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## Guar

September 09, 2010

### Spot Prices (Rs/Qtl)

Centers	Variety	08/09/10	07/09/10	+/-
Jodhpur	Whitish Guar seed	2080	2084	-4
Jodhpur	Guar gum	5091	5131	-40
Bikaner	Guar seed	2057	2101	-44

### Market News

- Spot as well as futures prices of Guar were quoted at discount on expectations better output due to favorable weather conditions.
- According to the market sources area sown under Guar is reported to be higher at around 2.70 million hectares as compared to 2.49 million hectares.
- In NCDEX-accredited warehouses, stock of guar seed stood at 19830 tonne and Guar gum at 19,543 tonnes as of 06<sup>th</sup> September, 2010.
- Spread between September and October contract is Rs. 23 same as the previous day.

### Futures Price: NCDEX

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep 10	2131	2140	2070	2074	-51	127060	75510
Oct 10	2154	2162	2092	2097	-53	332870	181640

### Fundamental Analysis

- After gaining more than 10% during the last 2 weeks, Guar futures declined 2.65% on Wednesday due to favorable monsoon and thereby expectations of better crop in the coming season.
- Export demand for Guar gum has declined. Also, lower domestic demand of Churi and Korma would provide support to the bears.
- Better production estimates in 2010-11 due to adequate rainfall resulting in higher sowing acreage would pressurize the prices in the medium term (October onwards).
- Sowing acreage increased about 100% in Haryana and Punjab in anticipation of better return as compared to other traditional crops
- In the medium to long term (October onwards) prices will take cues from the stocks of Guar with the stockists, demand from the overseas buyers and the pace of arrivals of early sown Guar crop (Guari)

### NCDEX October 2010 Contract: Guar seed



### Technical Analysis

- Prices on daily charts closed below its 10-days and its 20-days EMA, which indicates a bearish trend.
- 14-days RSI is at 41.25 and is moving sideways.
- MACD is in the positive territory.

Contract	S2	S1	R1	R2
October 2010	2050	2070	2150	2180

### Outlook

Guar futures may extend its losses on Thursday on expectations of better output and subdued demand for Churi and Korma. In the Short term (till September), prices will depend on the demand from the overseas buyers which is currently at a slow pace. In the medium to long term (October onwards) prices will depend on the pace of arrivals of early sown Guar crop and stocks of Guar with the stockists.



## Chana

September 09, 2010

### Spot Prices (Rs/Qtl)

Centers	08/09/10	07/09/10	+/-
Delhi	2265	2247	+18
Bikaner	2185	2185	-
Indore	2167	2167	-

### Market News

- Chana prices were quoted at premium across Delhi markets due to better offtakes and also traced prices of other Pulses. However, spot prices remained steady across Bikaner mandis due to subdued trading activity.
- Demand from local stockists is expected to improve in the coming weeks ahead of festivals.
- According to the fourth advance estimates of Production, Chana output in 2009-10 is at 7.35 million tones compared to 7.05 million tones in 2008-09.
- Increase in the area of Kharif pulses will however, weigh on the prices. As on 30<sup>th</sup> August, 2010, area under pulses is projected higher at 109 lakh hectares (lakh hectare) as compared to 89 lakh hectare in the same period previous year.
- In NCDEX-accredited warehouses, stock of Chana stood at 42443 tonne as of 03<sup>rd</sup> September, 2010.

### NCDEX October 2010 Chana Contract



### Future Price: NCDEX

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep 10	2208	2215	2191	2206	+1	53670	100220
Oct 10	2272	2284	2263	2272	+5	63420	116990

### Fundamental Analysis

- Chana futures gained from the lows of Rs.2,188 and settled higher at Rs. 2208 per qtl levels on expectation of revival in demand ahead of festive season from the domestic stockists.
- Overall, improved acreage towards other pulses and therefore improved production due to adequate rainfall in the food belt of India (Central India) will limit the gains.
- In long term (November onwards), bumper crop of Chana in the year 2009-2010 coupled with good carryover stocks will resist prices from trading higher. Prices will also take cues from price quotes of other major pulses.
- Spread between September and October contract is at Rs.66 as compared to Rs.64 in the previous day.

