



Commodities Daily

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SPICES DAILY

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TURMERIC

SPOT MARKETS:

Turmeric prices in Erode market continued to decline today on low demand for the commodity. The market saw increased arrivals and low demand for turmeric resulted in reduced off take of around 60 percent. Erode market will remain closed in celebration of various festivals from 20th to 24th. Nizamabad market remained closed in celebration of festivals and will reopen on Monday. Traders are expecting demand to come up after Diwali at increased prices stockists might enter and push the prices down again. The markets have good stock of turmeric that is enough to fulfill demand. The prices might remain steady for a few days.

FUTURES MARKETS:

Turmeric prices in the November contract on the NCDEX remained indecisive. The contract opened low at Rs. 2292 a quintal and thereafter the prices hovered between Rs. 2273 - 2315. The trading for the day settled with complete indecision at 2291 that was Re 1 less than the days opening. The volumes traded during the session declined to 9590 MT as against 17810 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 many places over Tamil Nadu & Pondicherry; at a few places over Coastal Andhra Pradesh, Rayalaseema and Kerala 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. Candlesticks are indicating indecision in the market. 9- EMA is indicating bearishness in the market. MACD are favoring bears at the stage and stochastic is bearish in oversold region. Prices are most likely to witness some tentativeness at lower levels.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	2264	2244	2323	2357

TRADE RECOMMENDATION:

Sell below 2292 with a target of Rs. 2275 and then 2264 with a strict stop loss at Rs. 2305. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	2250-2300	4000
	Gattah	2250	

BLACK PEPPER

SPOT MARKETS

Black pepper prices in Kochi market for MG1 grade declined today on increased arrivals in the market. The market is still under the clouds of uncertainty as the international buyers seem to be waiting for the prices to fall further. The market saw arrivals of around 25 MT of pepper and off take was of similar quantity. Vietnam and Indonesia have low stocks of pepper. India's pepper crop is expected to arrive in the markets by next month. The demand from retail end is low due to festive season. The market is likely to see volatile price movements until the export demand pick up.

FUTURES MARKETS:

Pepper prices continued with bearish sentiments extending yesterday's losses. NCDEX Pepper November delivery contract traded volatile initially and thereafter ended bearish. The contract opened low at Rs. 12430 as against Wednesday's close of Rs. 12453 and thereafter the prices declined lowest to 12175. Trading for the day settled in red at Rs. 12230 a quintal. The volumes traded during the day increased to 12767 MT as against yesterday's 10845 MT.

PRICE DRIVERS:

Bullish:

1. Low stocks with competitors
2. World supply crunch

Bearish:

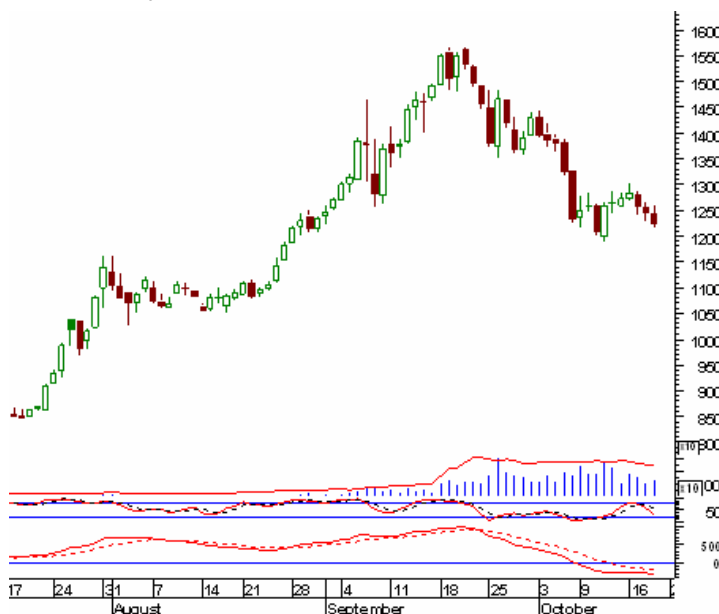
1. Indian crop expected in November
2. Unconfirmed reports of Brazil selling at slightly reduced prices
3. Low domestic demand

