



Technical Recommendations

Commodity	S3	S2	S1	Close	R1	R2	R3	Recommendation
Pepper July	29724	28358	29268	30179	30634	31090	32000	Buy at 29800-29750 TP 30480 SL 29400
Jeera July	14706	14559	14505	14452	14304	14157	14103	Sideways
TMC July	7313	6903	7067	7230	7367	7503	7667	Buy above 7350 TP 7530 SL Below 7230
Chilli July	7469	7789	7973	8156	8477	8797	8981	Sideways
Cardamom July	658	710	744	778	831	883	917	Sideways

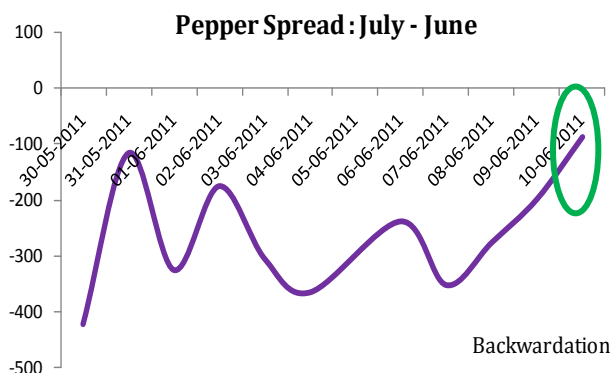


Pepper

Review

Pepper July futures witnessed smart recovery on short covering at previous huge losses. Futures started the week on positive note on taking recovery at lower levels but failed to sustain the gains and resumed downtrend. Higher Indian prices in international market kept export demand away from India. Arrivals of monsoon season also prompted growers to sell their produce. However, declining stocks at spot market pushed the prices on higher side. Reports of lowering down the production estimates of Indonesia and Brazil further supported the prices. Thus, on cues from spot market and firming trend in other origins futures traded on positive note and ended with around 4.55% gains.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Jun-11	29250	30299	29120	30249	3.63	24087	-19.27	6987	-32.62
Jul-11	28955	30237	28813	30135	4.55	13218	18.14	4160	59.45
Aug-11	28776	30160	28776	30018	4.12	1350	0.82	1057	27.66



Outlook

Pepper futures are projected to continue the uptrend on emergence of fresh buying at lower levels in coming week. Lower stocks available across the spot markets might also support the prices. Reports of decline in production estimates of Indonesia and Brazil might support the prices. According to sources, Lampung ASTA production is expected to decline by 10% this year. Indian prices in global pepper market for MG-1 ASTA remained stable at \$6800 per MT while prices in other origins are also firming now. However, higher Indian prices in international market might limit the sharp gain.

Factors to watch out

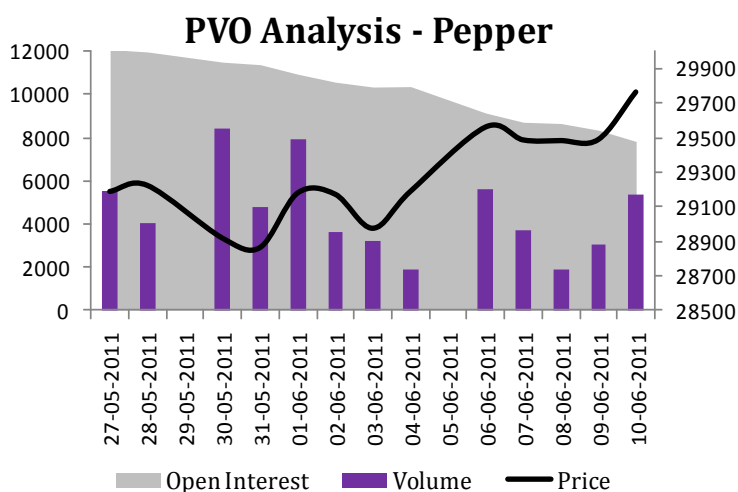
- ✦ Average daily prices at spot market of Kochi improved to ₹27,300 and ₹28,100 per quintal for Ungarbled and MG-1 grade respectively
- ✦ According to trade sources, Lampung ASTA crop is expected to decline on weather concern which might also support the prices
- ✦ Stock positions at the NCDEX accredited warehouses were at 3771 tons as on June 9th 2011



- As per Spices Board data, international price of pepper in New York market reported stable at \$6.62 per kg during the week ended June 3rd against \$3.86 per kg quoted in the same period last year

Derivative Analysis

The NCDEX Pepper July contract prices, volumes and open interest all are rising. This indicates that 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.