### Technical Analysis

- Prices on daily charts closed below its 10-days and its 20-days EMA, indicating bearish trend.
- 14-days RSI is at 39.39 and is in the neutral region.
- MACD is however, in the negative territory.

Contract	S2	S1	R1	R2
October 2010	2145	2255	2285	2300

### Outlook

Chana futures are expected to remain firm in the coming days on hopes of revival in demand ahead of festival season. However, in the short term prices may again decline due to better stocks from last year's bumper crop. In the medium to long term (October onwards) Chana prices may take cues from the prices of other pulses and sowing progress of Chana in the major growing areas.



## Black pepper

September 09, 2010

### Spot Prices (Rs/Qtl)

Centers	Variety	08/09/10	07/09/10	+/-
Kochi	Garbled	20518	Closed	-
	Ungarbled	20100	Closed	-

### Market News

- Benchmark Kochi mandi of black pepper were quoted at premium due to better offtakes by the stockists. Pepper futures traded sideways to firm in the beginning of the session but witnessed profit booking in the later part of the day and ended in red yesterday.
- Demand from overseas and domestic buyers is expected to improve in the coming days.
- Black Pepper prices in the international market of Indian origin are being offered at higher rates at around \$4,675/tonne whereas Indonesian is being offered lower at \$4,350/tonne.
- Black Pepper exports from Indonesia during January to June 2010 stood at 14,000 tonnes as compared to 17,284 tonnes in the same period previous year. Farmers and stockists of the above nation are not ready to sell their pepper at lower rates.
- Black Pepper stocks in the NCDEX warehouses, stood at 4,288 tonne as of 6<sup>th</sup> September, 2010.

### NCDEX September 2010 Contract: Black Pepper



### Outlook:

Pepper prices in the intraday are expected to trade firm due to improved buying at lower levels. In the short term (till September), Pepper prices will depend on global Black pepper availability and demand from the overseas and domestic market. In the medium to long term (October onwards), price trend will depend on demand from the overseas and domestic market, pepper production in Brazil and pepper price parity of the major origins such as Brazil, Indonesia, India and Vietnam.

### NCDEX Futures Price:

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep 10	20780	20975	20635	20731	-128	10422	10310
Oct 10	20900	21090	20754	20826	-136	4867	6321

### Fundamental Analysis

- Hoardings by the major pepper exporters such as Vietnam, Indonesia, India is providing support to the prices. Vietnam and India have lower pepper stocks which is restricting them to sell at lower levels.
- In the short term (till September) prices will depend on the demand from the domestic market and pepper quotes of major origins such as Vietnam, Indonesia, Brazil and India in the international market.
- Exports of pepper from Vietnam, one of the major producer and exporter, stood at 83,121 tonnes. Thus, they might hoard their pepper stocks till the fresh arrivals expected in the month of April next year. This will be supportive for the price trend in the medium term (October).
- However, price quotes offered by Indonesia in the international market for its Pepper will determine the domestic price trend. This will cap the upside in the medium term (November onwards).
- Spread between September and October contract is Rs.95 as compared to Rs. 103 the previous day.

### Technical Analysis

- Prices closed above its 10-Day and its 20-Day EMA indicating bullish trend.
- The 14-Day RSI is at 56.8 and is in neutral region.
- MACD is however, in the negative territory.

Contract	S2	S1	R1	R2
September 2010	20450	20570	20975	21130



## Turmeric

September 09, 2010

### Spot Prices (Rs/Qtl)

Centers	Variety	08/09/10	07/09/10	+/-
Nizamabad	Finger	Closed	13520-13650	-
	Gattah	Closed	13200-14300	-
Erode	Finger	Closed	14350-14550	-
	Gattah	Closed	14200-14350	-

### NCDEX Futures Price

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep 10	12000	12388	11950	12310	+324	3710	6730
Oct 10	11636	11854	11636	11810	+184	1815	2695

