

## ■ BLACK PEPPER

■ Oct 27, 2007

### SPOT MARKETS

Black pepper traded steady at the physical markets. Indian pepper prices have seen a sharp rise in the last fortnight on account of a fall in the crop due to incessant rains in September and depleting inventories with the major producing countries. However, there are few takers for the spice at the prevailing high price. Indian pepper has become outpriced in the international market. Raw pepper exporters from India are seen opting out of committed deals after reaching a compromise with their overseas buyers.

### FUTURES MARKETS

NCDEX black pepper futures extended the weakness further. The most active December contract opened weak as compared to the previous settlement by Rs. 6 at Rs. 15328/qty. After trading up initially to test an intraday high of Rs. 15370/qty, prices dipped on increased selling pressure to test an intraday low of Rs. 15110/qty. Prices were pushed up later by some buying support to close at Rs. 15240/qty. Open interest improved marginally amidst lower volumes traded as compared to the previous day.

### PRICE DRIVERS

#### Bullish:

1. Global supply shortage is estimated at 60,000 tonnes in 2007
2. Vietnam pepper output estimated lower by 10-20 per cent in 2007
3. Good domestic and overseas demand
4. Sellers ready to sell at higher price

### WEATHER

Progress of North East monsoon is casting a shadow on standing crop.

### TECHNICALS

Candlestick pattern suggests a steady to weak opening and further downtrend. Close above the short term EMAs support firm prices. MACD is rising in the positive territory, while Stochastic is ascending in the overbought region, suggesting bullish momentum. RSI is dipping slightly in the overbought region. The extremely overbought nature of the market calls for a technical correction. Pepper futures are likely to trade weak in the next trading session with some late recovery.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX December	13515	14052	15240	15674	16244

### TRADE RECOMMENDATION

Sell NCDEX December Black Pepper near 15225-15255, with a target of Rs. 15100, then at Rs. 15050, with a strict stop loss of Rs. 15320. Trade with intraday outlook.

Centers	Variety	Price/Qty	Arrival (Tonnes)
Kochi	Garbled	14,700	Nil
	Ungarbled	14,100	



## ■ CARDAMOM

■ Oct 27, 2007

### SPOT MARKETS

Cardamom capsules were quoted mostly steady at the domestic auctions, except good quality coloured grade which fetched Rs. 5 higher than the previous settlement. Farmers are reportedly abstaining from selling in anticipation of further rise in prices, hence limiting the arrivals in the market. The Indian cardamom continues to remain priced above the Guatemalan spice, thereby restricting the entry of exporters and overseas buyers into the market. On the contrary, the lower priced Guatemalan capsules are luring the Indian dealers to import the spice from Guatemala. The domestic demand from upcountry dealers is seen supporting the market till Diwali.

### FUTURES MARKETS

Cardamom futures traded weak at MCX third day in a row. The most active November contract opened steady at Rs. 510.5 and traded up initially to test an intraday high of Rs. 513. Active selling pressurized the markets thereafter and the contract slipped to test an intraday low of Rs. 505, before settling marginally higher at Rs. 506. Open interest improved marginally, while volumes traded improved on account of some short accumulation.

### PRICE DRIVERS

#### Bearish:

1. Higher prices limiting export queries

#### Bullish:

1. Domestic and global production estimated lower
2. Improved domestic demand

### WEATHER

Good sunshine and intermittent light showers are seen favouring the standing crop.

### TECHNICALS

Candlestick pattern indicates a bearish market. Prices closed below the short term EMAs, suggesting weak market. MACD is dipping in the negative territory, while RSI is falling in the neutral zone, supporting sluggishness in the market. Stochastic is rising hesitantly into the neutral region after a bullish crossover in the oversold zone, supporting upward momentum in the short term. Cardamom is likely to trade weak with some late recovery in the next session.

