



Technical Recommendations

Commodity	S3	S2	S1	Close	R1	R2	R3	Recommendation
Pepper May	25235	25815	26370	26930	27512	28095	28651	Sell at 26700-750 TP 26000 SL 27100
Jeera May	14705	15115	15325	15544	14950	16355	16570	Sideways
TMC May	8715	8985	9545	9574	9840	10105	10390	Sell at 8970-9000 TP 8550 then 8200SL 9250
Chilli June	8546	9310	9700	10090	10854	11618	12008	Sideways
Cardamom May	1092	1108	1119	1130	1146	1162	1173	Sideways

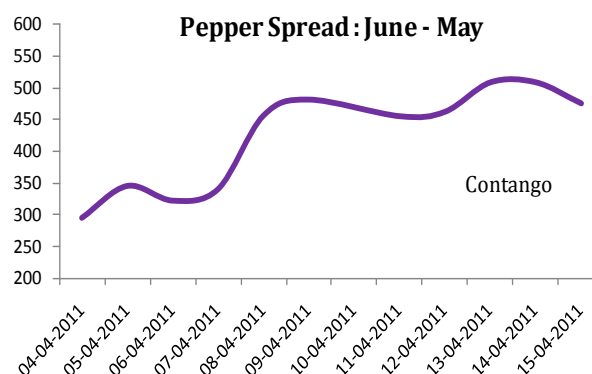
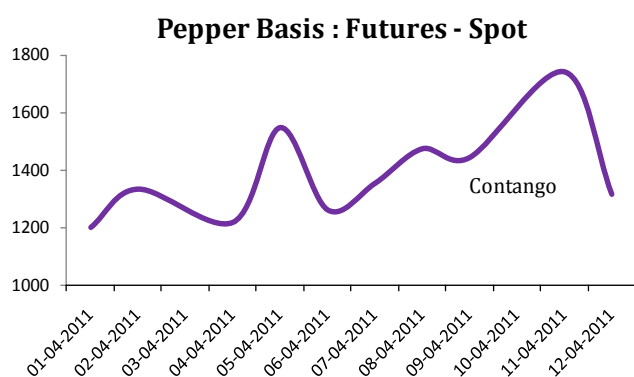


Pepper

Review

Pepper futures traded very volatile to down side biased during the week ended. Futures started the week on positive note extending the previous gains on follow through buying. However, prices failed to sustain the gains and resumed downtrend for rest of the week. Though, overall trend at spot market remained bullish amid tight supply situation futures witnessed drastic fall on fresh selling on at all time high levels. As per trade sources, exporters are waiting for export inquires from overseas as supply is less from all other origin. However, trend at futures was just opposite of spot due to fresh selling on higher levels. But positive trend at spot market limited the losses and futures ended the week on marginally positive note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
May	26900	27539	26400	26930	0.29	39103	18.05	10487	17.87
Jun	27439	28004	26872	27405	0.27	2425	35.10	1439	56.41
Jul	27350	28400	27162	27925	0.50	161	-46.69	239	21.32



Outlook

The NCDEX pepper is expected to trade slightly lower in coming week on continued selling pressure. Heavy selling pressure on previous gains can be seen initially in the week. Futures are expected to witness corrections on continued selling. Though, overall fundamentals of limited supply amid reduced production this year might also support the prices at spot market. As per sources, traders are waiting for fresh export orders from US as Indian prices are quite competitive in international market and countries like Indonesia and Brazil are not having much stock to offer.

Factors to watch out

- ❖ Average daily prices at spot market of Kochi increased by ₹300 and ended the week on higher side to ₹25,000 and ₹25,800 per quintal for Ungarbled and MG-1 grade respectively
- ❖ Prices quoted by India in international market moved up to \$6400 per ton remained competitive then other origin
- ❖ Vietnam is quoting higher prices for farm grade pepper. Vietnamese 500 g/l is quoting available at \$5790 per mt and 550 g/l is at \$6090 per mt; that might support export demand for Indian pepper
- ❖ As per trade sources, traders are now in wait and watch situation as they are waiting for fresh inquires from US
- ❖ Stock positions at the NCDEX accredited warehouses are at 3049 tons as on April 12th 2011

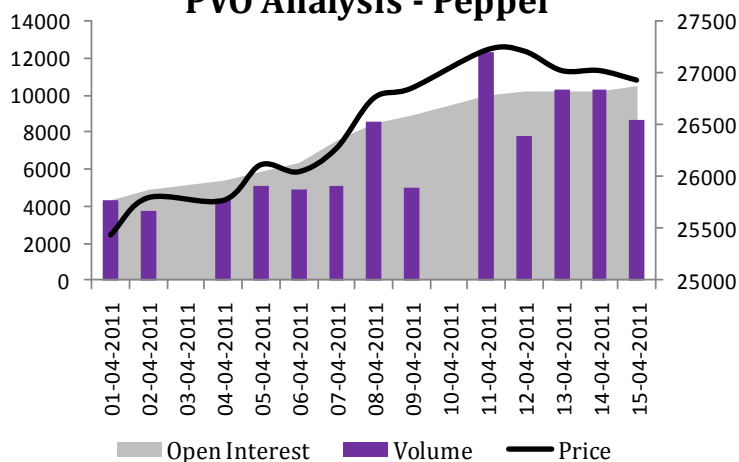


- As per Spices Board data, international price of pepper in New York market moved up and reported around \$6.62 per kg during the week ended April 8th against \$3.86 per kg quoted in the same period last year