### Market News

- Benchmark spot markets of Turmeric at Nizamabad remained closed due to Amavasya and Erode mandi remained closed due to Id and Ganesh Chaturthi festival.
- Arrivals in the Erode mandi has reduced to 3,000 bags from 5,000 bags and Nizamabad mandi witnessed arrivals of 300 bags from 500 bags in the last week.
- Turmeric prices strengthened due to improved buying at lower levels by the market participants and touched a high of Rs.12,218/qtl and ended positively yesterday.
- According to the market sources, Turmeric production is expected to be better and is projected at 65-67 bags as compared 48 lakh bags. Turmeric stocks with the stockists are projected at 15 lakh bags (each bag weighs 70-75 kgs.).
- Turmeric stocks in the NCDEX warehouse, stood at 4617 tonne as of 06<sup>th</sup> September, 2010.

### Fundamental Analysis

- Lower arrivals at the domestic mandi coupled with lacklustre demand will keep turmeric prices bearish. Also, better production estimates of Turmeric in 2010-11 will add to the losses in far month contract.
- Near month contract, on the other hand may not witness sharp fall as the farmers are hoarding the stocks of turmeric and are not ready to sell at lower levels. So, any revival of demand from the domestic and overseas will support prices to strengthen in short term (till September).
- Turmeric prices in the medium term (October onwards) will depend on growth of the sown crop. Further, demand from the domestic and overseas buyers will also determine the price trend in the above period.
- In long term (November onwards) prices are likely to take cues from stocks of turmeric in India and demand from overseas and domestic buyers.
- Spread between the September and October contract is at Rs.-500 as compared to Rs.-312 the previous day.

### NCDEX September 2010 Contract: Turmeric



### Technical Analysis

- Prices closed below its 10-Day's and its 20-Day's EMA indicating bearish trend.
- 14-Day RSI is at 29.2 and is in oversold zone.
- MACD is in the negative territory.

Contract	S2	S1	R1	R2
September 2010	12050	12200	12500	12650

### Outlook

Turmeric prices in the intraday are expected to trade firm due to lower arrivals at the domestic market. Prices in short term (till September), will depend on demand from the domestic and overseas buyers and sowing progress of Turmeric. In the long to medium term (October onwards), prices is likely to take cues from the turmeric stocks and production estimates reported by the spot market participants.



## Jeera

September 09, 2010

### Spot Prices (Rs/Qtl)

Centers	Variety	08/09/10	07/09/10	+/-
Unjha	F.A.Q.	14000	14057	-57
	Ganesh	13570	13620	-50

### Market News

- Benchmark Unjha mandi of Jeera were quoted at discount due to lacklustre trades.
- Jeera futures traded firm rangebound throughout day and touched a high of Rs.13,875/qtl and settled marginally lower yesterday.
- Demand from the overseas and domestic buyers is expected in the coming days.
- According to the market sources jeera stocks currently are projected to be lower at around 14 lakh bags as compared to 16-17 lakh bags in the same period previous year. (each bag weighs 55 kgs).
- Exports of Jeera during April to July 2010 stood at 13,500 tonnes as compared to 16,720 in the same period previous year.
- Jeera stocks in the NCDEX warehouse, stood at 6286 tonne as on 06<sup>th</sup> September, 2010.

### NCDEX Futures Price:

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep 10	13849	13875	13720	13814	-36	5109	10224
Oct 10	13950	14008	13841	13925	-50	4074	13776

### Fundamental Analysis

- Expectation of demand from the overseas and domestic buyers will support prices to strengthen in the short term (till September).
- Also, prices in the international market of Syrian origin are being offered at higher rates than Indian origin. This will help prices to find support and strengthen in the medium term (October onwards).
- Also, there are lower stocks in the domestic market till the fresh arrivals expected in the month of March which will also add to the gains.
- In the medium term to long term (October onwards), Jeera prices will depend on the demand from the overseas and domestic buyers and stocks of Jeera with the major producers.
- Spread between September and October contract is at Rs.111 as compared to Rs.125 the previous day.

### NCDEX September 2010 Contract: Jeera



### Technical Analysis

- Prices closed above its 10-Day but below its 20-Day EMA indicating sideways trend.
- The 14-Day RSI is at 45.3 and is in neutral region.
- MACD is in the negative territory.