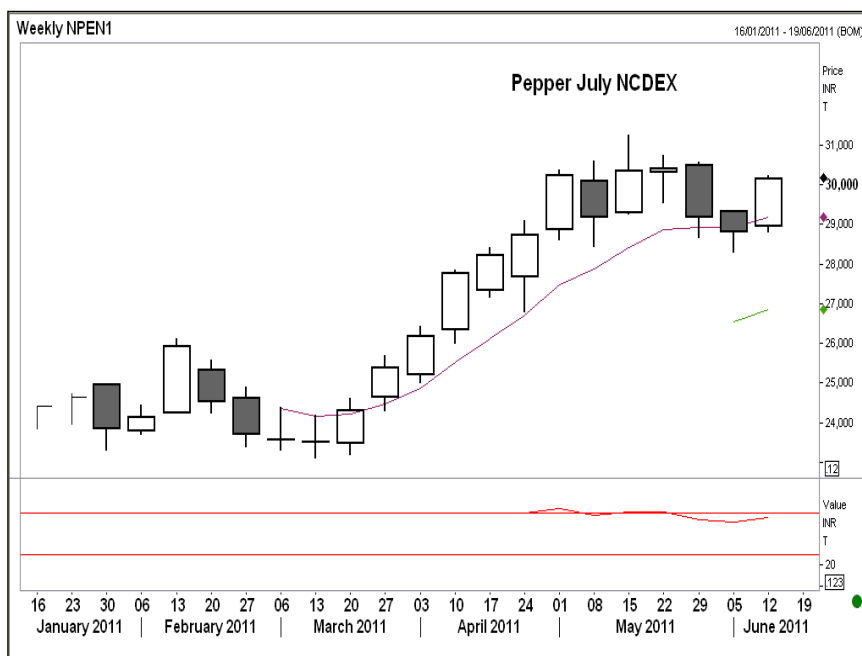


Technical

Prices witnessed bullish trend this week and made a high of 30135 in Pepper July contract on NCDEX platform.

In weekly chart a long white candle stick is witnessed after a hammer suggesting bullish mode to be continued for the coming week also. Prices bounce back after taking the support of short term exponential moving average (EMA-8) and also are sustaining above 29300 which is 23.6% retracement of the range 23200-31260. The technical indicator RSI (14) is trading at 0.65 suggesting strength in the trend.

We expect overall trend to remain on the higher side and recommend buying.





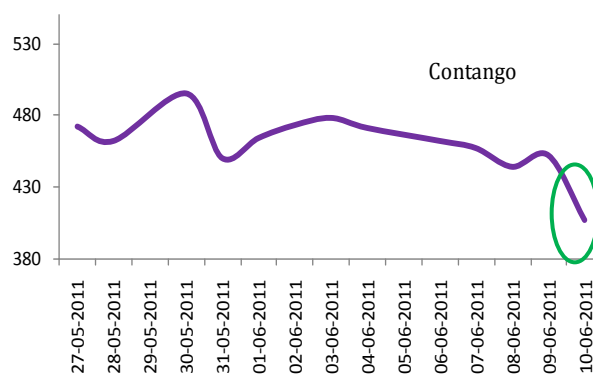
Jeera

Review

The jeera futures witnessed very choppy trade amid poor off take from stockiest during the week ended on June 11th. Futures started the week on negative note on continued selling interest. Subdued demand from stockiest across the spot market further added to the down side. However, prices at futures witness smart recovery on short covering. According to traders, export inquires from overseas in small amount is coming for Indian jeera which supported the prices from sharp fall coming. However, overall weak trend pulled down the prices and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Jun-11	14130	14184	13681	13876	-2.07	23139	-26.97	8892	-26.25
Jul-11	14645	14645	14110	14272	-2.51	17880	-2.98	20673	5.08
Aug-11	15902	16562	15901	16276	-0.66	1971	-35.04	1758	22.86

Jeera Spread : July - June



Outlook

Jeera futures are expected to continue the bearish trend in coming week on poor domestic demand. Lack of active buying at spot market is likely to pull down the prices. However, reports of export inquires from overseas is likely to support the prices initially in the week. As per trade sources, though it is a leans season for arrivals still higher than usual arrivals are coming across the spot markets. Thus, higher arrivals at spot market are also expected to weigh on prices. Concern on production estimates from Syria and Turkey might also weigh on prices. However, any sudden decline in arrivals might give a pullback in prices.