CARDAMOM0711(MXCAMX7)2007/10/27 - Daily B:505.50 A:507.00

O 510.50 H 513.00 L 505.00 C 506.00 V 194 T 186 I 503 -4.5

EMA(9) 510.76 (18) 515.56



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	--	495	506	528	543

### TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 506-508 with a target of Rs. 502 and then 500 with a strict stop loss of Rs. 510. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Nedumkandam

465

9,000

## ■ CUMIN

■ Oct 27, 2007

### SPOT MARKETS

Jeera prices in Unjha market remained unchanged with similar arrivals and offtake Friday. The prices have been recently increasing due to improved demand from domestic and international markets. The market had arrivals of 2500 bags with sale of 9000 bags. The Spices Board of India recently stated India's April-September Jeera exports fell 33.6% on year to 11,250 mt. NCDEX warehouse Jeera total stock reduced by 100 mt to reach 3115 mt Thursday. MCX Jeera total stock was steady at 145,354 mt. Jeera prices may be seen steady to slightly firm on better demand, low output concerns, scarcity of premium quality jeera in global markets, supply disturbance in Turkey, and low stock position.

### FUTURES MARKETS

NCDEX December expiry Jeera futures traded volatile during Friday's session. The contract opened weak at Rs 11625 from Thursday's close of Rs 11660. The contract created a new high of Rs 11741 and thereafter declined to end weak at Rs 11535, down Rs 125. Near month November delivery Jeera futures prices also behaved in some what similar fashion, opened weak at Rs 11215 and thereafter traded between Rs 11163 - 11318 before closing weak at Rs 11180.

### PRICE DRIVERS

#### Bullish:

1. Reduced global production
2. Concerns of less domestic production
3. High export and domestic demand
4. Geo-political problems in Turkey
5. Low stock position

#### Bearish:

1. April-September Jeera exports in quantity terms fell 33.6% on year

### WEATHER

Mainly dry weather is likely over Jeera growing regions of west India.

### TECHNICALS

Jeera chart is showing an uptrend of prices. Candlestick pattern are showing indecision. The prices have closed far above short and medium term EMA's showing strength in the market. MACD is rising in positive region indicating increasing bullish momentum in the market. Stochastic Oscillator is most likely to make a bearish crossover in the overbought territory warranting caution to bulls. RSI is falling in overbought region indicating weakness. Jeera futures may trade volatile with chances of slight weakness in the market amid weekends profit booking.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	11325	11430	11535	11660	11741

### TRADE RECOMMENDATION

Sell NCDEX December Jeera below Rs.11573 with a target of Rs. 11430 and then of Rs.11388 with a strict stop loss above Rs.11673. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2350-2360	
	Ganesh	2540-2580	2500
	Machine Cleaned	2620-2740	





## ■ TURMERIC

■ Oct 27, 2007

### SPOT MARKETS

Turmeric prices were steady at most of the domestic markets. In Erode turmeric arrivals and sales both increased, arrivals were 500 bags more than 3000 bags on Thursday. In Nizamabad turmeric traded at similar prices with arrivals increased to 1500 bags against Thursday's 1300 bags. Turmeric demand from overseas markets and domestic markets is high, particularly ahead of upcoming festive and winter season. NCDEX Turmeric total stock reduced 400 mt to 4479 on Thursday from prior days 4879 mt. MCX turmeric total stock was unchanged at 1844.429 mt. The Spices Board of India recently revealed April - September Turmeric export rose 0.8% on year to 25,800 mt. Turmeric prices may be steady to slightly firm in the near term on better demand. However, gains may be visible till demand continues then may be capped due to comfortable stock position.

### FUTURES MARKETS

NCDEX Turmeric futures prices rebound again Friday. November expiry turmeric futures opened Rs 9 down at Rs 1952 thereafter the prices remained mostly firm in the range of Rs 1947 - 1978. The trading for the session finally ended Rs 6 up at Rs 1967 from prior day's close of Rs 1961. NCDEX December futures prices increased by Rs 19 to end in green at Rs 2043 after trading mostly firm between Rs 2018-2052.

