

SPICES DAILY

November 29, 2006

TURMERIC

SPOT MARKETS:

Turmeric traded with on an average bearish sentiment during Tuesday's trade. It was offered at a lower price in Erode amidst higher arrivals and weak demand. Prices also remain weak in Nizamabad amidst lack of any major demand. Acreage under turmeric in Tamil Nadu has increased during this year. However, the new crop arrivals are only likely during late January. With comfortable stock position in the market, prices are unlikely to witness any major changes in the near future. However, prices may witness some weakness on lower demand at present.

FUTURES MARKETS:

Turmeric futures at NCDEX opened steady as compared to previous settlement and most-active December contract tested an intraday high of Rs. 2058 at the early hours of trade. The futures traded mostly downwards thereafter on increased selling interest and tested an intraday low of Rs. 2022. The futures settled in negative territory in final action. December contract traded in the range of Rs. 2022-2058 during Tuesday's trade.

PRICE DRIVERS:

Bearish:

1. Comfortable stock of turmeric in the market
2. New crop to arrive only during late January
3. Weather suitable for growth of turmeric crop

Bullish:

1. Improved demand at the lower price tags
2. Demand expected to improve from North India owing to winter season

Weather:

Isolated rain/thundershowers are likely at few places over the turmeric producing region. Heavy incessant rains in turmeric growing belts are not desirable for the crop at this stage.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Stochastic are moving in the normal region, hinting further downtrend. MACD is moving slightly downwards in the negative territory. Prices closed below the 9-day as well as 18-day EMA, hinting weak prices in short-term. Volume as well as open interest has increased. Turmeric futures are likely to trade downward following a steady to weak opening with possibility of upward movement later.

Turmeric 0612(NCTMCZ6)2006/11/28 - Daily

O 2048.00 H 2053.00 L 2022.00 C 2032.00 V 12,350 I 35,090 -16

EMA(9) 2052.8 (18) 2067.4



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX December	1978	2000	2032	2066	2092

TRADE RECOMMENDATION:

Sell near Rs. 2040 with a target of Rs. 2020 and then Rs. 2010 with a strict stop loss at Rs. 2055. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.	Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger 2100	500
	Gattah 2000	
Erode	Finger 2175-2225	4000
	Gattah 2125-2175	

BLACK PEPPER

SPOT MARKETS

Black pepper traded with a stable sentiment in Kochi market on Tuesday. It was quoted unchanged amidst arrivals of 5 Mt, while offtake was reported at 15 Mt, signifying improvement in demand scenario. Domestic pepper crop has delayed this season and likely to hit the market even beyond the earlier expected late December to early January. Domestic production is expected to fall by around 30 percent in this season. Meanwhile, pepper export has increased by 54 percent to 13825 tonne during April-Oct of current financial year. Pepper prices are likely to improve in the near future owing to its strong fundamentals.

FUTURES MARKETS:

Black pepper futures at NCDEX opened higher than previous settlement and the most-active December contract tested an intraday high of Rs. 11650 at the early hours of trade. However, profit taking capped further advances and the futures traded downwards thereafter on increased selling interest to test an intraday low of Rs. 11426. Most active December contract traded in the range of Rs. 11426-11650 during Tuesday's trade.

PRICE DRIVERS:

Bullish:

1. Pepper export has increased by 54 percent during April-October 2006-07
2. Indian pepper remains competitive in international market
3. Low stocks with competitors, lower global production
4. Total quantum of import of pepper under Indo-Sri Lanka Free Trade Agreement is restricted to 2500 Mt per annum

Bearish:

1. New crop arrivals likely during end-December to mid January
2. Lower demand at the higher price levels

Weather:

Isolated rain/thundershowers are likely at few places over the pepper-growing regions. Rains might delay plucking of maturing pepper crop.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Stochastic is moving slightly upwards in the normal region. MACD is moving upwards in the positive territory. Prices closed above the 9-day as well as 18-day EMA, hinting firm prices in short-term. Volume has declined, while open interest remained higher as compared to previous settlement. Black pepper futures are likely to trade moderately downwards following a steady to weak opening initially and upward thereafter.

