

Validation of Cardamom price forecast for the month of January 2010

The price forecast made by the Agricultural Market Intelligence Center of the Kerala Agricultural University for Cardamom (bulk) for the month of January 2010 was Rs.850 –Rs950 per kg. The validation of the prices using the actual market price that prevailed at the Vandanmedu market during the month of January 2010 is reproduced below:

| Date | Day | Rs/Kg |
|-----------------|-----------|---------|
| 01-01-2010 | Friday | 977 |
| 02-01-2010 | Saturday | NA |
| 03-01-2010 | Sunday | 1001 |
| 04-01-2010 | Monday | 992 |
| 05-01-2010 | Tuesday | 1041 |
| 06-01-2010 | Wednesday | 1052 |
| 07-01-2010 | Thursday | 1101 |
| 08-01-2010 | Friday | 1108 |
| 09-01-2010 | Saturday | 1000 |
| 10-01-2010 | Sunday | 1016 |
| 11-01-2010 | Monday | 1018 |
| 12-01-2010 | Tuesday | 1061 |
| 13-01-2010 | Wednesday | 1043 |
| 14-01-2010 | Thursday | NA |
| 15-01-2010 | Friday | NA |
| 16-01-2010 | Saturday | 1035 |
| 17-01-2010 | Sunday | NA |
| 18-01-2010 | Monday | 1006 |
| 19-01-2010 | Tuesday | 1032 |
| 20-01-2010 | Wednesday | 997 |
| 21-01-2010 | Thursday | 945 |
| 22-01-2010 | Friday | 976 |
| 23-01-2010 | Saturday | 984 |
| 24-01-2010 | Sunday | 1014 |
| 25-01-2010 | Monday | 1017 |
| 26-01-2010 | Tuesday | NA |
| 27-01-2010 | Wednesday | 1025 |
| 28-01-2010 | Thursday | 1018 |
| 29-01-2010 | Friday | 1012 |
| 30-01-2010 | Saturday | 957 |
| 31-01-2010 | Sunday | 968 |
| Average Price | | 1015 |
| Predicted price | | 850-950 |
| NA- No Auction | | |

Initial estimates indicated a reduction in cardamom production by 20 -25 per cent for the current year. Lack of rains during January led to wide spread speculation that the reduction in production may go upto 30-35 per cent. This coupled with low carry over stocks from the previous season led to sharp rise in prices than the predicted range. The market corrections may soon occur and it is expected that the prices may roll back to the predicted range for February and March'10.

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