



Commodities Daily

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SPICES DAILY

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TURMERIC

SPOT MARKETS:

Turmeric prices continued to decline in Erode market. The prices declined on low demand for the commodity particularly from the markets of North India. However trading sources are expecting slight improvement in demand for the commodity at lower prices. The prices are declining as the new crop is expected in January and the markets have hefty stock. The new crop is expected to be good as the cultivators in Tamil Nadu increased acreage this year. Weather is favourable for the growth of crop and recent rains proved beneficial for the crop. Nizamabad market remained closed due to Andhra Farmers day. The prices might get some ground at current levels if demand comes in but thereafter continue to decline.

FUTURES MARKETS:

Turmeric trading on the NCDEX continued on a bearish stride. The prices of turmeric on the NCDEX November futures contract opened the day on a weaker note at Rs 2015 and then traded mostly bearish and dropped down to create a fresh low of Rs 1981 a quintal. The trading for the day culminated in red at Rs 1988 per quintal. The volumes traded during the session increased to 12820 MT as against Monday's 11100 MT of turmeric.

PRICE DRIVERS:

Bearish:

1. Hefty stock
2. Low demand
3. New crop to arrive in January
4. Weather suitable for growth of turmeric crop

Bullish:

1. Prices bottomed down might attract buyers
2. Consumption demand expected to improve from North India

Weather: Rain/thundershowers are likely over Coastal & South Interior Karnataka, at a few places over Tamil Nadu & isolated over rest region. Crop is in rhizome forming stage; heavy rains in turmeric growing belts are not desirable for turmeric crop at this stage.

TECHNICALS

Turmeric charts continue to show bearishness sentiments in the market. Close below 9-EMA is indicating bearishness in the market. MACD is falling steeply in negative zone in favor of bears. Stochastic has made a bearish crossover in oversold region but seems to have lost worth after making multiple crossovers in the oversold zone. The contract is most likely to witness bearish price movements.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	1954	1919	2028	2075

TRADE RECOMMENDATION:

Sell below 1988 with a target of Rs. 1970 and then 1935 with a strict stop loss at Rs. 2002. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Bags) one bag = 90 Kgs.
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	2175-2275	3000
	Gattah	2175-2225	

BLACK PEPPER

SPOT MARKETS

Black pepper prices in Kochi market declined due to lorry strike thus hampering exports. The market however has demand from international buyers as Indian pepper prices are lowest in international markets. According to the sources Indian pepper is being quoted at \$ 2600 and Brazil is quoting at higher prices. The market did not see any fresh arrivals in the market as sellers are unwilling to sell at current levels however off take was of 7 MT of pepper. Competitors do not have much to offer and are selling at higher prices than India. Moreover approaching harvesting season for pepper crop is building pressure on the prices. The crop is expected to delay as against earlier estimates due to rains and might arrive by mid December to January month. Domestic demand particularly from retail market is expected to improve slightly. The prices might recover slightly on optimal position in the world market thus attracting buying from international markets to cater its festive needs. However lorry strike if continues might hamper exports. The prices might later ease on fresh crop arrival pressure.

FUTURES MARKETS:

NCDEX November delivery futures contract traded bearish today on bearish cues from spot markets. The contract started the day low by Rs. 19 at Rs, 10770 thereafter the prices recovered up to the high of Rs. 10839 and then declined to Rs. 10440 a quintal. The volumes traded during the day decreased to 5893 MT of pepper.

PRICE DRIVERS:

Bullish:

1. Better Export prospects
2. Improved demand
3. Indian pepper quoting at lowest prices
4. Low stocks with competitors

Bearish:

1. Lorry strike
2. New crop harvesting in December

Weather:

Rain/thundershowers are likely at many places over Coastal & South Interior Karnataka, Kerala and Lakshadweep; at a few places over Tamil Nadu & Pondicherry and Nicobar Islands and isolated over the rest region. Rains might delay plucking of maturing pepper crop.

TECHNICALS

Candlesticks are indicating bearish sentiments in the market. The prices closed below 9-day EMA showing bearishness in the market. Stochastic has made a bullish crossover in the oversold region and MACD is running downwards in negative zone. The volumes traded and the open interest both declined. The prices are most likely to see volatile movements with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	10187	9885	10772	11170

TRADE RECOMMENDATION:

Sell below Rs. 10475 with a target at Rs.10250 and then 10150 with a strict stop loss at Rs.10648. Trade cautiously with intra day outlook.