Derivative Analysis

The NCDEX Pepper May contract prices, volumes and open interest all are rising however, rise in price is very marginal. Market is attracting larger numbers of traders willing to open positions from the long side and hold them. However, fresh selling after a huge rally may reverse the trend towards downside.

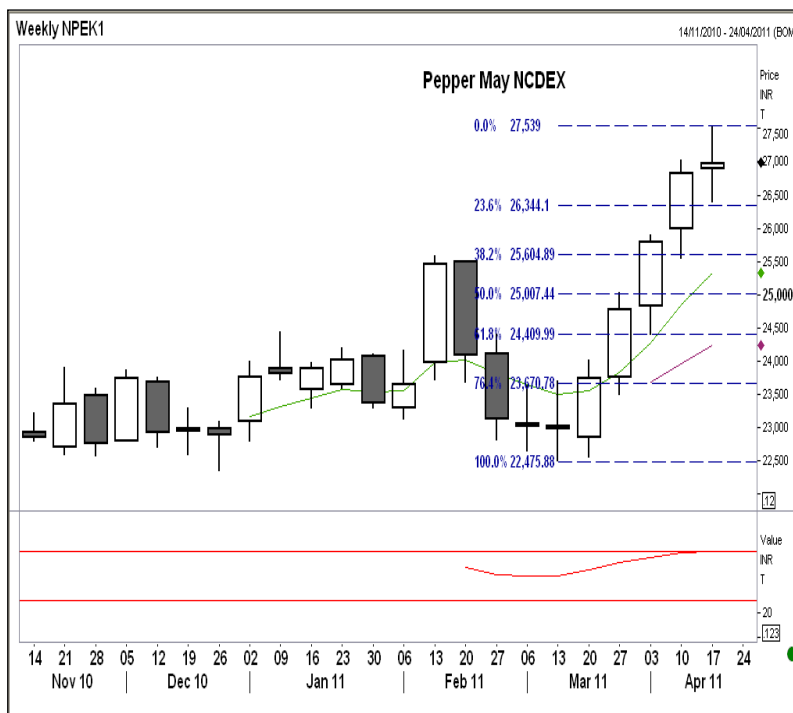
PVO Analysis - Pepper



Technical

Pepper May contract in NCDEX platform made a new high this week and settled with flat at 26930.

In weekly chart prices are rising continuously for the 5th consecutive week, this week a Doji candle stick is witnessed suggesting indecision may persist for the coming week. Crucial support level is at 26350 and then 25620 which is 23.6% and 38.2% retracement of the range 22510-27539, as per Fibonacci principle. The technical indicator RSI (14) is trading at 0.76 indicating an overbought zone and any time a slight correction is due out in the prices. Market is resisting at 27539 that is 45 degree line starting form the low of 22550, as per the Gann fan principle. If market sustains above the same then it may trade higher till the next resistance level 28500 which is 63.75 degree Gann line. We expect a slight correction in the pepper prices and suggest selling for the coming week.



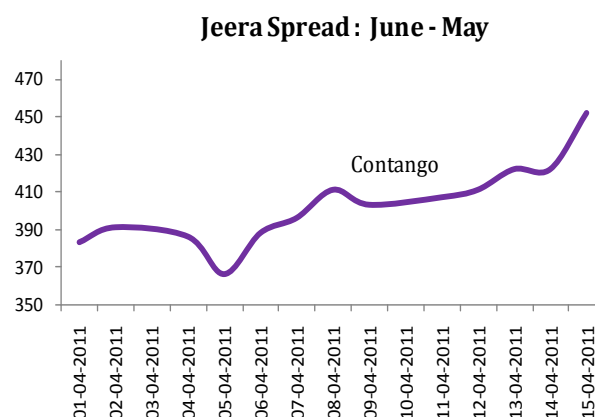
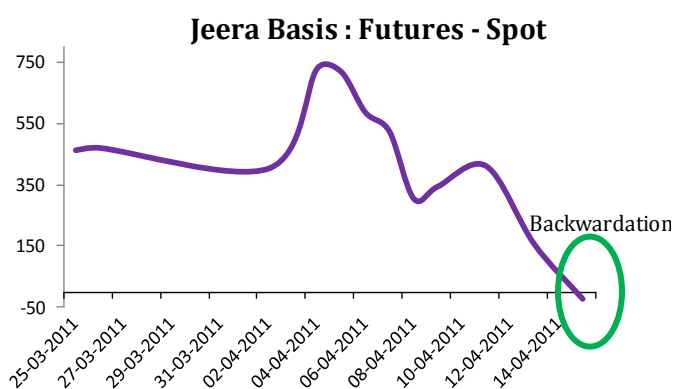


