

Edible oil complex futures prices in last week

5 September 2011

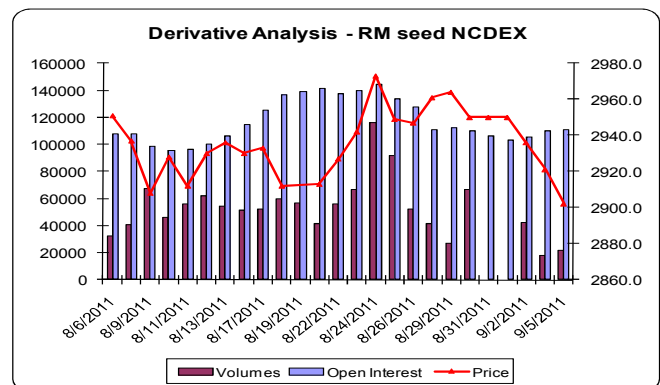
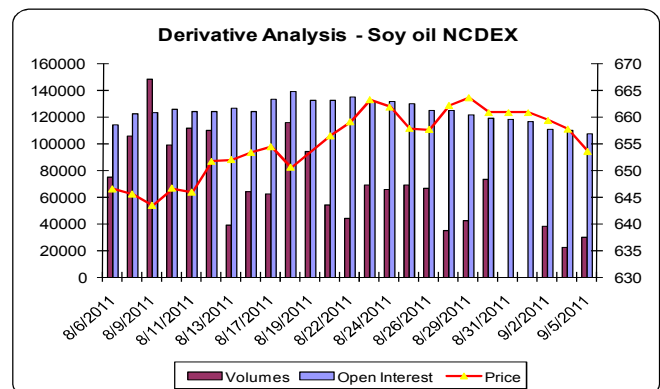
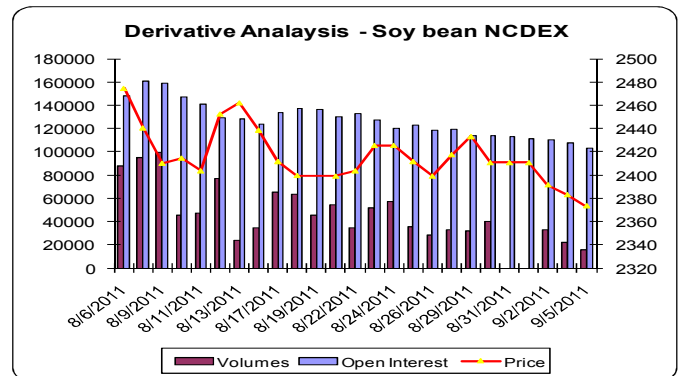
	Open	High	Low	Close	Net Change	% Change
Soy bean Sep	2424	#N/A	#N/A	2383	-34.5	-1.4
Soy oil Sep	664	#N/A	#N/A	658	-4.5	-0.7
RM seed Sep	2965	#N/A	#N/A	2921	-40.0	-1.3

Spot price in last week

	Open	High	Low	Close	% Change
Soy bean	2366.0	2391.0	2366.0	2380.0	0.51
Soy oil	663.90	665.65	663.60	663.60	-0.17
RM seed	0.00	0.00	0.00	0.00	#DIV/0!

Soy complex

- Kharif edible oil seeds acreage has increased by 4.52 lakh hectares to 174.31 lakh hectares (as on 02 Sep), led to rise in area under soy bean by 9.5 percent to 103.1 lakh hectares in last year
- Weather has been good so far in edible oil seed growing areas, which may lead to bumper crop in this year
- Fresh crop arrival of soy bean start from October, delayed by few weeks
- Soy bean and soy oil futures have been trading sideways to weak for last few days due to higher acreage data and better weather
- However, global markets are on surge for third consecutive week on speculation of lower production forecasts for US soy bean crop for this year to dry weather conditions
- Soy bean futures at CBOT touched three years high of 1456 cents, while soy oil futures touched 58.83 cents per pound
- Demand for edible oils remain quite strong during festival season, even as demand for other products like soy meal remain weak
- Domestic factors remain quite bearish due to higher output estimates, however, firm global markets may limit major fall
- For the week ahead, domestic soy bean and soy oil futures are expected to remain weak due to higher output estimates



Spices futures price movement in last week

	Open	High	Low	Close	Net Change	% Change
Pepper Sep	33000	#N/A	#N/A	33334	106.0	0.3
Jeera Sep	15795	#N/A	#N/A	15324	-468.0	-3.0
Turmeric Sep	5710	#N/A	#N/A	5756	84.0	1.5