Contract	S2	S1	R1	R2
September 2010	13580	13680	13917	14040

### Outlook

Jeera prices in the intraday will trade sideways to up due to expected demand from domestic and overseas buyers. In the short term (till September), trend will depend on jeera price parity of various origins in international market. In the medium to long term (October onwards) prices are likely to take cues from stocks with major producing nation such as India, Syria and Turkey.



## Soybean

September 09, 2010

### Spot Prices: Soybean (Rs/Qtl)

Centers	08/09/10	07/09/10	+/-
Indore	2025.00	2010.00	+15.00
Kota	2030.00	2015.00	+15.00

### NCDEX Futures Price: (Price/Qtl)

Contract	Open	High	Low	LTP	+/-	Vol	O.I
September	2062.00	2085.50	2059.00	2083.00	+34	37090	64570
October	2059.50	2092.00	2059.50	2089.00	+37	42660	89690

### Market News

- In spot markets yesterday, prices were lower ahead of fresh arrivals. Daily arrivals of soybean were at 2,500 bags yesterday in Indore mandi and 50,000 bags in M.P. (bag=100 kg).
- India's oil meal exports in August rose 14% to 244,075 metric tons from 214,807 tons a year earlier on higher soy meal shipments as per the Solvent Extractors' Association. Total exports during April-August edged up 2% to 1.02 million tons.
- The USDA's weekly export inspections released on Tuesday for soybeans were 13.921 million bushels, up from last week's total of 8.044 million bushels. Inspections need to average 27.538 million bushels each week to reach the USDA's current export projection for the just-started 2010/11 crop marketing year.
- The USDA announced three export sales totaling 90,500 tonnes of soybean oil, all for delivery in 2010/11.

### Fundamental Analysis

- October Soybean futures closed higher on account of better export figure of domestic soy meal.
- Overall, Open interest in Soybean futures has increased by 0.12% to 295430.
- Spread between NCDEX September and October contract is Rs-6.00 against previous day of Rs -3.50 per 100 Kg.
- CBOT November soybean futures ended higher at \$ 10.48/bushels on Wednesday, down 3.25 cents/bushel as compared to previous close.
- CBOT December Soybean meal futures ended higher at \$ 304.80/ton on Wednesday, down \$1.90/tonnes as compared to previous close.

### NCDEX October Contract: Soybean



### Technical Analysis

- Prices closed above its 10 Day and its 20 Day EMA, which indicates bullish market sentiments.
- 14-Day RSI is at 55.64 which are in neutral region.
- Daily MACD is in negative territory.

Contract	S2	S1	R1	R2
NCDEX Oct	1990	2000	2112	2125

### Outlook

In the short term, soybean prices are expected to open lower weak overseas market. For the long term, prices are expected to trade lower due to fresh arrivals in next two weeks in Madhya Pradesh, which is a major producing state of soybean and it contributes more than 50% of its total production. Existing better carry over stock this year as compared to last year may provide support to the bears.



## Mustard Seed

### Spot Prices: Mustard Seed (Rs/20 kg)

Centers	08/09/10	07/09/10	+/-
Jaipur	540.00	537.00	+3.00
Alwar	541.00	538.00	+3.00

September 09, 2010

### Futures Price: NCDEX (Price/20 Kg)

Contract	Open	High	Low	LTP	+/-	Vol	O.I
Sep	536.00	541.70	536.00	541.35	+6.50	45400	81840
Oct	545.00	549.30	544.00	549.00	+6.45	47500	90250

### Market News

- Arrivals of Mustard seed in Rajasthan were steady at 10,000 bags yesterday and all over India's arrival were at 16,000 bags (85 kg each) yesterday.
- The US Census Bureau released its monthly crush report on Thursday. Total crush for July was estimated at 129.07 million bushels which was about 600-700,000 bushels above the average trade estimate. The monthly crush number was almost unchanged from June and up fractionally from last year. Oil stocks were slightly above trade expectations at 3.555 billion pounds with meal stocks well above expectations at 423,052 short tons.
- Mustard seed stocks in the NCDEX accredited warehouses stood at 119,246 metric tonnes (dematted stock) and 1813 metric tonnes are in process as on September 02, 2010.