Jeera

Review

The jeera futures continued the bearish trend for 4th consecutive week on strong selling interest during the week ended on April 16th. Futures started the week on positive note due to short covering on previous week's losses. Sluggish activity at spot market as market was mostly closed during the week supported the prices. However, prices resumed the down trend on active selling later in the week. Poor domestic and export demand amid huge arrivals further added to the down side and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	15509	15725	14950	14989	-3.46	18951	-55.97	5106	-55.43
May	15920	16141	15521	15544	-2.33	27336	-23.05	20154	13.04
Jun	16600	17225	16425	16743	-1.59	1590	152.13	690	118.37



Outlook

Jeera futures are expected to extend the bearish trend in coming week on heavy selling pressure. Rising arrivals at spot market might pressurize the prices. However, a small recovery in prices on short covering on lower levels can be seen during the week. Nonetheless, overall bearish sentiments might pull down the prices. As per trade sources, arrivals at spot market are likely to remain on higher side till mid of May. Overall fundamentals of increasing arrivals amid sluggish demand are likely to weigh on prices.

Factors to watch out

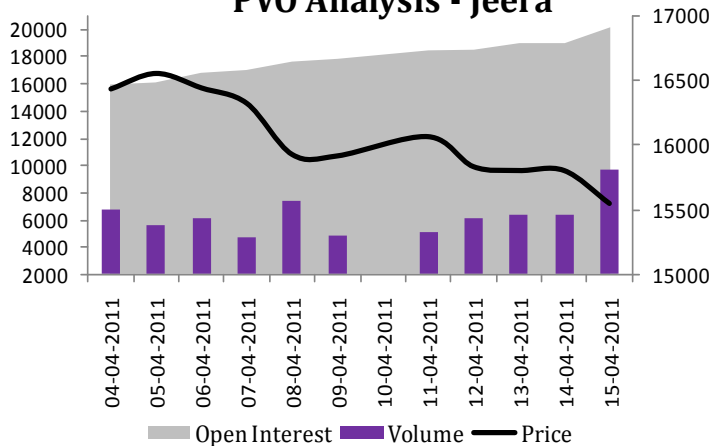
- ✿ Spot market of Unjha witnessed huge arrivals during the week, arrivals remained in the range of 28,000-32,000 bags (Each bag=55 Kg.)
- ✿ Poor export demand from middle east and overseas buyers for Indian jeera might also weigh on prices
- ✿ Stokiest are not interested in buying at spot as they are expecting further fall in prices in coming days
- ✿ NCDEX accredited warehouses are at 11307 tons as on April 12th 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 April 8th 2011 higher against \$3.29 per kg quoted in the same period last year



