



Commodities Daily

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SPICES DAILY

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TURMERIC

SPOT MARKETS:

Turmeric prices declined in most of the major markets due to reduced demand for the commodity and similar arrivals in the market. Erode market saw less off take of about 75 percent of the inflow. Nizamabad market remained closed in celebration of festivals and will reopen on Monday. Traders are expecting slight demand after Diwali however on stockists selling the prices might not remain firm. Further, rains at good intervals are benefiting the crop, which is in rhizome forming stage. Comfortable stock position in Nizamabad and Erode markets and lack lustre trade might continue to pressurise the prices. The prices might remain steady to slightly weak for a few days.

FUTURES MARKETS:

Turmeric prices on the NCDEX remained bearish taking cues from bearish sentiments prevailing in domestic spot markets. November Turmeric contract started the session with Rs. 2345 a quintal. The contract failed to see any rise in prices during the day and dropped down to Rs. 2270 a quintal to make a fresh low breaking the earlier low of Rs. 2320. The volumes traded during the session increased to 17810 MT as against 16860 MT.

PRICE DRIVERS:

Bearish:

1. Comfortable stock position
2. Low Export demand
3. Reduced domestic demand
4. Good Crop condition

Bullish:

1. Nizamabad market closed

Weather:

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

TECHNICALS

Turmeric charts are showing bearish sentiments in the market. 9-EMA is indicating bearishness in the market. MACD are favoring bears at the stage and stochastic is bearish in neutral region. Prices are most likely to witness some tentativeness at lower levels.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	2255	2211	2360	2398

TRADE RECOMMENDATION:

Sell below 2306 with a target of Rs. 2278 and then 2255 with a strict stop loss at Rs. 2325. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	2300-2350	3500
	Gattah	2250-2300	

BLACK PEPPER

SPOT MARKETS

Black pepper prices in Kochi market remained steady today. The market saw reduced arrivals of 7 MT and off take was of similar quantity. The market is indecisive as international buyers are waiting for the prices to decline further. The sellers are also not coming forward with their pepper at reduced prices. The market had rumors of Vietnam offering white pepper at lower prices and becoming an avenue for lower priced black pepper. As the competitors particularly Vietnam and Indonesia have low stocks of pepper. According to the sources there are unconfirmed reports of Eastern Europe buying from Ecuador. India's pepper crop is expected to arrive in the markets by next month. Vietnam crop is expected to arrive by February month next year thus India might enjoy its status of sole supplier of pepper. The demand from retail end is low due to festive season. The market is likely to volatile price movements until the export demand picks up.

FUTURES MARKETS:

Pepper prices remained bearish following yesterdays losses. The market is in the grip of indecision these days and prices are moving range bound on market uncertainties. NCDEX Pepper November delivery contract traded in red today as the contract opened low at Rs. 12547 thereafter the prices tried to recover but managed to touch the price level of Rs. 12670. The prices then declined lowest to Rs. 12291 a quintal and ended bearish at Rs. 12450 a quintal. The volumes traded during the day declined to 10845 MT of pepper.

PRICE DRIVERS:

Bullish:

1. Rumors of Vietnam offering black pepper at lower prices.
2. Low stocks with competitors

Bearish:

1. Indian crop expected in November
2. Unconfirmed reports of Brazil selling at slightly reduced prices
3. Low domestic demand

Weather:

Rain/thundershowers are likely at a few places over Tamil Nadu & Pondicherry, Kerala and Coastal Andhra Pradesh and isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. Weather is not much concerning for the maturing pepper crop.

TECHNICALS

Pepper charts are showing indecision in the market. Prices closed below 9-day and 18-day EMA shows the bearish trend has still not reversed. Stochastic has made a bearish crossover in the neutral region and MACD is still falling down. Volume nos. and open interest both decreased. The prices are most likely to show some volatility with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	12136	11868	12720	13033

TRADE RECOMMENDATION:

Sell below Rs. 12478 with a target at Rs.12342 and then 12170 with a strict stop loss at Rs.12584. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.	Arrivals (Tonnes)
Kochi	Garbled 12100	7
	Ungarbled 11500	

RED CHILLIES

SPOT MARKETS

Red chilli prices in Guntur market increased today on better demand and slightly reduced arrivals. Trading sources revealed some buying from international markets is being witnessed these days particularly from Bangladesh. The domestic demand for chillies is expected to recover after Diwali. The market has a stock of around 14 - 15 lakh bags of chillies that is expected to decline once the demand picks up pace. However trading sources still fear about quality of chilli offered by the exchange which might not let the prices to recover. The crop is delayed and likely to hit the market in February. This might bring some more bullishness in the prices, further sources informed rain fed chilli crop requires some rains at this stage. The prices are likely to remain range bound for a few days.