### Fundamental Analysis

- NCDEX October Mustard seed futures closed higher on account of higher prices of other oilseeds and edible oils.
- Lower production estimates of mustard seed globally as well as domestic also provided support to the bulls.
- Spread between NCDEX September and October contract is Rs 7.65 against previous day of Rs 7.70 per 20 Kg.

### NCDEX October Contract: Mustard Seed



### Technical Analysis

- Prices closed above its 10 Day & below its 20 Day EMA, which indicates mixed market sentiments.
- 14-Day RSI is at 47.99, which is in neutral zone.
- Daily MACD is in negative territory.

Contract	S2	S1	R1	R2
NCDEX Oct	543.00	545.00	554.00	557.00

### Outlook

In the short term perspective, mustard seed prices are expected to trade range bound on lack of fresh fundamentals. However, in the long term perspective, it is expected to trade lower on account of higher global oilseeds output and huge import of edible oils may provide support to bears. Higher production estimates of kharif oilseeds are also in favour of bears.



## Refined Soy Oil

September 09, 2010

### Spot Prices: (Rs/20 kg)

Centers	08/09/10	07/09/10	+/-
Indore	480.00	478.00	+2.00
Kota	481.00	479.00	+2.00

### Refined Soy Oil Futures Price: (Rs/10 kg)

Contract	Open	High	Low	LTP	+/-	Vol	O.I
NCDEX Oct	488.80	495.45	488.80	495.15	+7.85	126310	139520
MCX Oct	491.60	495.20	491.30	494.80	+7.55	840	1540

### Market News

- MCX September CPO closed higher Rs 3.40/10Kg at Rs 420.70/10 Kg on Wednesday, from its high of the day (421.30) and touched a low of 418.70 levels.
- The benchmark Nov contract on BMD CPO ended higher at MYR 2674/tonnes on Wednesday, up MYR 46/tonnes as compared to previous close, from its high of the day 2674 levels and touched a low of MYR 2635/tonnes.
- As per Intertek Agri Services (a cargo surveyor), Malaysia's palm oil export fell 14% in the month of August to 1.22 million tones as compared to previous month.
- As per SGS (another cargo surveyor), Malaysia's palm oil export fell 18% in the month of August to 1.15 million tones as compared to previous month.

### Fundamental Analysis

- NCDEX September refined soy oil futures closed higher due to firm overseas market.
- Overall, Open interest in NCDEX Ref Soyoil futures has decreased by 1.71% to 244230.
- Spread between NCDEX and MCX September contract is Rs -0.35 against previous day of Rs -0.05 per 10 Kg.
- CBOT December soy oil futures ended lower at \$ 41.61 cents/pounds on Wednesday, down 0.11 cents/pounds as compared to previous close.
- The Solvent Extractors Association (SEA) has recently noted that the edible oil stock at Indian Ports is 635000 MT, up 10% over the month.

### NCDEX September Contract: Refined Soybean Oil



### Technical Analysis

- Prices closed above its 10 day & its 20 day EMA, which indicates bearish market sentiments.
- 14-Day RSI is at 54.34, which is in neutral zone.
- Daily MACD is in negative territory.

Contract	S2	S1	R1	R2
NCDEX Oct RSO	488.00	491.00	498.00	500.00
MCX Sep CPO	416.00	418.00	424.00	426.00

### Outlook

In the Intraday perspective, soy oil prices are expected to open slightly lower on weak overseas market. However, in the long term, prices are expected to trade lower due to huge stock of imported edible oil and better carry over stock of oilseeds this year as compared to last year.