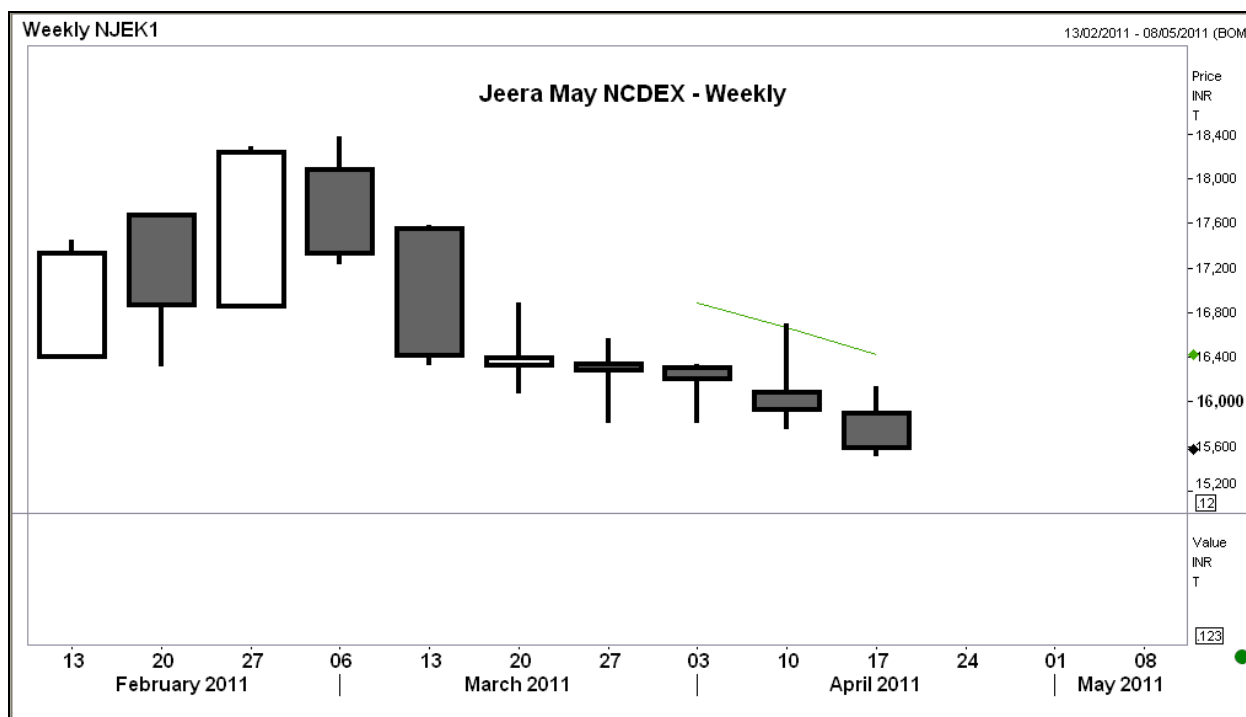
Derivative Analysis

The NCDEX jeera May contract prices and 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 - Jeera



Technical





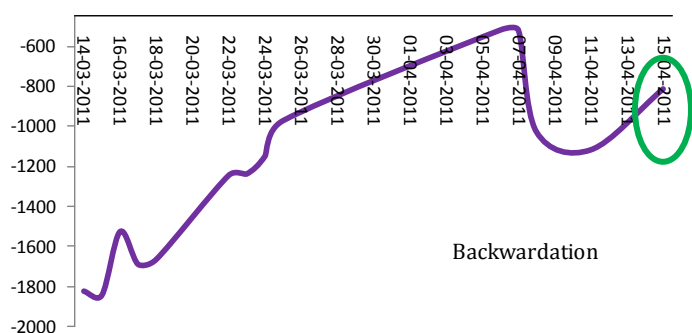
Turmeric

Review

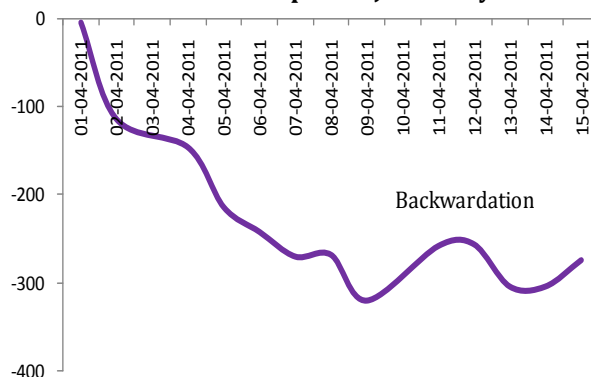
The NCDEX turmeric futures shaded all the earlier gains on fresh selling on higher levels during last week. Prices at futures started the week on negative note on active selling. However, prices witnessed small recovery on short covering which created further selling opportunity in market. Spot market of Nizamabad and Erode both were closed till Thursday for a week on Ramnavami and elections in Tamil Nadu. Thus, in absence of fresh cues from spot Market futures prices witnessed heavy volatility but remained down side biased. However, on Friday spot markets resumed trade activity and witnessed huge arrivals which pulled down the prices. Thus, taking cues from spot market activity futures traded down and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	10470	10548	9834	9834	-6.50	10175	-68.91	3540	-39.80
May	9400	9810	9250	9574	-6.35	19080	-26.91	10675	15.22
Jun	9200	9540	9138	9254	-6.07	5380	-7.99	4875	14.56

Turmeric Basis : Futures - Spot



Turmeric Spread : June - May



Outlook

Turmeric futures are expected to extend the bearish trend on strong selling interest in coming week. Huge arrivals at spot markets across India might pressurize the prices. However, recovery on short covering can be seen during the week which might further create further selling in market. Farmers are bringing more and more produce at spot market which might also add to the down side. Therefore, prices at futures and spot both are likely to witness bearish trend in coming days.

Factors to watch out

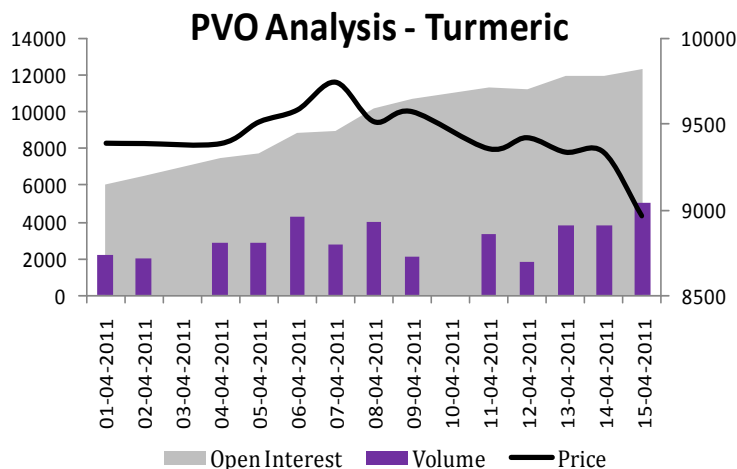
- ❖ Spot Markets of Erode and Nizamabad were resumed trade activity on Friday after a week long holiday thus, higher arrivals are expected to hit the market
- ❖ As per trade sources, demand from north Indian buyers is there in small amount which might act as supporting factor for prices
- ❖ According to trade estimates, around 50% of new crop arrivals has been completed so far and another 50% is expected to arrive by end of May



