



Commodities Daily

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SPICES DAILY

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TURMERIC

SPOT MARKETS:

Turmeric prices in Erode market remained at their previous levels. The market saw reduced arrivals and demand for the commodity was also low. The off take was of only 50 percent of the inflow. Traders are expecting both arrivals and demand to increase in coming days. According to sources the market has a hefty stock of around 6 lakh bags of turmeric. Nizamabad market remained closed today in celebration of Eid festival. Traders are expecting slight improvement in demand at reduced prices however stockists might enter and push the prices down again. The prices might recover initially and then decline for a few days.

FUTURES MARKETS:

Turmeric prices turned volatile today as the NCDEX November futures contract continued with decline in prices in the early trading hours of the day thereafter the prices recovered on short covering. The contract started firm at Rs. 2212 and then declined to the low of Rs. 2190. The prices reached to the high of Rs. 2255 and then settled in green at Rs. 2240. Volume numbers increased to 16330 MT as against previous days 10250 MT of turmeric.

PRICE DRIVERS:

Bearish:

1. Comfortable stock position
2. Low demand
3. Good Crop condition

Bullish:

1. Demand expected to improve from markets of North India

Weather:

Rain/thundershowers are likely at many places Tamil Nadu, South Coastal Andhra Pradesh and at a few places over North Coastal Andhra Pradesh and Rayalseema & isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. Increase in rainfall activity over the region from 27th onwards. Crop is in rhizome forming stage; heavy rains in turmeric growing belts are not desirable for the turmeric crop at this stage.

TECHNICALS

Candlesticks are indicating indecision in the market. 9- EMA is indicating bearishness in the market. MACD is favoring bears and stochastic is bullish in oversold territory. Volumes traded and open interest both increased during the day. Prices are most likely to continue to recover.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	2190	2144	2289	2345

TRADE RECOMMENDATION:

Buy above 2238 with a target of Rs. 2270 and then 2290 with a strict stop loss at Rs. 2214. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	2300-2350	2000
	Gattah	2200-2300	

BLACK PEPPER

SPOT MARKETS

Kochi market for black pepper witnessed no change in prices of Black pepper on similar demand supply balance. According to sources the demand for black pepper is likely to recover from retail end and also international buyers might come up with buying at reduced prices. However sellers are still waiting for the prices increase. The market saw arrivals of 10 MT of pepper and the outflow was of similar quantity. India's pepper crop is expected to arrive in the markets by end of November. The market is likely to see slight recovery in prices for a few days.

FUTURES MARKETS:

Pepper continued to trade volatile and the prices failed to find any particular direction. Pepper November delivery on the NCDEX started weak initially and thereafter recovered slightly on unconfirmed reports of withdrawal of additional margin of 4 percent on long positions for February month pepper. The contract started low at Rs. 12425 as against previous day's close of Rs. 12446 a quintal. The prices dropped down to the low of Rs. 12337 and thereafter recovered to Rs. 12569 a quintal and settled in green at Rs. 12504. The volumes traded during the day decreased to 5818 MT of pepper.

PRICE DRIVERS:

Bullish:

1. Low stocks with competitors
2. World supply crunch
3. Increased demand
4. Stockists seem unwilling to sell at reduced prices

Bearish:

1. Indian crop expected in November

Weather:

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, Tamil Nadu & Pondicherry, Kerala, South Coastal Andhra Pradesh and Lakshadweep; at a few places over North Coastal Andhra Pradesh and Rayalseema & isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. Increase in rainfall activity over the region from 27th onwards. Weather is not much concerning for the maturing pepper crop.

TECHNICALS

Candlesticks are indicating indecision in the market. The prices closed below 9-day EMA showing bearish sentiments in the market. Stochastic is bullish in the neutral region and MACD is rising in negative zone. Volume numbers and open interest both declined during the session. The prices are most likely to be volatile with possibility of some firmness in the early trading hours.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	12247	11998	12738	13024

TRADE RECOMMENDATION:

Buy above Rs. 12500 with a target at Rs.12605 and then 12730 with a strict stop loss at Rs.12418. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Tonnes)
Kochi	Garbled	12100	10
	Ungarbled	11500	

RED CHILLIES

SPOT MARKETS

Guntur market for Red chillies remained closed today due to festival in the area. The prices are rising these days on better demand for the commodity particularly from export front. The market has sufficient stocks of chillies. Bangladesh is buying chillies and fresh orders are expected from foreign markets in coming days. The domestic demand for chillies is also expected to improve in the near future. However market still has confusion and fears regarding quality of chillies with the exchange. Trading sources are expecting domestic demand to increase after Diwali. The new crop is delayed and is expected to arrive by the month of February. The prices are likely to remain slightly firm for a few days.

FUTURES MARKETS:

Chilli prices continued to trade at higher levels as the November delivery futures contract opened slightly up at Rs. 5335 and ended firm at Rs. 5352 a quintal. The prices surged to the high of Rs. 5395 and the volumes traded during the day decreased to 4700 MT as against previous sessions 8425 MT of chillies.