Factors to watch out

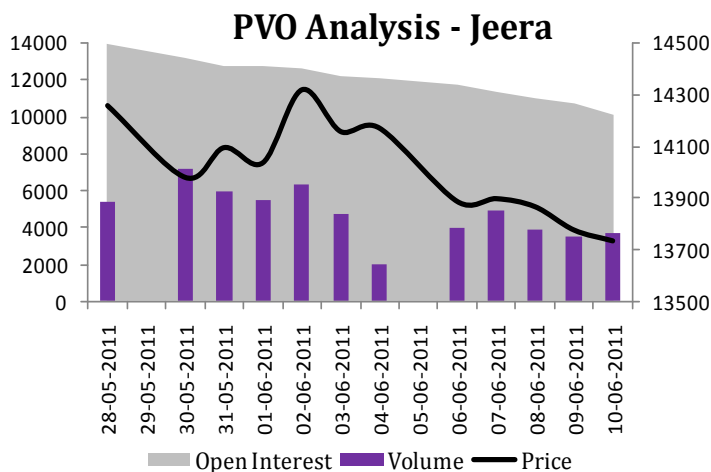
- ❖ Spot market of Unjha witnessed stable arrivals during the week, arrivals remained in the range of 8,000-10,000 bags (Each bag=55 Kg.)
- ❖ Poor stockiest buying along with reduced export demand might pressurize the prices
- ❖ According to trade sources, cumin production in Syria and Turkey are expected around 40,000 and 15,000 MT which might create pressure on Indian prices in near term
- ❖ NCDEX accredited warehouse stocks were at 11709 tons as on June 9th 2011



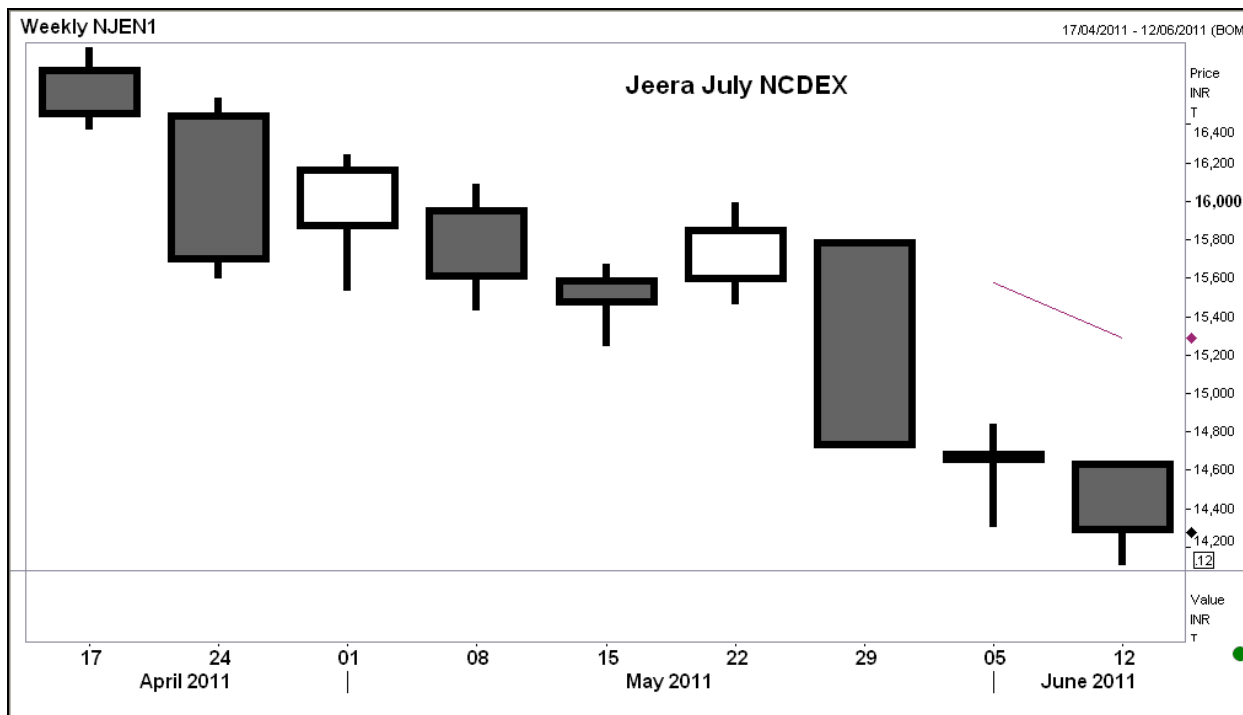
- As per Spices Board data, international price of jeera in New York market remained unchanged to \$3.68 per kg during the week ended June 3rd 2011 higher against \$3.15 per kg quoted in the same period last year