## Monsoon Update

September 09, 2010

### Status of southwest monsoon 2010 rainfall and weekly forecast (04<sup>th</sup> -10<sup>th</sup> September) and outlook for subsequent week (11<sup>th</sup> -17<sup>th</sup> September)

- Monsoon was very active during the week (26<sup>th</sup> August to 01<sup>st</sup> September) with normal to excess rainfall over south west peninsula and central India. Out of the 36 Metrological sub divisions, rainfall was excess in 14, normal in 10 and deficient in 09 and scanty in 03 (Punjab, Bihar, and west Rajasthan).
- All India rainfall during the month 01-31 August was 6% above long period average (LPA) over all the major homogenous regions. Seasonal rainfall deficiency from LPA for the country as a whole reduced further from 2 % to 1%.
- During the week (4<sup>th</sup> -10<sup>th</sup> September) rainfall is expected to be heavy in Central and adjoining North peninsular and North West India.
- The cumulative seasonal rainfall for the country as a whole from 1- 31 August has been 106% of the LPA against the forecast of 101± 9% for the month with normal/excess rainfall over the all the four homogenous regions

### Rainfall during the week (26<sup>th</sup> August- 01 September)

The statistics of the weekly rainfall are given below:

Regions	Actual Rainfall (mm)		% departure from LPA	
	19 -25 August	26 Aug -01 Sep	19 -25 August	26 Aug -01 Sep
Country as a whole	71.9	57.2	29	16
Northwest India	84.4	27.7	87	-26
Central India	45.8	88.1	-25	50
South Peninsula	70.8	60.0	79	70
Northeast India	104.1	45.7	23	-35

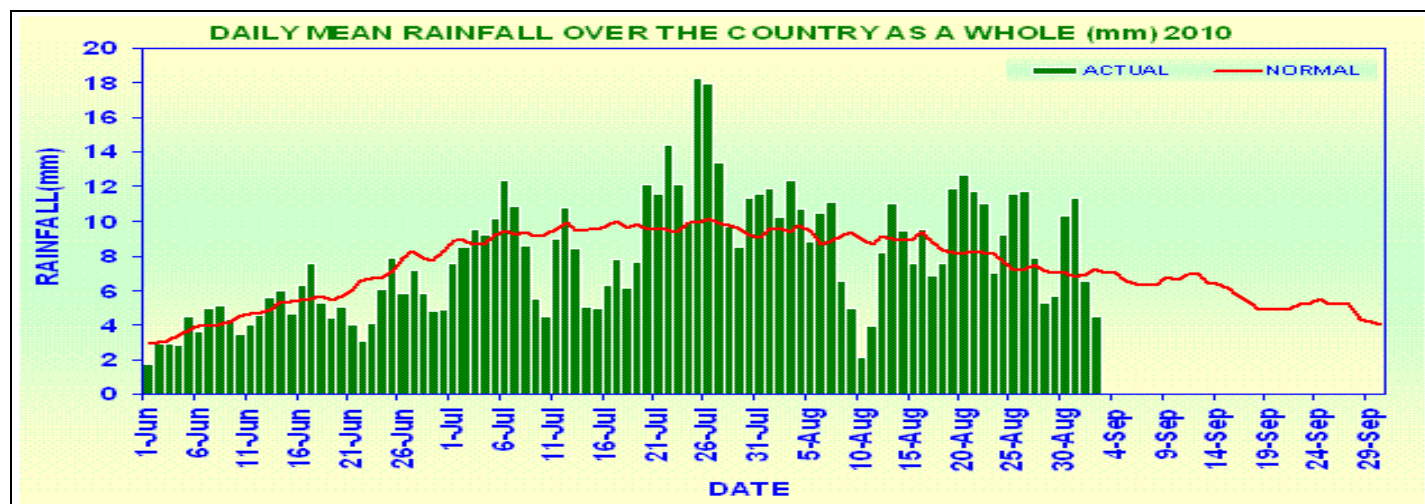
### Forecast for next two week (04<sup>th</sup> - 17<sup>th</sup> September)

- Widespread rainfall is expected over Uttar Pradesh, Uttarakhand, Himachal Pradesh, Haryana, Chandigarh and Delhi in the beginning of the week but is expected to reduce thereafter.
- Increase in the rainfall activity is expected over Maharashtra, Gujrat and Rajasthan from 6<sup>th</sup> September 2010. Fairly widespread rainfall over northeastern states in most part of the week and scattered rainfall is likely over remaining parts of the country.

Source: [www.imd.gov.in](http://www.imd.gov.in)

Spread of Rainfall till August 25<sup>th</sup>, 2010 in different regions is shown below:

#### A. Country as a whole:





**B. Homogeneous Regions:**

Source: Indian Metrological Department