Weather:

Rain/thundershowers are likely at many places over Tamil Nadu & Pondicherry; at a few places over Coastal Andhra Pradesh, Rayalaseema and Kerala 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

Candlesticks are indicating bearish sentiments in the market. the prices closed below 9-day and 18-day EMA showing bearishness in the market. Stochastic is bearish in the neutral region and MACD is still falling in negative zone. The prices are most likely to show some volatility with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	11912	11603	12456	12729

TRADE RECOMMENDATION:

Sell below Rs. 12260 with a target at Rs.12080 and then 11912 with a strict stop loss at Rs.12395. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.	Arrivals (Tonnes)
Kochi	Garbled 12000	25
	Ungarbled 11600	

RED CHILLIES

SPOT MARKETS

Red chilli prices in Guntur market continued to increase on reduced arrivals and improved demand for the commodity in the market. The arrival declined by 40-50 percent as against yesterday due to festivals and the off take was nearly equal to the inflow. International buyers particularly from Bangladesh are showing interest in chillies these days. Trading sources are expecting domestic demand to increase after Diwali. 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. The prices are likely to remain range bound to slightly firm for a few days.

FUTURES MARKETS:

Chilli on the NCDEX futures market continued to trade at reduced prices despite bullish calls from the spot markets. Chilli November contract started slightly firm at Rs.5384 and thereafter the prices declined lowest to Rs. 5313. The trading for the session settled on a weaker note in red at Rs 5342. The volumes traded during the day declined further to 6355 MT of chillies as against Wednesdays 10150 MT.

PRICE DRIVERS:

Bullish:

1. Depleting stocks
2. Delayed Crop
3. Improving demand
4. Expectation of increase in domestic demand
5. Reducing arrivals

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 many places over Tamil Nadu & Pondicherry; at a few places over Coastal Andhra Pradesh, Rayalaseema and Kerala and isolated over the rest region outside North Interior Karnataka and Telangana where weather will be mainly dry. 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

Chilli charts are reflecting indecision in the market. Stochastic is declining in neutral region. MACD is also in support of bears as its falling in negative territory. Prices closed below 9-EMA reflecting presence of bearish sentiments in the market. Volumes traded and open interest both decreased. Prices are likely to show volatility with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	5286	5209	5404	5480

TRADE RECOMMENDATION:

Sell below 5345 targeting 5290 and then 5240 with a strict stop loss at 5386. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality)	5000-7000
	LCA 334 (Bilty)	

JEERA (Cumin)

SPOT MARKETS

Unjha market for jeera remained closed today in celebration of festivals in the area. The prices for the last few days remained steady on almost similar supply demand scenario. The demand for the commodity during this time was higher than supply resulting in off take of about 3 - 4 times of the arrivals. The market saw demand from export front and the trading sources are expecting improvement in domestic demand after festivals. 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. Unjha market will reopen on 27th. On the reopening Jeera prices might remain range bound and thereafter witness some strength.

FUTURES MARKETS:

Jeera prices on the NCDEX November futures contract witnessed a steep fall in prices on speculative selling despite the fact that spot market remained closed. The contract started in a bearish mood at Rs. 8808 a quintal and thereafter dropped down sharply to touch the level of Rs. 8505. The trading for the day ended bearish in red at Rs. 8561 a quintal. Volumes traded increased to 12012 MT as against Wednesdays 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
2. Comfortable stock

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

Candle sticks are reflecting bearish sentiments in the market. Stochastic is indicating prices might decline further as its is declining in neutral region. MACD is likely to make a bearish crossover. The prices are most likely to remain volatile with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	8453	8393	8688	8815

TRADE RECOMMENDATION:

Sell below 8575 with a target of Rs. 8472 and then 8430 with a strict stop loss of 8654. 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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