

Edible oil complex futures prices in last week

6 June 2011

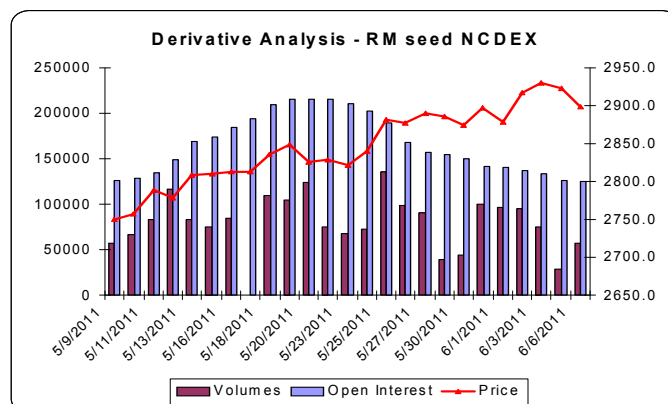
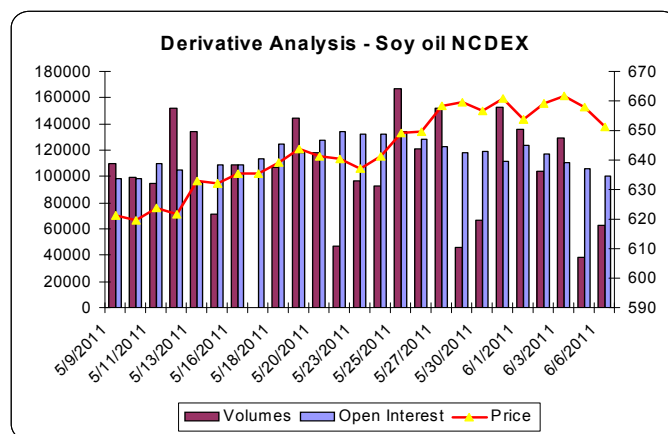
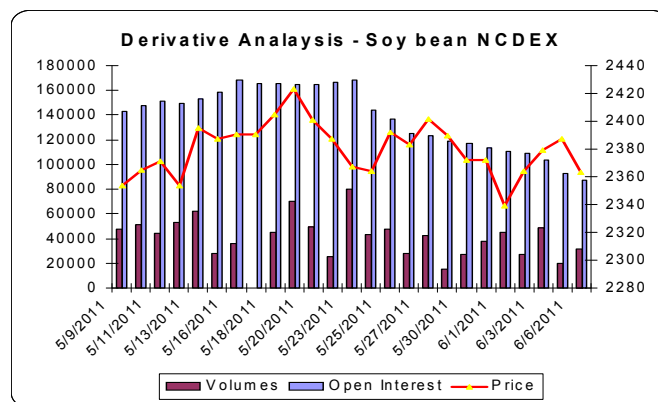
	Open	High	Low	Close	Net Change	% Change
Soy bean June	2385	2398	2333	2388	-2.5	-0.1
Soy oil June	660	665	653	658	-1.6	-0.2
RM seed June	2886	2940	2863	2923	37.0	1.3

Spot price in last week

	Open	High	Low	Close	% Change
Soy bean	2339.0	2355.0	2334.0	2349.0	-0.55
Soy oil	650.70	656.25	650.65	654.65	0.45
RM seed		0.00	0.00		#VALUE!

Soy complex

- Soy may witness poor demand in the coming days due to higher stocks of soyabean in domestic market. The global market cues are also likely to weigh the trend. As per market sources, the total stocks of around 20-22 lakh tons are currently available in major mandis.
- According to the third advance estimates of crop production released by the Ministry of Agriculture the production of oilseeds were revised from 302.51 lakh tons from 278.48 lakh tons in 2010-2011.
- As per latest monthly release from USDA, India's oilseed production is slightly raised to 35.80 million tons against 34.45 million tons that were reported last year.
- USDA forecasted the India's oil meal exports in 2011-12 at 4.71 million tons against 4.81 million tons that were reported earlier. The soya meal exports are projected at 28 lakh tons, down almost 1 lakh tons from the last update.
- USDA revised upward its 2010-11 ending stocks forecast to 170 million from 140 million. Global oilseed production for 2011-12 is projected at a record 459.2 million tons, up 2.2 percent from 2010-11. Global soybean production is projected to increase less than 1 percent to 263.3 million tons.
- However, worries about the potential production due to forecasted rains across the overseas countries by the next few days are expected to limit the uptrend.