Derivative Analysis

The NCDEX jeera July 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





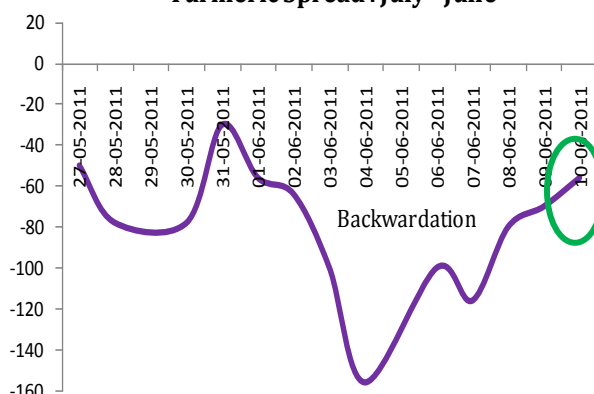
Turmeric

Review

The NCDEX turmeric futures extended the fall in prices on lack of buying interest from traders during last week. Prices at futures started the week on negative note extending the previous losses. Poor demand amid higher production estimates pulled down the prices. Overall trend remained sluggish on reduced bulk buying as trader are not interested in buying and storing the produce. However, prices witnessed smart recovery on short covering as farmers also reduced supply to the market. Nonetheless, overall weak trend kept prices under pressure and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Jun-11	7446	7490	7150	7262	-2.00	21405	-13.55	7590	-1.43
Jul-11	7492	7700	7202	7254	-0.25	10695	26.09	4390	31.44
Aug-11	8520	8520	7962	8218	-3.66	280	318.46	160	241.58

Turmeric Spread : July - June



Outlook

Turmeric futures are expected to trade in a range bound to slightly positive in coming week. Reduced arrivals across the spot markets are likely to support the prices. Due to steep fall in prices growers are also becoming reluctant in further selling of their produce. Though demand is also subdued from stockiest still lower level buying in small amount from masala companies might support the prices in near term. Sowing for next season has started in some packets of Tamil Nadu. However, most of the farmers are waiting for June month prices performance and they might shift to some other crop.

Factors to watch out

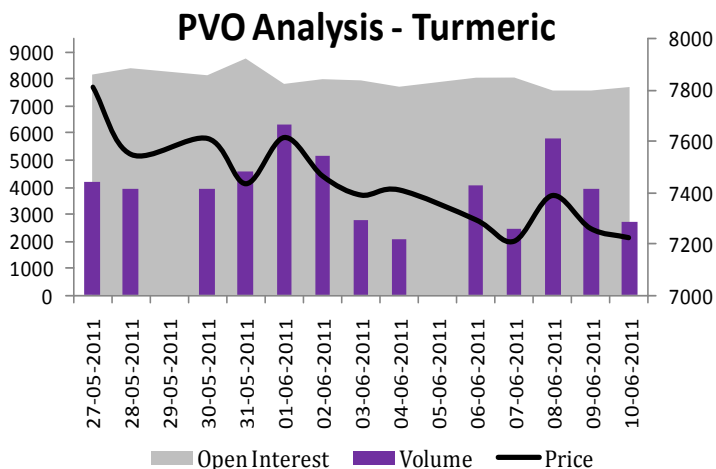
- ✦ Average arrivals at spot markets of Nizamabad and Erode were around 3000 bags and 4500-8000 bags respectively
- ✦ According to data released by Spices board, Turmeric exports during April-March 2010-11 fell by 8.75% to 42,500 tons from 46,575 tons during same period last year
- ✦ NCDEX warehouse stocks of Turmeric as on June 9th 2011 were 1724 tons



- As per Spices Board data, international price of Turmeric in New York market remained unchanged to \$6.28 per kg during the week ended June 3rd 2011 higher against \$4.96 per kg quoted in the same period last year

Derivative Analysis

The NCDEX turmeric July contract prices are falling while volumes and open interest are rising. This indicates 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.