- ❖ As per trade sources, turmeric production in 2011 is estimated around 65 lakh bags against 45-48 lakh bags last year (Each bag=70Kg.)
- ❖ NCDEX warehouse stock of Turmeric as on April 12th 2011 was 40 tons
- ❖ As per Spices Board data, international price of Turmeric in New York market were unchanged to \$5.51 per kg during the week ended April 8th against \$3.75 per kg quoted in the same period last year

Derivative Analysis

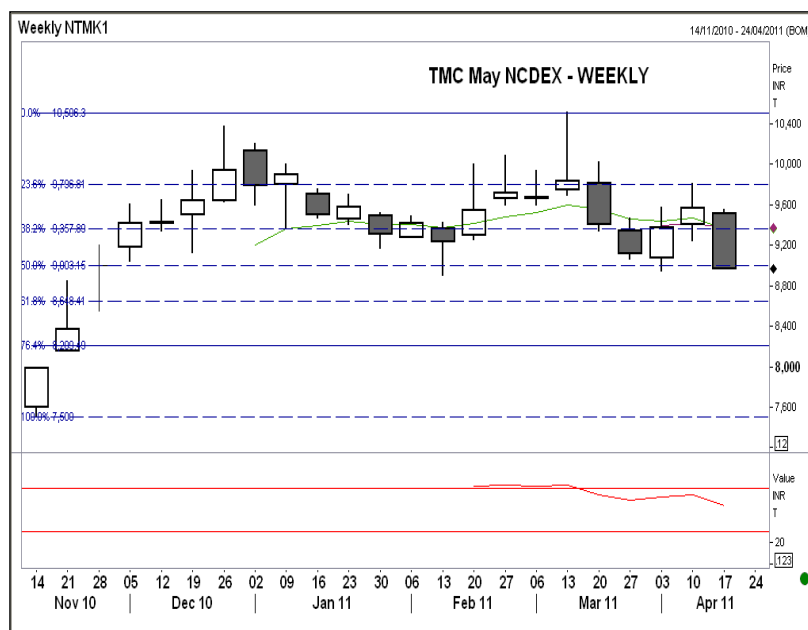
The NCDEX turmeric May contract prices, volumes are falling while open interest is rising. It is a good indication that a sharp rally against downtrend will develop creating a sell point for downtrend.



Technical

TMC May contract in NCDEX platform traded downside this week and settled at 9574 as on April 15, 2011. It made a low of 9250 this week.

In weekly chart a long black candle stick is witnessed with increased volume suggesting bearishness in the trend. Prices settled below short (9) and medium term (21) exponential moving averages (EMA) and also a cross over between the 2 EMA's is witnessed indicating downside view for coming week. Crucial support level for the coming week is at 8900 (previous swing low and also 38.2% natural retracement of the range 7500-10518 as per Fibonacci principle) and if market sustains below this then it may trade down till the next support level is 8650 (50% retracement of the given range).



The technical indicator RSI (14) is at 0.54 and is not trading in line with prices. Hence, it is at negative divergence suggesting downside pressure to prevail in the market. Overall we expect TMC prices to stay negative for the coming week and recommend selling.

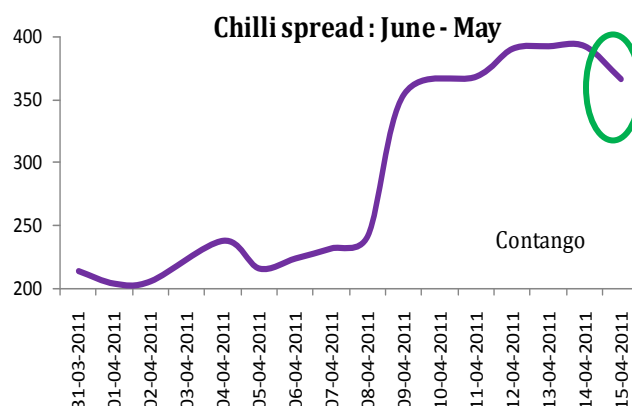
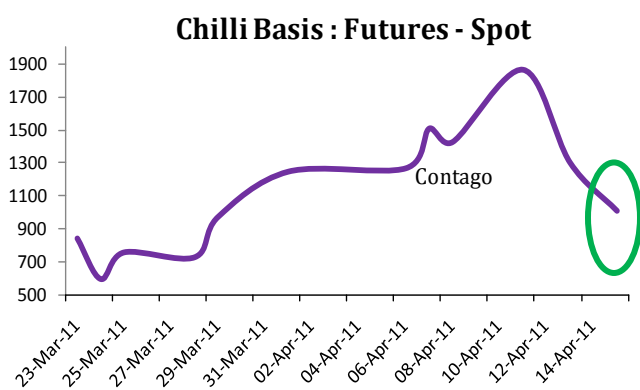