Spices futures price movement in last week

	Open	High	Low	Close t	Change (Rs)	% Change
Pepper June	29324	29540	28505	29190	-35.0	-0.1
Jeera June	14126	14378	13840	14169	-87.0	-0.6
Turmeric June	7598	7674	7310	7410	-138.0	-1.8
Chilli Jun	8000	8224	7762	8108	70	0.9

Spot prices in last week

	Open	High	Low	Close t	Change	% Change
Pepper	28556.3	28556.3	28233.3	28260.0	-486.7	-1.79
Jeera	14490.00	14500.00	14442.50	14490.00	132.20	-0.84
Turmeric	7765.00	7765.00	7504.75	7504.75	925.25	-10.98

Pepper

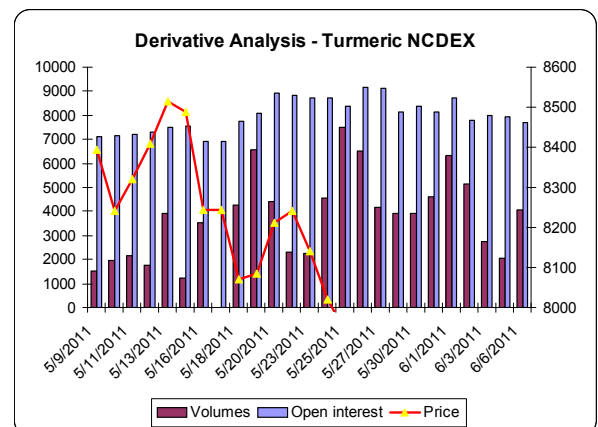
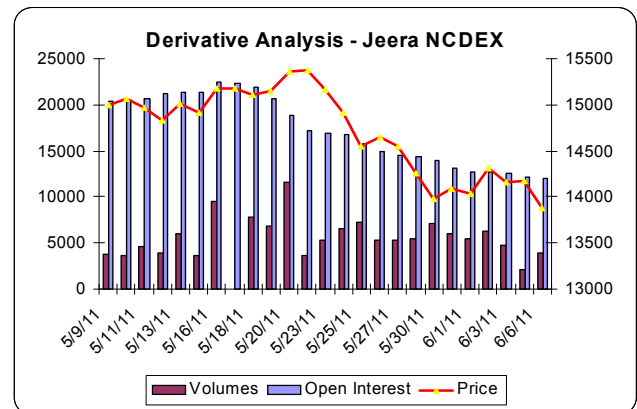
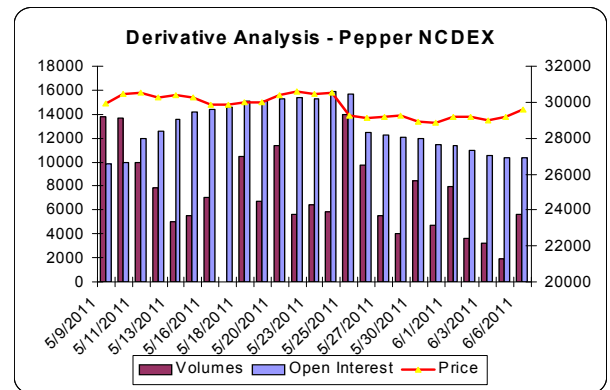
- The market was volatile during the last few weeks. However the price is expected to increase as the production this year is estimated to be poor. Prices in India and Vietnam slumped during the week, meanwhile increased in other origin.
- As per the latest release from IPC, during January-February 2011, Spain imported 1,110 tons of pepper as against 885 tons during the same period last year.
- According to the Spices Board, the total quantity of 18,850 tons of pepper valued at Rs.383.19 crore was exported from India during the period April- March 2010-2011 as against 19,750 tons valued at Rs.313.93 crore last year, registering an increase of 22 per cent in value. As per the latest updates from the General Statistics Office of Vietnam, Vietnam exported nearly 56,000 tons of pepper during January to May 2011, down by 5.60 percent in volume terms and surged by 61.20 percent in value term over the same period last year. Vietnam exported nearly 15,000 tonnes of pepper with value of 87 million USD in the month of May 2011.

Jeera

- Jeera futures dropped further on weak export and domestic demand. Estimated weak demand based on fresh supplies from Syria and Turkey which is likely to commence from July onwards may weigh the further trend.
- The arrivals of monsoon have prompted stockiest liquidation in jeera. As per market sources jeera prices of new crop traded steady at around Rs.11500-13000 at Unjha mandi.
- The Spices Board of India said, during April-March 2010-11, jeera exports dropped by 35 percent to 49,250 tons.