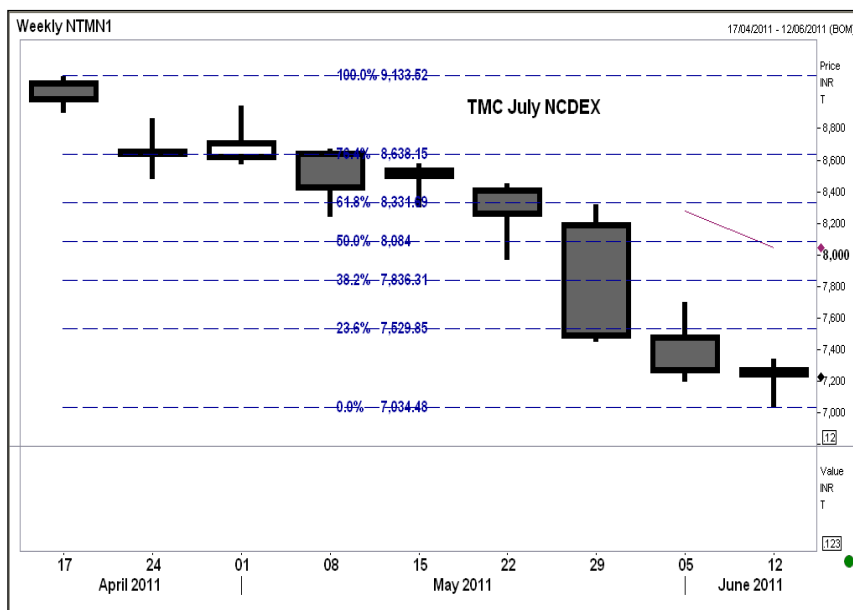


Technical

Commodity traded downside for the coming week till 7040 and settled after a rebound at 7254. (TMC July NCDEX Contract)

A Doji candle stick with long lower shadow suggests entrance of bulls at lower levels. The market is sustaining far below short term moving average indication a short term bounce back in the prices. The resistance level on the higher side is seen at 7529 which is 23.6% retracement of the range 9133-7034 as per fibonacci principle. However immediate resistance is seen at 7340. If the market breached and sustains above the given immediate resistance level then only the market is likely to test the next resistance level of 7540.

TMC prices are expected to remain bullish for the coming week and we recommend buying in TMC above 7350 levels.



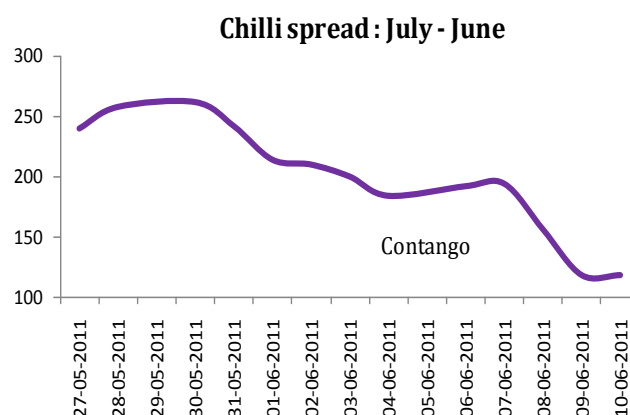


Chilli

Review

The Chilli futures traded resume down trend on fresh selling on previous recovery during last week. Futures started the week on positive note extending the recovery on lower level buying. However, prices reversed the trend towards down side amid lack of active trade participation at spot market. Huge stocks stored in cold storages further added to the downside. Poor export demand from US and Europe also weighed on sentiments and futures ended the week on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Jun-11	8170	8418	7996	8030	-0.96	15280	-29.78	9140	-9.77
Jul-11	8370	8614	8110	8154	-1.66	13785	17.67	7350	7.93
Aug-11	10238	10276	9686	9708	-2.52	1545	0.87	2115	10.34



Outlook

Chilli futures are expected to continue the falling trend on extended selling interest in coming week. According to traders, fresh arrivals crop sown during February- March in nearby areas of Warangal are coming to the market. However, we can see a small recovery during the week on short covering. Nonetheless, overall bearish trend amid poor export demand amid huge stocks is likely to pull down the prices. According to traders, cold storage stocks are around 45 lakh bags against 50-55 lakh bags last year which might support prices in near term.

