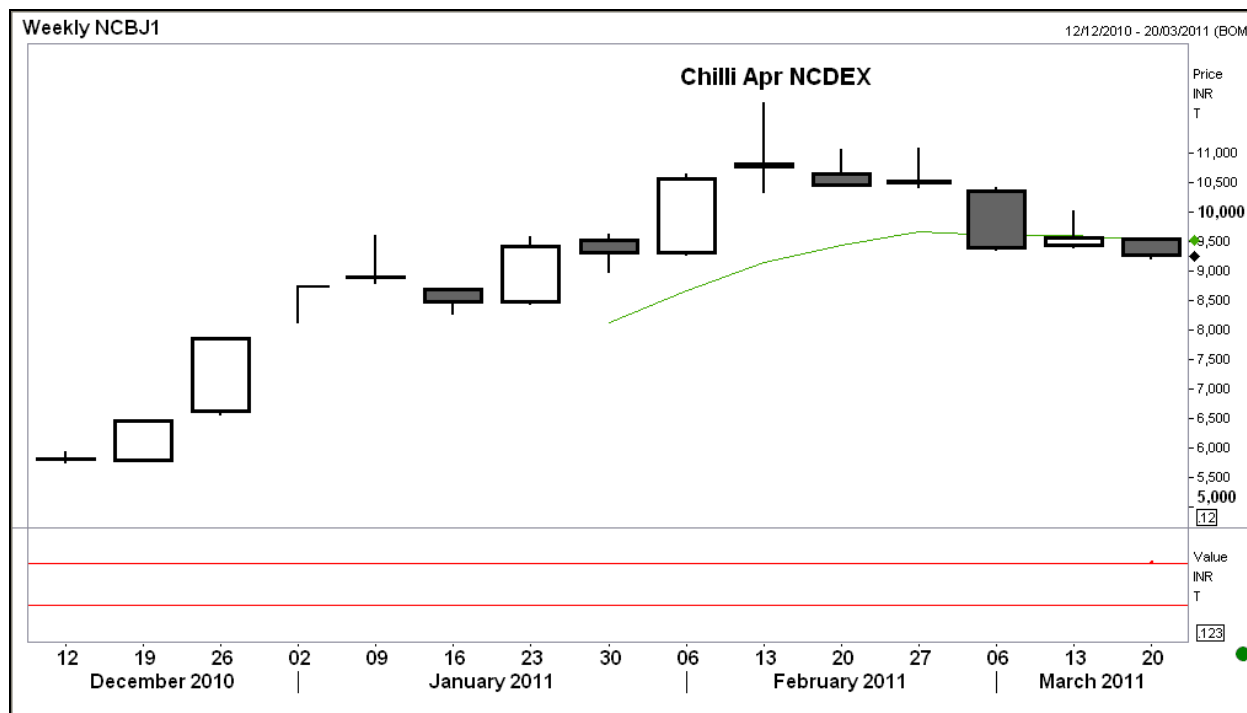
Derivative Analysis

The NCDEX chilli April contract prices, volumes are falling while open interest is rising. It is a good indication that a sharp rally against downtrend will develop creating a sell point for downtrend.

PVO Analysis - Chilli



Technical





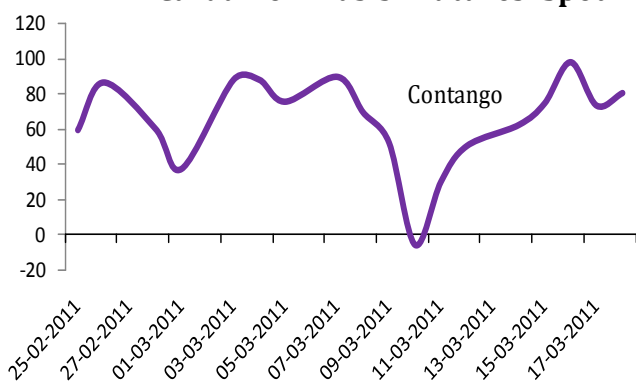
Cardamom

Review

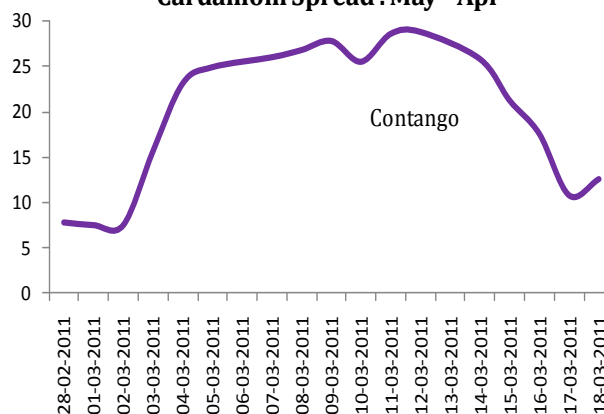
The cardamom futures showed a smart recovery after witnessing a huge fall from last 10 weeks. Futures started the week on lower note on profit selling at higher levels. However, improvement in spot prices supported the fresh buying at futures later on. Active buying on previous huge losses reversed the trend on positive side. Fresh buying on March expiry further added to the upside in prices. However, prices took small corrections on profit booking but fall was not enough to reverse the trend and futures ended the week on positive note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
apr	1115	1153	1076.7	1137.2	2.57	6355	-8.76	1469	-6.91
May	1120.4	1169	1108	1145.3	0.68	2026	-5.68	735	-4.79
Jun	1176.9	1252.8	1131.6	1145.2	-100.00	1332	-100.00	920	-100.00

Cardamom Basis : Futures-Spot



Cardamom Spread : May - Apr



Outlook

Cardamom futures are projected to continue the recovery trend on active buying in coming week. However, we can see decent corrections initially during the week on profit selling. Nonetheless, these corrections are likely to create buying opportunity for participants. Reports of declining stocks in North India might also add to the uptrend. However, subdued domestic market activity amid stable arrivals might limit the gains.