PRICE DRIVERS:

Bullish:

1. Depleting stocks
2. Delayed Crop
3. Increasing export and domestic demand

Bearish:

1. Concerns of availability of inferior quality stock from exchange
2. Forthcoming crop is expected good due to higher acreage

Weather:

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, Tamil Nadu & Pondicherry, Kerala, South Coastal Andhra Pradesh and Lakshadweep; at a few places over North Coastal Andhra Pradesh and Rayalseema & isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. Increase in rainfall activity over the region from 27th onwards. The sources informed rain fed chilli crop requires water at this stage however prolonged rains at this stage might delay the maturity of crop.

TECHNICALS

Candlesticks are reflecting indecision in the market. Stochastic is bullish in neutral region. MACD is rising in negative territory and is likely to make a bullish crossover with its signal line. Prices closed below 9-EMA reflecting presence of bearish sentiments in the market. However other shorter duration EMA's are indicating bullishness in prices. Volume nos. and open interest both declined. Prices are most likely to remain volatile with bullish bias.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	5285	5203	5450	5525

TRADE RECOMMENDATION:

Buy above 5350 targeting 5415 and then 5450 with a strict stop loss at 5302. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality) Closed	-
	LCA 334 (Bilty) Closed	

JEERA (Cumin)

SPOT MARKETS

Unjha market for jeera remained closed. The prices in the last few days recovered slightly & then turned steady on almost similar demand supply scenario. According to sources sowing of jeera has been delayed this year due to unfavourable climatic conditions & is expected to begin in about a week's time. In addition to this, acreage is also expected to shrink in Gujarat on shifting preference of farmers towards other crops namely fennel, garlic & isabgol. Jeera crop is highly weather sensitive and high prices of these commodities are attracting the cultivators. Unjha market will reopen on 27th. Traders are expecting demand to improve on the reopening of the markets. Some fresh orders might be visible from Bangladesh. On the reopening Jeera prices might remain range bound and thereafter witness some strength.

FUTURES MARKETS:

Jeera prices shot up on speculative buying coupled with bullish calls from domestic spot markets. NCDEX November futures contract followed yesterday's rise in prices as the contract opened firm at Rs. 8788 and thereafter the prices jumped to breach the psychologically important level of 9000. The prices went up to the high of Rs. 9055 and settled in green at Rs. 9029 a quintal. Volumes traded during the session augmented to 19278 MT as against previous sessions 6264 MT of jeera.

PRICE DRIVERS:

Bullish:

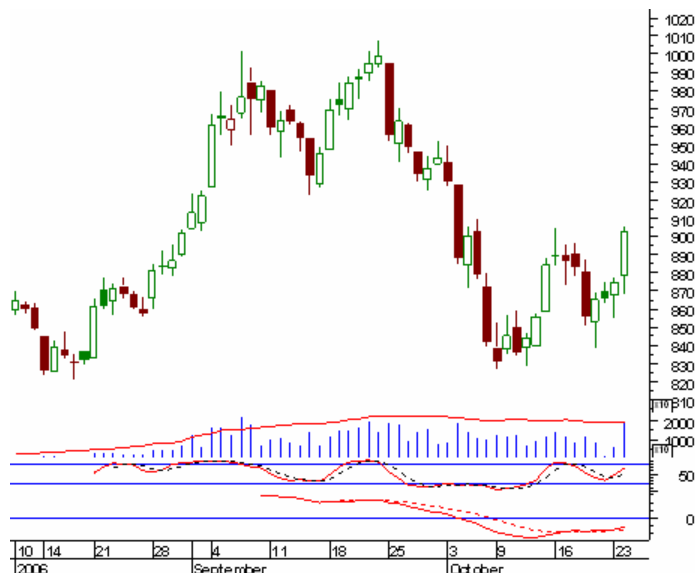
1. Unfavorable weather likely to delay sowing with possibility of reduced acreage.
2. Expectation of improved domestic and export demand.
3. Unjha market Closed in celebration of festivals

Bearish: 1. Comfortable stock

Weather: Mainly dry weather is likely over the region. Dry & hot Climate is not suitable for sowing of jeera at present. This is delaying sowing of the forth-coming crop. Rains at this stage might help in sowing.

TECHNICALS

Candle sticks are reflecting bullish sentiments in the market. Stochastic is bullish in neutral region. MACD has turned bullish in negative zone. Prices closed above 9-EMA indicating bullish sentiments prevailing in the market. The prices are most likely to remain bullish.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	8877	8690	9224	9405

TRADE RECOMMENDATION:

Buy above 9018 with a target of Rs. 9130 and then 9225 with a strict stop loss of 8934. Trade cautiously with intra day outlook.

Centers	Prices/20 Kgs.		Arrivals (Bags) 1 bag = 55 to 60 Kgs.
Unjha	F.A.Q	Closed	-
	Ganesh	Closed	
	Machine Cleaned	Closed	

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