



Commodities Daily

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SPICES DAILY

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TURMERIC

SPOT MARKETS:

Most of the turmeric markets remained closed due to festivals in the area. The demand for turmeric was low from domestic markets and no export demand was visible. Arrivals in Erode market increased day by day and low demand for the commodity further pushed down the prices. Erode market will remain closed in celebration of various festivals from 20th to 24th. Nizamabad market will reopen on Monday. Traders are expecting demand to come up after Diwali and 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 recover initially and then decline for a few days.

FUTURES MARKETS:

Turmeric prices in the November futures contract on the NCDEX traded firm on short covering. The contract started low at Rs. 2283 a quintal and thereafter the prices increased up to the high of Rs. 2324 a quintal. The days trading settled firm in green at Rs. 2324. However the volume numbers continued to decline and reduced to 9220 MT as against Thursdays 9590 MT of turmeric.

PRICE DRIVERS:

Bearish:

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

Bullish:

1. Spot Markets closed
2. Demand expected to improve on reopening

Weather:

Rain/thundershowers are likely at a few places over Tamil Nadu & Pondicherry, Kerala and Lakshadweep 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 slight recovery in prices. Candlesticks are indicating slightly bullish sentiments in the market. 9- EMA is indicating bearishness in the market. MACD are favoring bears at the stage and stochastic is likely to make a bullish crossover in oversold territory. Prices are most likely to recover after bullish confirmation.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	2270	2244	2361	2400

TRADE RECOMMENDATION:

Buy above 2305 with a target of Rs. 2345 and then 2362 with a strict stop loss at Rs. 2276. 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

Black pepper prices in Kochi market remained steady for internationally acceptable MG1 grade. However the prices for ungarbled grade declined today. The domestic demand for pepper is low particularly from retail end. There are unconfirmed reports of possibility of selling by the Kerala Marketfed. The international buyers are still waiting for the prices to decline but sellers are holding back thus creating indecision in the market. Brazil recently increased price of its pepper thus improving the chances of Indian exports. The market saw no fresh arrivals and the off take was of 30 MT of pepper. India's pepper crop is expected to arrive in the markets by next month. The market is likely to see volatile price movements until the export demand pick up.

FUTURES MARKETS:

Pepper prices traded volatile due to indecision in the market. Pepper prices on the November delivery futures contract started the day on a positive note at Rs. 20 up against previous day's close of Rs. 11230. The contract opened firm at Rs. 12250 and thereafter the prices declined lowest to 12000 but could not stick to lower levels and improved to settle at Rs. 12411. The volumes traded during the day decreased to 10408 MT as against yesterday's 12767 MT.

PRICE DRIVERS:

Bullish:

1. Low stocks with competitors
2. Brazil increases price of its pepper
3. World supply crunch

Bearish:

1. Indian crop expected in November
2. Low domestic demand

Weather:

Rain/thundershowers are likely at a few places over Tamil Nadu & Pondicherry, Kerala and Lakshadweep 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 indecision 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 has turned flat in negative zone. The volumes traded and open interest declined during the session. The prices are most likely to be volatile with possibility of slight firmness.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	12151	11628	12614	13070

TRADE RECOMMENDATION:

Buy above Rs. 12445 with a target at Rs.12615 and then 12730 with a strict stop loss at Rs.12316. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Tonnes)
Kochi	Garbled	12000	Nil
	Ungarbled	11400	

RED CHILLIES

SPOT MARKETS

Red chilli trading in Guntur market lacked luster today as the market witnessed thin arrivals due to celebration of festivals in the area. The off take was also low and the prices remained at their previous levels. Trading source informed due to security reasons the borders have been sealed and some fresh demand might be visible from next week onwards. International markets particularly Bangladesh bought chillies during the week helping the prices to recover moderately. Trading sources are expecting demand to increase after Diwali. However market still has fear about quality of chilli offered by the exchange that is not letting the prices to recover. The crop is delayed and likely to hit the market in the month of February. The prices are likely to remain range bound for a few days with possibility of some recovery on improvement in demand.

FUTURES MARKETS:

Chilli prices continued with its southward journey on quality concerns coupled with speculative selling. The prices declined on the NCDEX November futures market as the contract started firm at Rs. 5373 and thereafter dropped down to the lows of Rs. 5192. The trading for the session ended bearish to settle in red at Rs 5268. The volumes traded during the day nearly doubled to 11320 MT of chillies as against yesterday.

PRICE DRIVERS:

Bullish:

1. Depleting stocks
2. Delayed Crop
3. Improving demand
4. Expectation of increase in domestic demand
5. Low 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 a few places over Tamil Nadu & Pondicherry, Kerala and Lakshadweep 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 bearish sentiments in the market. Stochastic is falling in oversold region. MACD is in support of bears as it is declining in negative territory. Prices closed below 9-EMA reflecting presence of bearish sentiments in the market. Volumes traded during the day and open interest both increased. Prices are most likely to be bearish.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	5175	5096	5384	5452

TRADE RECOMMENDATION:

Sell below 5288 targeting 5215 and then 5155 with a strict stop loss at 5344. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality)	2000-2500
	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 demand supply scenario. The market had high demand as the arrivals were of around 3-4 times the inflow. 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 fennel, garlic and isabgol. Jeera crop is highly weather sensitive and high prices of these commodities are attracting the cultivators. 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 volatile movements as the contract started low at Rs.8530 a quintal and traded in red till afternoon. The prices recovered in the later trading hours on some short covering. The prices improved from the day's low of Rs. 8387 to the high of Rs. 8691 and settled in green at Rs. 8654. Volumes traded declined to 9135 as against Thursdays 12012 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:

Rain/thundershowers are likely at a few places over north Rajasthan and isolated over south Rajasthan. Mainly dry weather is likely over the rest region. The rainfall activity over Rajasthan is likely to cease from tomorrow. Dry and hot Climate is not suitable for sowing of jeera crop at present. This is delaying sowing of the forthcoming crop. Rains at this stage might help in sowing. .

TECHNICALS

Candle sticks are reflecting bullish sentiments in the market. Stochastic is declining in neutral region. MACD is flat in negative zone. Volume numbers and open interest both declined. Prices closed above 9-EMA indicating bearish sentiments in the market. The prices are most likely to remain volatile with bullish bias.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	8562	8453	8797	8899

TRADE RECOMMENDATION:

Buy above 8660 with a target of Rs. 8760 and then 8835 with a strict stop loss of 8588. 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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