FUTURES MARKETS:

Chilli prices on the NCDEX futures market remained bearish today following its earlier weakness. However improving demand in domestic spot markets failed to keep prices at lower levels and the trading ended with indecision. November contract of Chilli opened the session on a firm note at Rs 5419 and thereafter the prices declined to Rs. 5374. The trading for the day ended in red with indecision. The volumes traded during the day declined further to 10150 MT of chillies.

PRICE DRIVERS:

Bullish:

1. Depleting stocks
2. Delayed Crop
3. Improved Export demand
4. expectation of increase in domestic demand

Bearish:

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

Weather:

Rain/thundershowers are likely at a few places over Tamil Nadu & Pondicherry, Kerala and Coastal Andhra Pradesh and isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. Prolonged rains at this stage might delay the maturity of crop.

TECHNICALS

Chilli charts are reflecting indecision in the market. Stochastic is in favor of bears as it has made a bearish crossover. MACD is in negative territory showing bearish momentum. 8-EMA reflecting presence of bearish sentiments in the market. Volumes traded and open interest both decreased. Prices are likely to show volatility with bearish bias.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	5294	5215	5452	5584

TRADE RECOMMENDATION:

Sell below 5376 targeting 5318 and then 5290 with a strict stop loss at 5420. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality) 5200-5700	10000
	LCA 334 (Bilty) -	

JEERA (Cumin)

SPOT MARKETS

Jeera prices in Unjha market continued to trade at their earlier levels on almost similar supply demand scenario. The demand was higher than supply resulting in off take of about 4000 - 5000 bags. The market has some demand from export front and the domestic demand is likely to improve after Diwali. Further, Jeera sowing is feared to be delayed this year due to unfavourable climatic conditions for sowing. In addition to this, acreage is also expected to shrink on shifting preference of farmers for the other crops namely garlic and isabgol. Jeera prices might remain range bound and thereafter witness some strength in the coming days.

FUTURES MARKETS:

Jeera on the NCDEX November futures contract continued to trade indecisive due to change in contract specification for jeera. The contract started slightly firm at Rs. 8900 a quintal and thereafter the prices hovered between Rs. 8780-8960 a quintal. The trading for the day settled in red showing continued indecision in the market. The closing price was of Rs. 8832.90 a quintal. Volumes traded are thin these days and today declined to 8982 MT of jeera.

PRICE DRIVERS:

Bullish:

1. Unfavorable weather is likely to delay sowing.
2. Improving domestic demand.
3. Slight Export demand

Bearish:

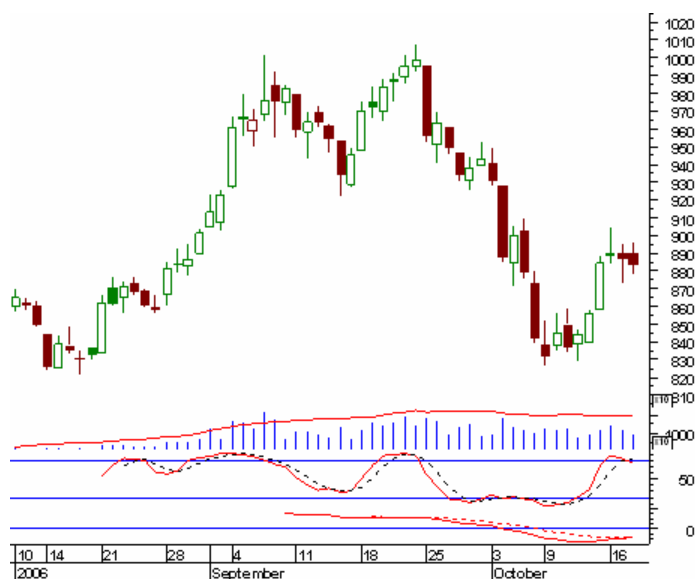
1. Change in contract specification

Weather:

Weather will be mainly dry over most of the jeera growing regions. Dry and hot Climate is not suitable for sowing of jeera crop at present. This is delaying sowing of the forth-coming crop.

TECHNICALS

Jeera prices are moving range bound these days. Candle sticks are indicating indecision in the market. MACD has made a bullish crossover with its signal line indicating possibility of strength in the market. However oscillators are reflecting bearishness. Volumes traded and open interest both declined. The prices are most likely to remain volatile.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	8730	8616	8953	9032

TRADE RECOMMENDATION:

Sell below 8845 with a target of Rs. 8764 and then 8692 with a strict stop loss of 8908. Trade cautiously with intra day outlook.

Centers	Prices/20 Kgs.	Arrivals (Bags) 1 bag = 55 to 60 Kgs.
Unjha	F.A.Q	1720 -1820
	Ganesh	1800 - 1820
	Machine Cleaned	1740- 1940
		1500

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