



Jeera

A long accumulation phase is witnessed in the price of cumin seed from almost 7 months. During the month of May 2013, it made a low of Rs. 12592.50 and rebounded sharply. Bulls have participated actively during the last month and prices made a high of 13785 and settled at 13672.50.

Fundamentally, for the month world production is going to hamper on rapid growing political tension in Syria. This will raise the export demand in India and will make India the major exporter of Jeera in coming days. According to Spices Board of India, Jeera exports in 2012-13 (Apr-Mar) were at 79,900 tons compared with 45500 tons a year ago. In value terms, also exports were up at Rs. 10.93 billions. However, the ample rains that would help sowing operations in the Rabi season may put pressure on prices. Total production expected during the current period around 40 – 45 lakh bags (About 2.2 – 2.5 Lakh MT). Jeera old stocks were reported at around 8 – 9 lakh bags (About 44000-50000 MT) all over India.



Technical concerns are stating that, prices took the support of long term trend line in the monthly chart (shown in chart above). Last month's bullish mode made a long white candle stick and a big volume bar is witnessed which is confirming uptrend. Prices are sustaining above the short and medium term moving averages signaling upside. A falling wedge is patterned in the monthly chart pointing up mode for the coming days. If we look at other momentum indicator like RSI (14) which is trading at 0.53 (shown a long term sluggish mode) and now a bullish crossover is witnessed with its 9 period moving averages showing upside. **Mid-term traders can buy NCDEX Jeera October contract at Rs. 13950-13750 with stop loss below Rs.13200 for targets in the range of Rs.15250 and then Rs. 16000.**



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