

SPICES DAILY

June 19, 2006

TURMERIC

SPOT MARKETS

Major markets of Turmeric remained closed today. The prices are declining in most of the markets on reduced domestic demand and no demand from export front. In Erode market the buyers are from domestic markets of north and east India including Delhi, Punjab and Calcutta. The arrivals in both the markets are decreasing, however low demand due to rainy season is not letting the prices recover. The prices might remain steady to range bound with bearish inclination for few days.

FUTURES MARKETS:

Turmeric prices at NCDEX July futures contract jumped to open Rs. 26 up at Rs. 2478 a quintal. The prices thereafter continued to decline to end in red at Rs. 2424 a quintal. The total volumes traded during the day increased to 1820 MT's.

PRICE DRIVERS:

Bullish:

1. Decreasing arrivals

Bearish:

2. Low demand
3. Expectation of rise in acreage

Weather:

Rain/thundershowers are likely at many places Kerala, Lakshadweep and Coastal Karnataka and at a few places over the rest region. Rainfall activity over South Peninsula is likely to increase. Rains in turmeric growing regions might prove beneficial for sowing the crop.

TECHNICALS

Candlesticks are reflecting bearish sentiments; stochastic has made bearish crossover. MACD is in its negative zone. The contract might see decline in prices.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX July	2392	2350	2470	2505

TRADE RECOMMENDATION:

Sell below 2424 with a target of 2408 and then 2390 with a strict stop loss at Rs. 2436 a quintal. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	Closed	-
	Gattah	Closed	

BLACK PEPPER

SPOT MARKETS

Pepper at Kochi market continued with its previous steady sentiments as the prices remained steady on farmers disinterest to sell the commodity at current prices. The market did not see any fresh arrivals and off take. The market is behaving in such a fashion on no fresh orders from international markets despite Indian prices being competitive against other major producing nations. The domestic demand is also low on reduced consumption of the commodity in rainy season. The stock of pepper with most of the major commodity exchanges is of inferior quality. The prices of pepper might remain steady to range bound with bearish inclination.

FUTURES MARKETS:

The prices of pepper at NCDEX futures market continued to decline today following its previous Long term bearish trend. The NCDEX July pepper futures contract opened above previous days close at Rs. 6698 a quintal, and thereafter declined to a low of Rs. 6625 a quintal and finally ended at Rs. 6633. The total volumes traded during the day were 560 MT's.

PRICE DRIVERS:

Bullish:

1. Rains might reduce arrivals
2. Indian prices competitive in world market

Bearish:

1. Futures exchanges have hefty stock of inferior quality of pepper.
2. Srilanka and Brazil offering at lower prices
3. Less domestic consumption in monsoon Season

Weather:

Rain/thundershowers are likely at many places Kerala, Lakshadweep and Coastal Karnataka and at a few places over the rest region. Rainfall activity over South Peninsula is likely to increase. Weather is not a major factor as harvesting is complete and rains at this stage are suitable for flowering of pepper.

TECHNICALS

Candlesticks are indicating bearish sentiments. Stochastic is in neutral region. MACD is in negative zone. The contract might see decline in prices.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX July	6598	6551	6700	6749

TRADE RECOMMENDATION:

Sell below 6635 with target of 6610 and then 6596 with a strict stop loss at 6654. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.	Arrivals (Tonnes)
Kochi	Garbled 6900	NIL
	Ungarbled 6500	NIL

RED CHILLIES

SPOT MARKETS

Red Chilli market at Guntur remained closed today. The arrivals of chilli are decreasing however Monday market might see greater arrivals due to today's holiday. The demand for chilli is low and the stock is increasing in cold storages. Also the farmers are selling their stuff as they are expecting higher production next season. The sowing is expected to begin by some time in mid July to August beginning. The market has a hefty stock of around 45 lakh bags of red chilli. The prices might remain steady to range bound with bearish inclination on no fresh domestic or overseas demand.

FUTURES MARKETS:

Chilli prices at NCDEX July contract opened below previous day's close of Rs. 4910 a quintal. The prices hovered between Rs. 4964 - 4985 a quintal. The volumes traded during the day were of 4550 MT's.

PRICE DRIVERS:

Bearish:

1. Less consumption demand
2. Hefty stock
3. Bags containing red chillies are of inferior quality

Weather:

Rain/thundershowers are likely at many places Kerala, Lakshadweep and Coastal Karnataka and at a few places over the rest region. Rainfall activity over South Peninsula is likely to increase. Rains over Red Chilli growing regions might affect the arrivals of crop in the market.

TECHNICALS

Candlesticks are indicating bullish sentiments and stochastic has made bearish crossover, MACD is in negative zone. The contract might open firm and trade firm initially.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX July	4848	4773	5123	5203

TRADE RECOMMENDATION:

Buy above 4965 with a target of 4988 and then 5035 with a strict stop loss at 4948. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.		Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) Cold Storage	Closed	-
	LCA 334 (loose) Non Cold Storage	Closed	

JEERA (Cumin)

SPOT MARKETS

Jeera prices at Unjha market remained steady. The demand for jeera is high. The Traders are expecting increase in export demand in the coming days on reports of less crop and low stock in other producing nations. The crop from Syria is expected to be of inferior quality. The prices might remain steady to range bound and thereafter increase.

FUTURES MARKETS:

Jeera at NCDEX July contract traded indecisive as the contract opened at Rs. 6370 a quintal and thereafter traded in the range of Rs. 6343 - 6410 a quintal and then ended at Rs. 6366 per quintal. The total volumes traded decreased to 1086 MT's.

PRICE DRIVERS:

Bullish:

1. Expectation of less crop in other major producing nations
2. Turkey, Syria selling at higher prices.

Bearish:

1. Low domestic demand due to Mango Crop season
2. Syria crop of inferior quality
3. Dry weather keeping domestic demand low

Weather:

Isolated Dust storm/Thunderstorm are likely over Rajasthan. Mainly dry weather is likely over the rest region. Harvesting of jeera is complete and sowing season is still far the weather is not a matter of much concern.

TECHNICALS

Candlesticks are indicating indecision. Stochastic has made bearish in neutral region. MACD is in negative zone. The prices might most likely remain bearish.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX July	6343	6253	6431	6474

TRADE RECOMMENDATION:

Buy above 6360 with a target at 6400 with a strict stop loss at 6392. Trade cautiously with intra day outlook.

Centers	Prices/20 Kgs.	Arrivals (Bags)
Unjha	F.A.Q 1350 - 1400	5000
	Ganesh 1350 - 1500	
	Machine Cleaned 1450 - 1550	

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>
© 2005 Indian Agribusiness Systems Pvt Ltd.