Centers	Prices/Qtls.		Arrivals (Tonnes)
Kochi	Garbled	10900	Nil
	Ungarbled	10300	

RED CHILLIES

SPOT MARKETS

Red chillies in Guntur market continued to trade at steady prices. The market saw slightly reduced demand from domestic front particularly from the markets of North India. According to trading sources the market witnessed some fresh export orders. Bangladesh is the major buyer of Indian chillies these days. The market has a stock of around 15 lakh bags of chillies. The acreage for new crop has increased this year. Market still has confusion and fears regarding quality of chillies with the exchange. The new crop is delayed and is expected to arrive in February. Recent rains in the area have proved beneficial for the growth of crop that was in need of water at the current stage. The prices in the spot markets are likely to remain range bound for a few days.

FUTURES MARKETS:

Chilli prices declined following slight decrease in demand from domestic markets. NCDEX November Chilli futures started the session on a weaker note at Rs 4717 and thereafter tried to recover and went to the high of Rs. 4780 but failed to hold higher levels and dropped down to Rs. 4646. The trading for the day settled in red at Rs. 4666 per quintal. The volumes traded during the day decreased to 7690 MT as against previous sessions 10210 MT of Chilli.

PRICE DRIVERS:

Bullish:

1. Depleting stocks
2. Delayed Crop
3. Better export demand

Bearish:

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

Weather:

Rain/thundershowers are likely at many places over Coastal & South Interior Karnataka, Kerala and Lakshadweep; at a few places over Tamil Nadu & Pondicherry and Nicobar Islands and isolated over the rest region. The sources informed rain fed chilli crop that required water at this stage is growing well after recent splash of rains in the area. However prolonged rains at this stage might delay the maturity of crop.

TECHNICALS

Candlesticks are showing bearish sentiments in the market. Stochastic is bullish in neutral region. However, MACD is showing increasing bearish momentum. Prices closed below 9-EMA reflecting bearishness in the market. Volumes traded and open interest both declined. Prices are most likely to remain volatile with bearish inclination.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	4601	4481	4721	4846

TRADE RECOMMENDATION:

Sell below 4665 targeting 4602 and then 4582 with a strict stop loss at 4712. Trade cautiously with intra day outlook.

Centers	Prices/Qtl.	Arrivals (Bags) 1 bag = 40 to 45 Kgs.
Guntur	LCA 334 (loose) (NCDEX quality)	20000-25000
	LCA 334 (Bilty)	

JEERA (Cumin)

SPOT MARKETS

Jeera prices in Unjha market continued to improve on better demand for jeera from both domestic and international markets. The arrivals reduced by around 500 bags but the off take is high of around 4500-5000 bags of jeera. The exporters bought 500 - 1000 bags of jeera. According to trading sources the market has a stock of around 10 lakh bags of jeera. Sowing of jeera has started in Saurashtra and Rajkot and might take a months time to complete. Sowing of jeera in Rajasthan is expected to begin in a week or fortnights time. Traders are expecting slight fall in acreage in Gujarat and increase in Rajasthan. However there are some unconfirmed reports of Governments estimates of around 25 percent increased acreage under jeera this year when compared with last year. The Traders are expecting increase in demand in coming days. Jeera prices might remain range bound for a few days.

FUTURES MARKETS:

Jeera prices on the NCDEX remained indecisive. NCDEX November futures contract of jeera started the session low at Rs. 8600 as against Tuesdays close of Rs. 8631.20 and thereafter tried to recover but failed to sustain that level and declined lowest to Rs. 8555. The days trading ended in indecision and settled at Rs. 8600.70 that was near the days opening of Rs. 8600 a quintal. The Volumes traded during the session declined to 3612 MT as against previous sessions 5115 MT of jeera.

PRICE DRIVERS:

Bullish:

1. Confusion as to acreage of jeera.
2. Increasing export demand
3. Reducing arrivals

Bearish:

1. Sowing of jeera begins
2. Comfortable stock

Weather: Mainly dry weather is likely over the region. Climate is suitable for sowing of jeera crop which is in progress in Saurashtra and Rajkot.

TECHNICALS

Candle sticks are indicating indecision in the market. Stochastic has made a bullish crossover in neutral region. MACD has turned flat in negative zone. Prices closed below 9-EMA indicating bearish sentiments in the market. The prices are most likely to remain volatile with bearish bias.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX November	8507	8393	8691	8784

TRADE RECOMMENDATION:

Sell below 8600 with a target of Rs. 8530 and then 8485 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	1360-1460
	Ganesh	1590-1610
	Machine Cleaned	1610-1810

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