Factors to watch out

- ♣ Spot market of Guntur resumed trade activity from June 6th, 2011 after an off of 1 month
- ♣ Average daily arrivals remained in the range of 25,000-35,000 bags with prices hovering around ₹8200-8500 per quintal (each bag=40Kg.)
- ♣ According to data released by Spices board, chilli exports during April to March 2010-11 risen by 18% to 2,40,000 tons from 20,4000 tons during same period last year
- ♣ NCDEX warehouse stocks of Chilli as on June 9th 2011 were 10645 tons

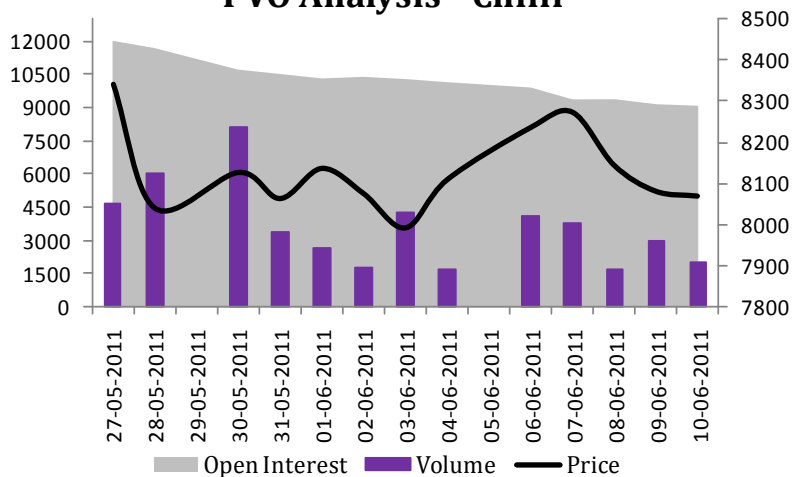


- As per Spices Board data, international price of chilli in New York market was unchanged to \$3.64 per kg during the week ended June 3rd 2011 against \$2.54 per kg quoted in the same period last year