Spot prices in last week

	Open	High	Low	Close	t Change	% Change
Pepper	31866.7	32245.0	31866.7	32236.8	161.8	0.28
Jeera	15688.30	15688.30	15500.00	15500.00	157.20	-1.00
Turmeric	6411.90	6411.90	6297.70	6297.70	114.20	-1.09

Pepper

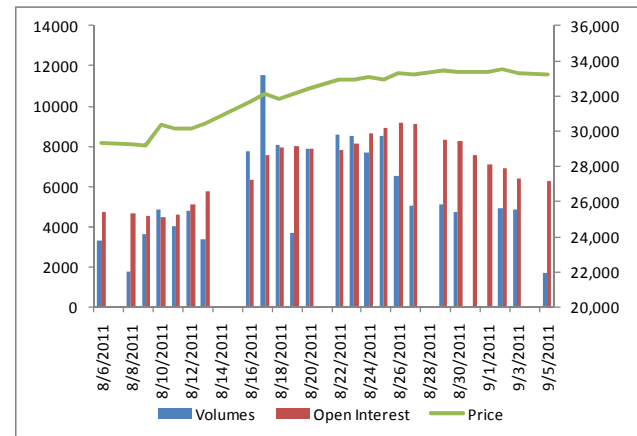
- Pepper futures made new record high of Rs33500 per quintal in last week
- Lower supplies from India as well as Vietnam supported continuous rise in prices
- As per market sources, Indian pepper production is likely to decline further in this year to 42000-45000 tonnes
- Indian pepper prices are quoting at \$7600 per tonne (Asta grade), while Vietnam is selling at \$7850 per tonne
- However, export from India remain quiet subdued at these higher prices
- In the domestic markets, prices have crossed Rs300 per kg for ungarbled pepper
- Overall trend remain bullish and prices are likely to touch Rs38000 per quintal by end of the year

Jeera

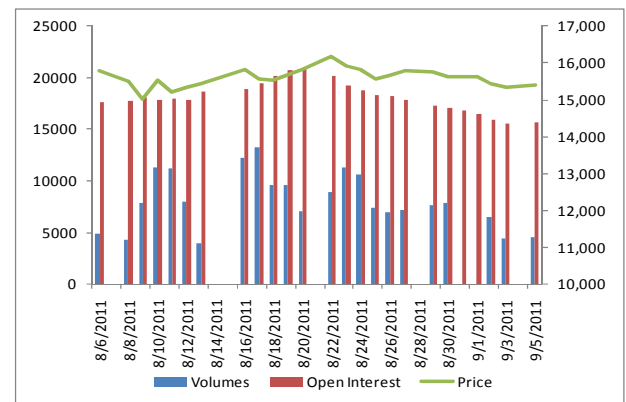
- Jeera prices have been sideways with weak bias in last few days due to steady demand from exporters and stockiest
- Continuous rains in Gujarat affecting the trading activities, the stockiest are not willing to buy to avoid the quality loss
- Export demand remain quite steady due to supply of fresh crop Syria and Turkey
- Area under jeera in rabi season is expected to increase next year due to better rains in Gujarat and Rajasthan

Turmeric

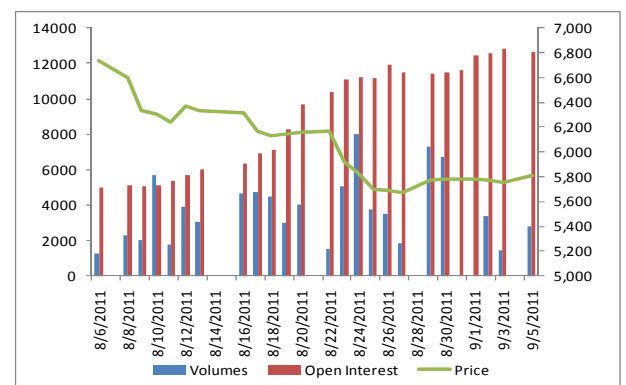
- Turmeric prices recovered marginally in last week after touching new contract lows
- Short covering after steep fall in recent weeks supported recovery despite weak fundamentals
- Turmeric output is expected to touch 85 lakh bags in this year due to higher acreage and better rains
- Nizamabad area of Andhra Pradesh and Sangli area of Maharashtra have received good rains in last few days, which is beneficial for the crop
- Although, long term fundamentals remain weak, the short covering may limit further fall in short term