Factors to watch out

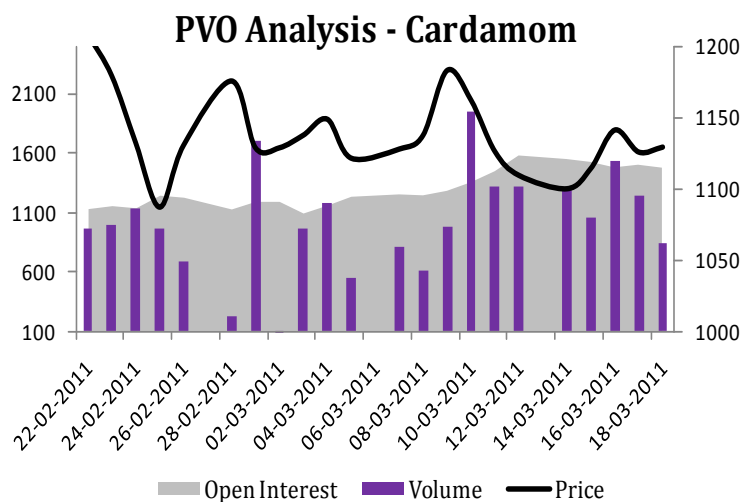
- ❖ Daily average arrivals at auctions have started declining and average arrivals increased to 12-40 tons; while average auction prices hovered in the range of ₹919-1137 per Kg.
- ❖ As per trade sources, Indian cardamom prices in international market is quoting around \$25-27 per Kg. while Guatemala is quoting \$20-21 per Kg. Prices difference in Two major producers is weighing on sentiments
- ❖ As per data released by Spices board, cardamom exports during April- January 2010-11 stood around 780 tons up by 49% compared to same period last year



- ✦ Total arrivals during the current season from Aug 1 to Feb 27, stood at 7,201 tonnes. Of which 7,049 tonnes were sold. Arrivals in the same period last year was around 7,267 tons
- ✦ MCX warehouse stock of Cardamom as on 17th March 2011 was 27.5 tons
- ✦ As per Spices Board data, international price of Cardamom in Saudi Arabia market remained unchanged to \$27.76 per kg during the week ended March 4th 2011 however, it was higher than \$28.41 per kg quoted in the same period last year

Derivative Analysis

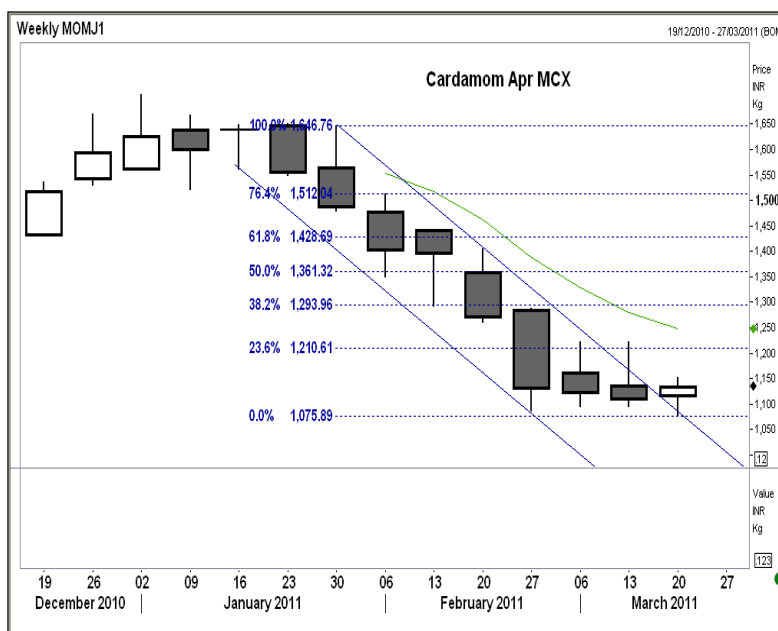
The MCX cardamom April contract prices are rising while volumes and open interest are falling. Market is running out of traders willing to open or hold an open long/buy. Traders are liquidating both losing short positions & closing winning long positions. Should prices be falling when this scenario develops, the market has a higher probability of a price rise at some point forward.



Technical

Cardamom prices settled at 1137.20 after making a low of 1076.70.

Emergence of three Doji candle stick one after the other, suggest entrance of bulls at the lower level. Cardamom prices settled above the upper trend line of the trend channel pattern indicating bullish mode for the coming week. As per moving average principle market is moving too much far away from the 1247 that is short term exponential moving average (8) indicates that the market may reverse till the given levels. For the coming week we expect cardamom prices to move higher side and suggest buying for short term to the investors.





SPICES WEEKLY



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