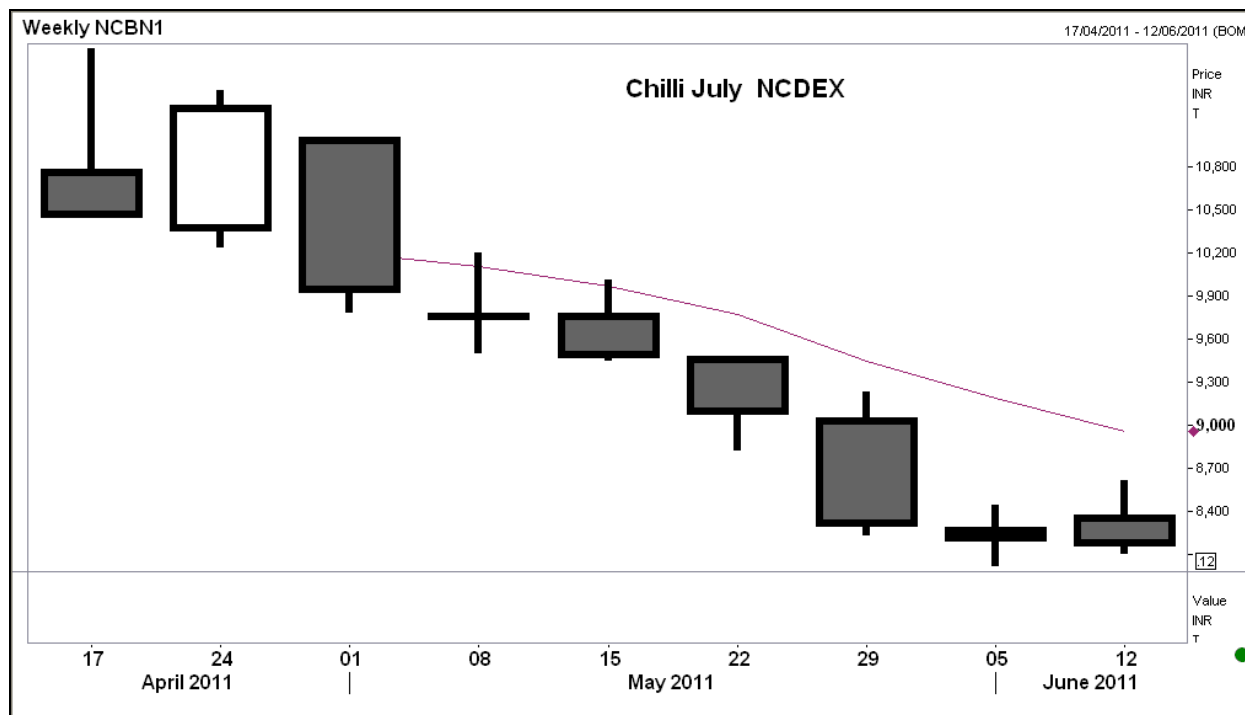
Derivative Analysis

The NCDEX chilli July contract prices are falling while volumes and open interest are rising. This indicates 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.

PVO Analysis - Chilli



Technical





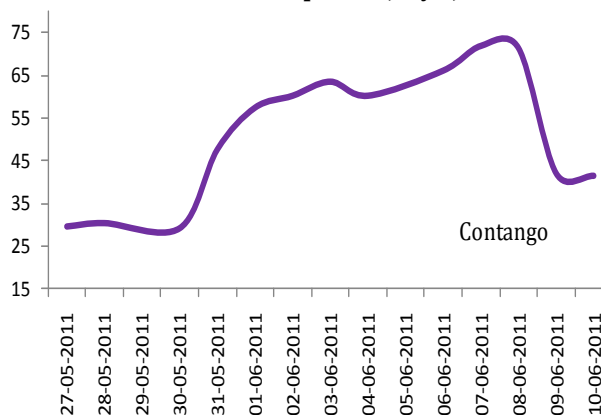
Cardamom

Review

The cardamom futures witness heavy volatility on mixed sentiments prevailing in spot market during last week. Futures started the week on positive note on short covering on previous losses. Reports of active buying from exporters' side amid demand for upcoming Ramadan festival in August supported the prices. However, Poor domestic demand pressurized the prices and futures resumed down trend. Increased arrivals at spot market also added to the down side. However, prices witnessed small recovery towards the closing but recovery was not enough to reverse the trend and futures ended on negative note.

Contract	Open	High	Low	Close	% Change	Volume	% Change	Open Interest	% Change
Jun-11	738	785	723	724.8	-1.35	12776	-13.45	1162	-52.20
Jul-11	799.7	849.7	763.2	776.4	-2.34	13747	81.17	1845	43.92
Aug-11	894	908.7	838.2	842.5	-2.36	2429	29.02	1259	22.92

Cardamom Spread : July - June



Outlook

Cardamom futures are projected to trade slightly positive initially in coming week. Fresh buying at lower level is likely to support the prices. According to trade sources, export inquire from Gulf amid upcoming festive season might support the prices. However, favourable weather conditions along with monsoon progress in major goring regions of Kerala might pressurize the prices later in the week. Growers are expecting good production this year which is likely to weigh on prices.