Chilli

Review

The Chilli futures traded highly volatile and resumed down trend shading all the gains during the week ended on April.16, 2011. Futures started the week on higher note on continued buying interest. However, futures failed to sustain the uptrend and fell drastically on fresh selling on previous huge gains. Spot market of Guntur witnessed huge arrivals pressure as market remained closed for most of days during the week. Thus, taking cues from spot market futures also traded down and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Apr	9436	9980	9080	9114	-1.47	15065	-38.97	2375	-59.68
Jun	10298	11228	10074	10090	-1.25	37310	41.94	13675	13.67
Jul	10550	10550	9992	10074	10.31	780	58.70	440	42.15



Outlook

Chilli futures are expected to extend the bearish trend on strong selling interest initially in coming week. Active selling at spot market amid rising arrivals pressure is likely to pressurize the prices. However, prices might witness smart recovery on lower level buying. Nonetheless, overall trend for coming week is likely to be very volatile on mixed sentiments. On one hand huge arrivals at spot market are likely to weigh on prices while on other hand stable domestic demand might support the prices from lower levels.

Factors to watch out

- ❖ Prices at spot market of Guntur were reported in the range of ₹7800-8400 per quintal for loose while arrivals were hovering around 50,000-80,000 bags (Each bag= 55 Kg.)
- ❖ As per news sources, export demand from Bangladesh, Malaysia is good which is supporting the prices
- ❖ However, rising arrivals as market is going to be closed for month in May are likely to create pressure on prices
- ❖ Traders are expecting arrivals might remain till early May after that market will be closed for 1 month
- ❖ NCDEX warehouse stock of Chilli as on April 12th 2011 was 6790 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 April 8th 2011 against \$2.54 per kg quoted in the same period last year