Jeera



Turmeric



Futures prices in last week

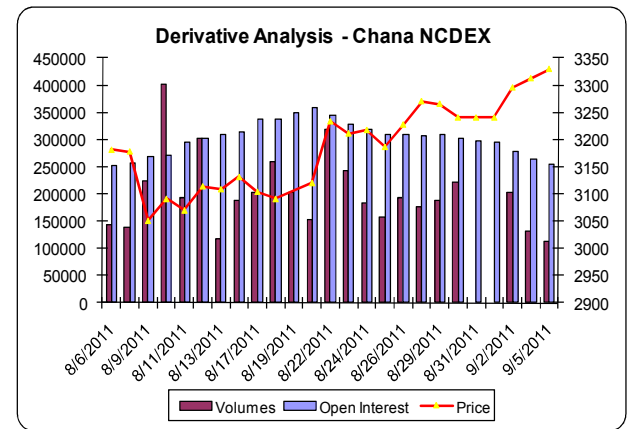
	Open	High	Low	Close	Net Change	% Change
Chana Sep	3275	#N/A	#N/A	3312	42.0	1.3
Guar seed Sep	4480	#N/A	#N/A	4331	-171.0	-3.8
Sugar Sep	2705	#N/A	#N/A	2743	27.0	1.0

Spot prices in last week

	Open	High	Low	Close	% Change
Chana	3131.6	3179.1	3131.6	3179.1	0.9222
Guar seed	4347	4360	4323	4323	0.60

Chana

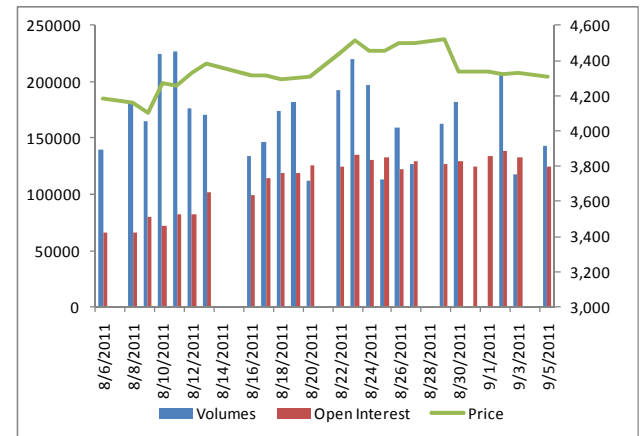
- Chana prices hit five years high of Rs3316 in last week, just fell short of Rs30 from all time high of Rs3345
- Strong seasonal demand for chana and its products and expectation of fall in imports supported five months rally in prices
- Demand for chana remain high during monsoon and festival season
- Spot prices at Delhi have touched Rs3300 per quintal
- Despite higher acreage under kharif crops and fall in prices of most of kharif pulses, chana is gaining on its own due to higher demand
- Import of chana mainly from Australia is likely to decline due to forecast of fall in output by over 20 percent
- The trend is likely to extend till October end and likely to touch Rs3800 per quintal



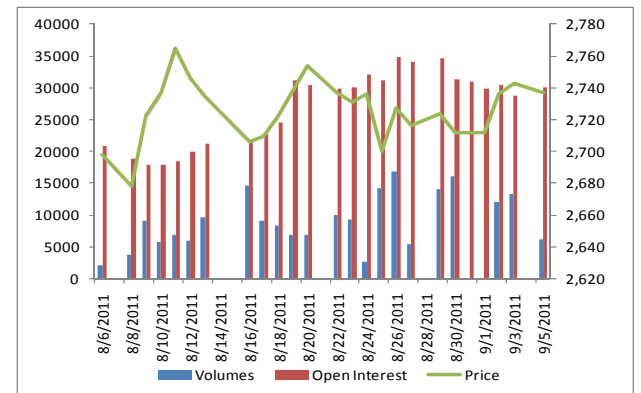
Guar seed

- Better monsoon and weak demand for guar gum pressurizing the guar seed complex
- However, acreage under guar seed have declined marginally from last year, but better yields may compensate the loss in area
- Export demand for guar gum may decline with fall in prices of crude oil
- Guar seed production is likely to be remain normal from last year, however, lower stocks may limit major fall in long term
- Fresh crop arrivals start from October delayed by few weeks due to delayed sowing

Guar seed



Sugar



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