Factors to watch out

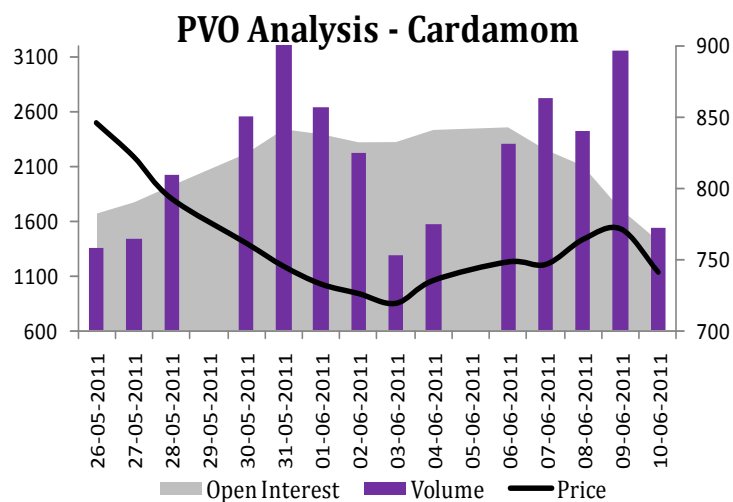
- Daily average arrivals at auctions reduced a bit to 40-55 tons during this week; while average auction prices also improved to ₹640-749 per Kg.
- As per data released by Spices board, chilli exports during April to March 2010-11 declined by 40% to 1,175 tons from 1,975 tons during same period last year



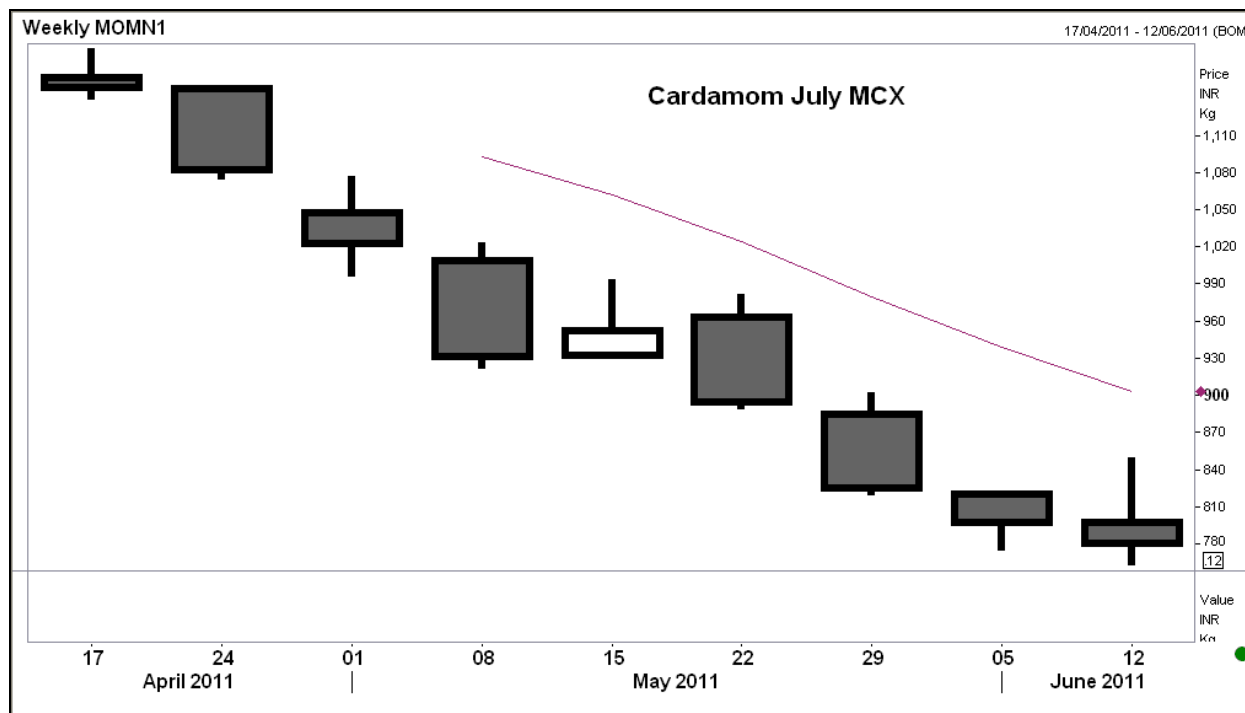
- According to Spices board of India, total arrivals during the current season from Aug 1st week to May 29th were up by 6% to 10,368 tons against 9,755 tons in the same period last year
- MCX warehouse stocks of Cardamom as on June 9th 2011 were 10.5 tons
- As per Spices Board data, international price of Cardamom in Saudi Arabia market come down to \$21.07 per kg during the week ended June 3rd 2011 however, it was lower than \$39.00 per kg quoted in the same period last year

Derivative Analysis

The MCX cardamom July contract prices are falling while volumes and open interest are rising. This indicates 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.



Technical





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