SPICES WEEKLY

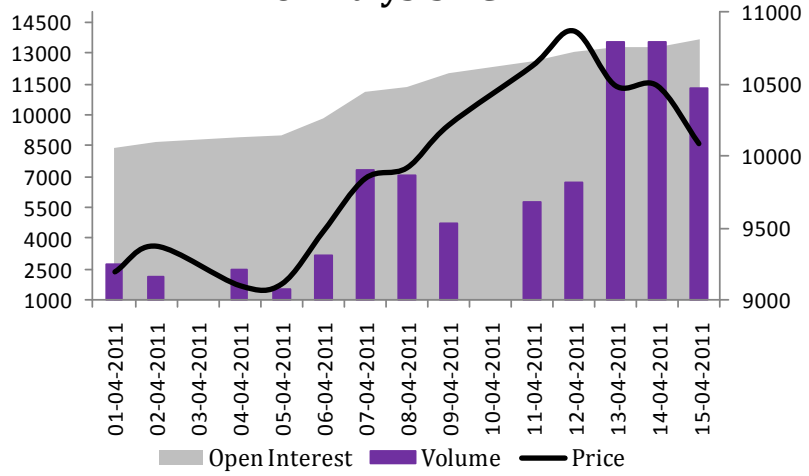


A weekly fundamental and technical report on spices

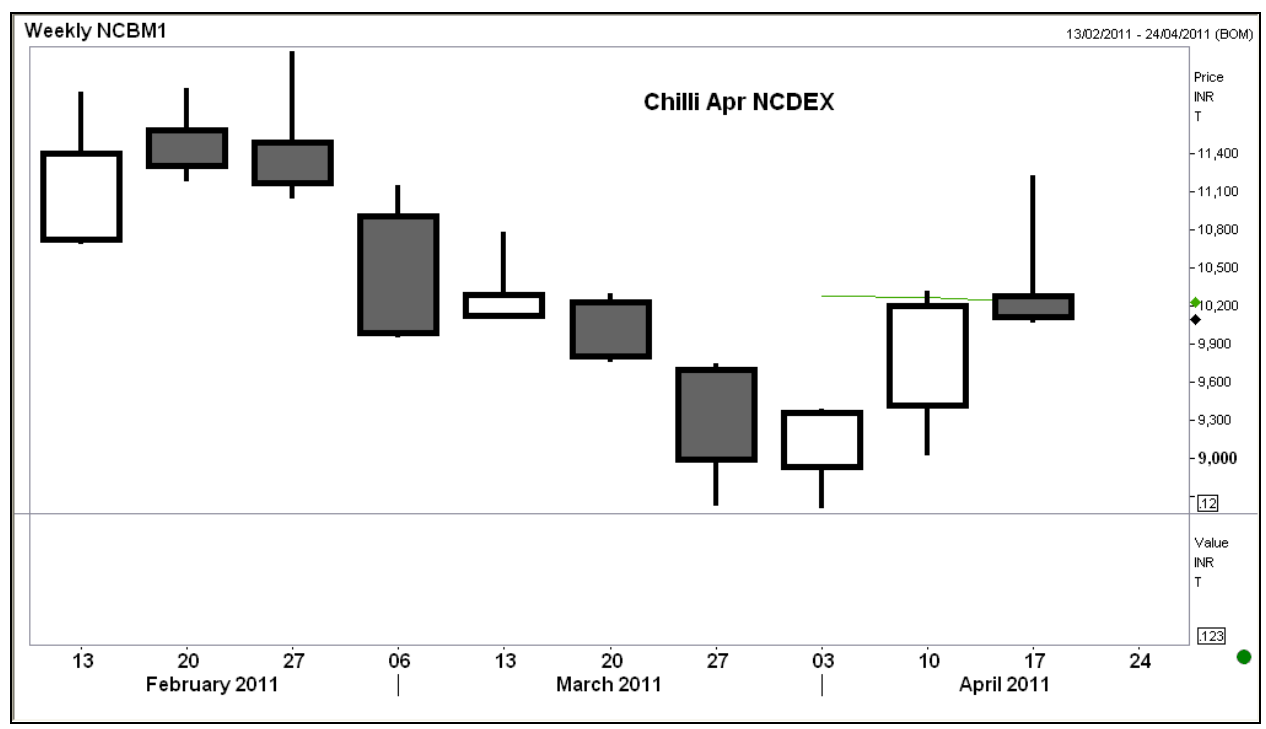
Derivative Analysis

The NCDEX chilli June contract prices are falling while volumes and open interest are rising. If prices are in a downtrend and open interest is on the rise, chartists know that new money is coming into the market, showing aggressive new short selling. This scenario will prove out a continuation of a downtrend and a bearish condition.

PVO Analysis - Chilli



Technical



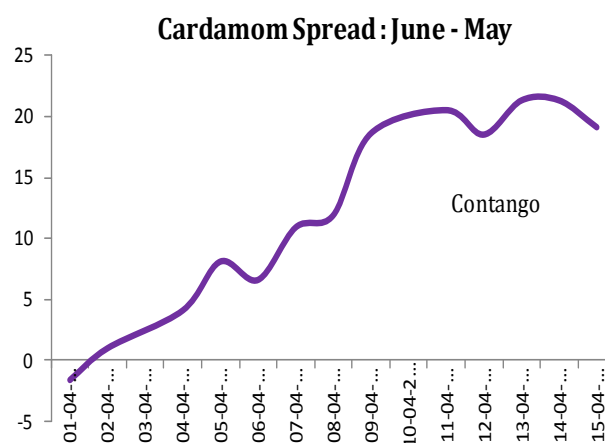
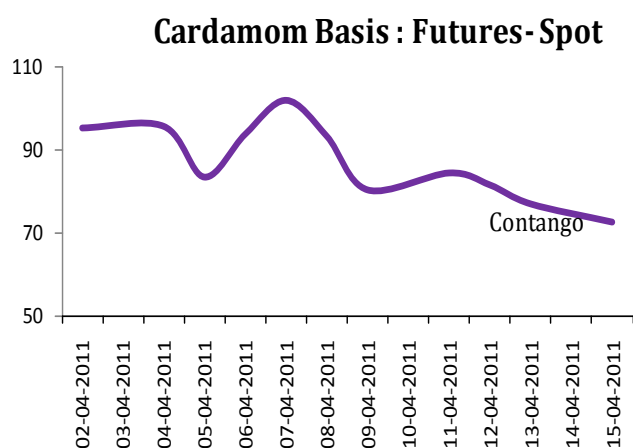


Cardamom

Review

The cardamom futures traded very range bound in absence of active trade participation during last week. Futures started the week on positive note on short covering on lower levels. Reports of fresh buying at spot auctions from exporter's side added to the upside. However, overall trend remained very sluggish and prices resumed downtrend on active selling on small recovery. Increased arrivals at spot auctions further added to the down side. Due to the prolong harvesting this year gap between this crop and new crop will be reduced which is pressurizing the prices. Though prices were trading down but overall trend was very sluggish and futures ended the week on marginally positive note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
May	1132	1151.9	1124	1130.2	0.31	3486	4.22	1450	20.23
Jun	1157.9	1174	1143	1149.3	0.35	639	-7.39	1106	5.84
Jul	1118	1175	1114	1139.2	-100.00	353	-100.00	501	-100.00



Outlook

Cardamom futures are projected to trade down in coming week on selling interest in coming week. Rise in arrivals at spot market may pressurize the prices to trade lower. However, prices are likely to take smart recovery on lower levels during the week. However, overall trend is expected to remain sluggish on mixed sentiments prevailing in market. Favourable weather conditions in Kerala are likely to pressure the prices in near term.