Turmeric

- Turmeric futures dipped on the back of weak demand by traders and exporters amid increased supply due to higher production during the year. Widespread rainfall in major growing areas also weighed on the prices. As per the latest release from the Spices Board of India, turmeric exports fell 3 percent to 49,250 tons during the April- March 2010-11.
- Moreover, the total carryover stocks of turmeric in the current year are likely to be projected at 17 lakh bags against 6-7 lakh bags that were reported last year. And the total production in the current year is estimated higher at 85 lakh bags.



Futures prices in last week

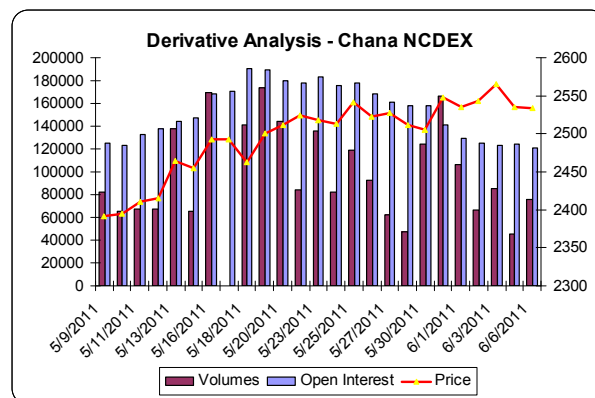
	Open	High	Low	Close	Net Change (Rs)	% Change
Chana June	2507	2570	2474	2536	24.0	1.0
Guar seed June	3301	3364	3220	3317	8.0	0.2
Sugar June	2568	2591	2489	2498	-77.0	-3.0

Spot prices in last week

	Open	High	Low	Close	% Change
Chana	2412.9	2468.5	2412.9	2466.5	1.3394
Guar seed	3222	3329	3222	3329	1.83

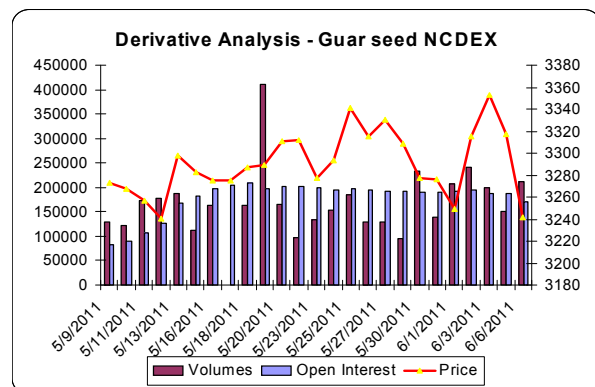
Chana

- Chana futures are likely to rise on short covering and steady pick up in buying in the local spot markets. Millers were picking up the stocks as comparatively lower prices attracted steady demand. Weak supply in major chana producing states also supported the trend.
- Demand for chana and its products improves during monsoon season, which may support prices
- The crop condition of summer pulses is reported to be satisfactory and chana production is estimated at 73 lakh tons in 2010-2011 rabi season against 74 lakh tons



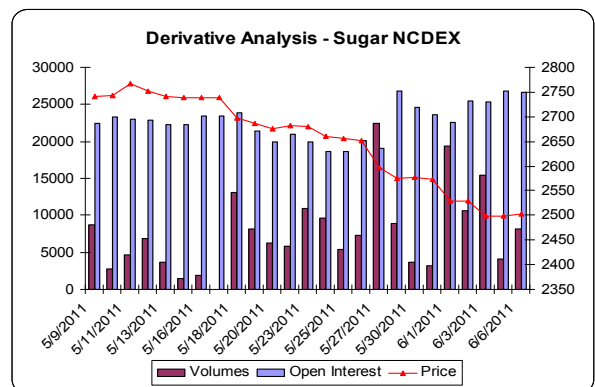
Guar seed

- Monsoon coverage is also likely to weigh the further trend, especially in northwest region.
- As per latest reports, monsoon has covered parts of Gujarat and likely to enter into guar seed growing areas that is north Gujarat and southern Rajasthan
- The farmers are likely to increase their acreage under guar seed on expected increase in export demand and return.



Sugar

- As per media report, sugar output in Maharashtra may drop next year as farmers reduce the area planted because of lower sweetener prices. Output in the year beginning October 1 may decline nine per cent to 8.3 million tons from a forecast of 9.15 million tons this year.
- The Food Ministry has issued export orders for 3.39 lakh tons of sugar to mills so far, out of the total quantity of 5 lakh tons that the government had allowed for overseas shipments under Open General Licences in April.
- Sugar production in India is estimated to rise to 24.5 million tons in 2010-11, sugar year (October-September) from 19 million tons in the previous year. The country's annual demand is pegged at 22 million tons.



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