Pepper 0612(NCPEPZ6)2006/11/28 - Daily

O 11625.00 H 11650.00 L 11428.00 C 11481.00 V 12,422 110,886 -85

EMA(9) 11208 (18) 11146



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX December	11060	11274	11481	11987	12224

TRADE RECOMMENDATION:

Sell near Rs. 11480-11500 with a target at Rs. 11450 and then Rs. 11400 with a strict stop loss at Rs.11550. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.		Arrivals (Tonnes)
Kochi	Garbled	11100	5
	Ungarbled	10500	

RED CHILLIES

SPOT MARKETS

Red chillies witnessed a firm sentiment in Guntur market during Tuesday's trade. It was offered at a higher price range owing to improved demand. Domestic demand for chillies is expected to improve in near future. Red chilli crop is delayed and is expected to arrive only in the month of February next year. Production of red chillies during this year is expected at the higher side. India has exported 66250 tonne of chilli during April-Oct 2006-07 as compared to 70540 tonne during the same period last year. However, in value terms it has increased to Rs. 327 crore from Rs. 237.44 crore. Red chillies prices are likely to improve in the coming days owing to its favourable fundamentals.

FUTURES MARKETS:

Chilli futures at the NCDEX opened higher than previous settlement and most-active December contract tested an intraday high of Rs. 6609 at the early hours of trade. Profit taking capped further advances and the futures traded downwards thereafter to test an intraday low of Rs. 6506. However, the futures managed to finish in the positive territory in late action. December contract traded in the range of Rs. 6506-6609 during Tuesday's trade.

PRICE DRIVERS:

Bullish:

1. Delayed crop to arrive only during February
2. Higher demand for better quality of red chillies

Bearish:

1. Lower demand at the higher price levels
2. Forthcoming crop is expected good due to higher acreage

Weather:

Isolated rain/thundershowers are likely at few places over the chilli growing regions. Prolonged rains at this stage might delay the maturity of crop as well as harvesting.

TECHNICALS

Candlesticks pattern indicates steady opening and further uptrend. Stochastic are moving flat in the overbought region, hinting indecision. MACD is moving flat in the positive territory. Prices closed far above 9-day as well as 18-day EMA, supporting the firm prices. Volume as well as open interest has increased as compared to previous settlement. Red chillies futures are likely to trade upwards following a steady opening with possibility of late downward movement.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX December	6386	6461	6570	6687	6774

TRADE RECOMMENDATION:

Buy near Rs. 6525-6550 targeting Rs. 6600 and then Rs. 6625 with a strict stop loss at Rs. 6475. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality) 6600-7400	25000
	LCA 334 (Bilty) 7600-8000	

JEERA (Cumin)

SPOT MARKETS

Jeera remains steady in Unjha markets amidst no major developments. Arrivals were reported to be lower as compared to previous day, while offtake was also lower. Sowing of jeera is going on in Gujarat and traders are eyeing details of sowing report for future trend in jeera market. Preliminary reports suggest decline in acreage under jeera in Gujarat. However, acreage may increase in Rajasthan. Cumin export has registered a 254 percent increase in quantity at 18500 tonne during April-Oct 2006-07 as compared to 5223 tonne during the same period last year. In value terms it has increased 239 percent to Rs. 136.80 crore from Rs. 40.32 crore. Jeera prices are likely to improve in the near future.

FUTURES MARKETS:

Jeera futures at the NCDEX opened lower than previous settlement and traded mostly downwards thereafter. Most-active December contract tested an intraday low of Rs. 8431 during mid-session. However, the futures surged up during the end hours on increased speculative buying and tested an intraday high of Rs. 8644 to finish with gains. December contract traded in the range of Rs. 8431-8644 during Tuesday's trade.

PRICE DRIVERS:

Bullish:

1. Anticipation of lower acreage in Gujarat
2. Cumin export has increased by 254 percent during April-October 2006-07
3. Improving domestic demand at the lower price tags

Bearish:

1. Sowing of jeera begins in the country
2. Comfortable stock position

Weather:

Mainly dry weather is likely over the jeera producing region. Climate is suitable for sowing of jeera crop, which is in progress in Gujarat.

TECHNICALS

Candlestick pattern is indicating steady to firm opening and initial uptrend. Stochastic has made a bearish crossover and moving downwards in the normal region, hinting further downtrend. MACD is moving flat in the positive territory. Prices closed above 9-day as well as 18-day EMA, hinting firm prices. Volume has declined, while open interest has increased. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of late downward movement.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX December	8275	8405	8604	8783	8881

TRADE RECOMMENDATION:

Buy near Rs. 8575-8600 with a target of Rs. 8650 and then Rs. 8675 with a strict stop loss of Rs. 8525. Trade cautiously with intra day outlook.

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

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.