Factors to watch out

- ❖ Daily average arrivals at auctions increased to 50 tons during this week; while average auction prices hovered in the range of ₹919-1015 per Kg.
- ❖ As per data released by Spices board, cardamom exports during April- February 2010-11 stood around 865 tons against 1765 tons exported during same period last year
- ❖ Total arrivals during the current season from Aug 1 to April 10, stood at 8,638 tonnes. Of which 8,427 tonnes were sold. Arrivals in the same period last year was around 8,640 tons

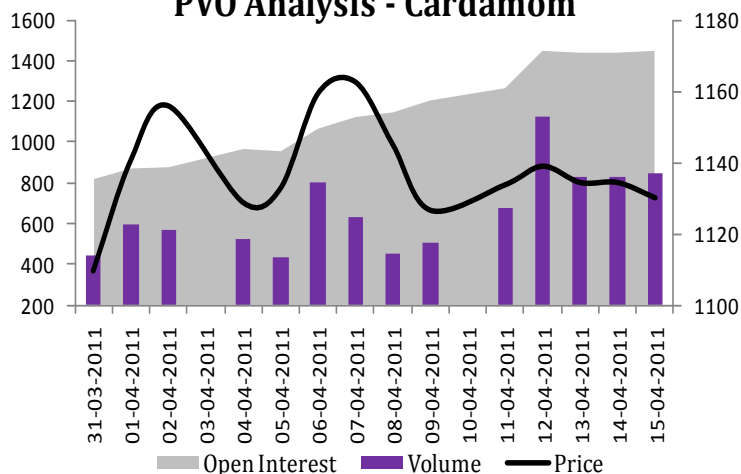


- ❖ MCX warehouse stock of Cardamom as on April 12th 2011 was 19.4 tons
- ❖ As per Spices Board data, international price of Cardamom in Saudi Arabia market come down to \$27.65 per kg during the week ended April 8th 2011 however, it was higher than \$31.20 per kg quoted in the same period last year

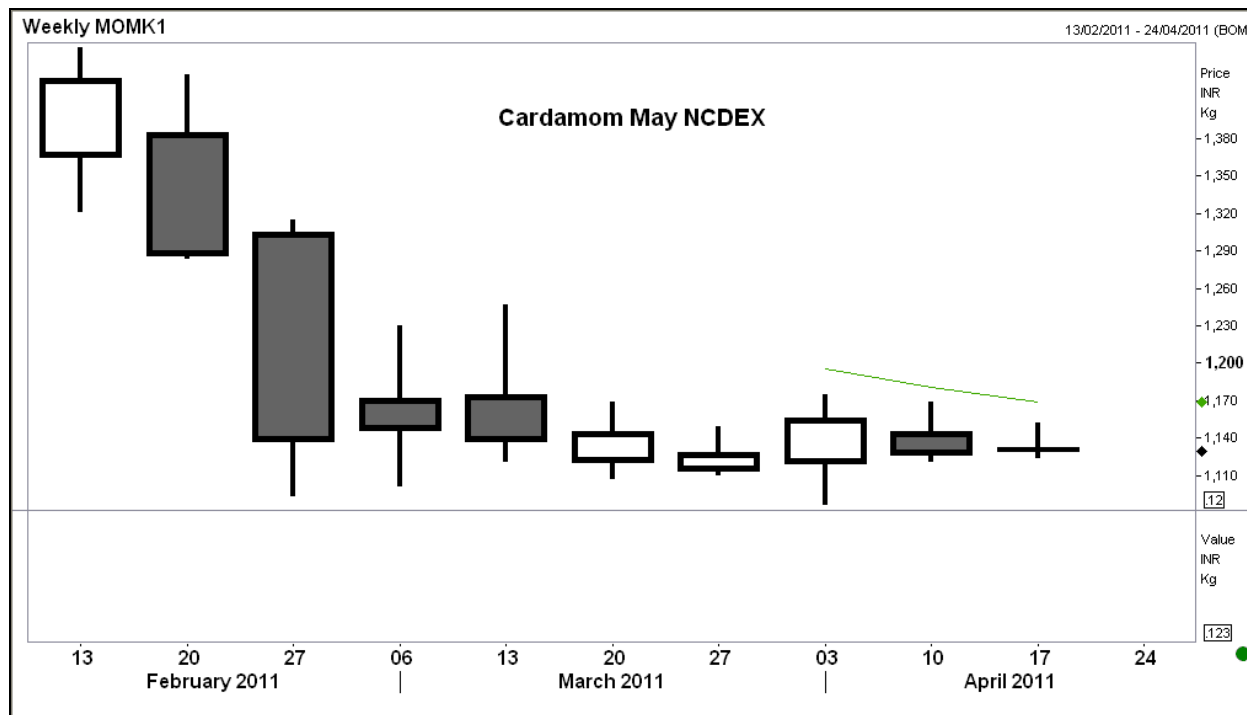
Derivative Analysis

The MCX cardamom May contract prices, volumes and open interest 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. However, possibility of trend reversal towards down side can be seen during the week.

PVO Analysis - Cardamom



Technical





SPICES WEEKLY



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