### PRICE DRIVERS

#### Bullish

1. Demand from domestic & overseas markets
2. Apr-Sep turmeric export up 0.8% on year

#### Bearish:

1. Good stock level for the season at the major growing areas.
2. Arrivals increasing in Erode, Nizamabad

### WEATHER

Rain/thundershowers are likely at many places over south Coastal AP, Rayalaseema, TN & Pondicherry & Kerala. Rain/thundershowers are likely at a few places over South Interior Karnataka. Rains at present are beneficial for the growth crop.

### TECHNICALS

Turmeric chart is showing tentativeness near the current levels. Candlestick pattern is showing bullish sentiments in the market. The prices have closed below short term EMA's indicating weakness in the market. MACD is rising in negative territory showing decreasing bearish momentum in the market. Stochastic Oscillator and RSI are rising in neutral region indicating firmness. Turmeric is likely to trade volatile during the session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1927	1942	1967	1990	2013

### TRADE RECOMMENDATION

Buy NCDEX November Turmeric above Rs.1961 with a target of Rs. 1978 and then Rs.1983 with a strict stop loss below Rs. 1949. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2025	1500
	Gattah	2000	
Erode	Finger	2175-2275	3500
	Gattah	2125-2200	

### SPOT MARKET

Red chilli market in Guntoor ruled steady amidst normal arrivals. The domestic demand is likely to remain subdued after Diwali, while the overseas demand is limited from Bangladesh. Demand from Bangladesh is likely to remain steady for the good quality spice throughout the year. Increased arrivals from Madhya Pradesh after Diwali and huge stocks in the cold storage are likely to weaken the fundamentals of the spice. Indian chilli exports crossed 1 lakh tonnes in the first half of the financial year 2008, as compared to the 58,285 tonnes exported a year ago.

### FUTURES MARKETS

NCDEX Chilli futures traded weak. The most active November contract opened Re. 1 firm at Rs. 4469 and traded up initially to test an intraday high of Rs. 4478. Prices slipped thereafter on increased selling pressure to test an intraday low of Rs. 4431. Buying support at lower levels helped the contract recover slightly to close at Rs. 4443. Open interest and volume traded dipped as compared to the previous session.

### PRICE DRIVERS

#### Bullish:

- Exports doubled on year during April-September 2007
- Lower global production estimates

#### Bearish:

- Chilli acreage and output at Andhra Pradesh is likely to go up.
- Huge stocks in cold storage

### WEATHER

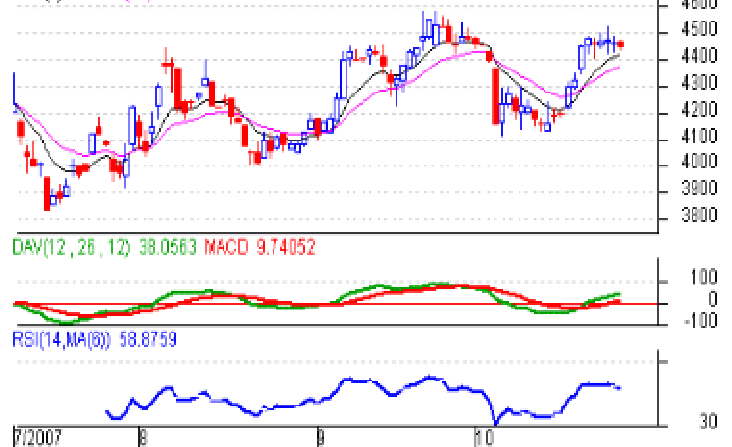
Rain/thundershowers are likely over Karnataka and coastal Andhra Pradesh, which is beneficial for the crop growth.

### TECHNICALS

Prices closed above the short term EMAs, suggesting a firm market. MACD is rising into the positive territory, indicating bullish momentum, while a rising Stochastic in the neutral region supports the uptrend. RSI is falling in the neutral region, indicating further downtrend in place. Chilli futures are likely to trade volatile with a firm tone in the next session with some late downward movement.

CHLL334GTR 0711(NCDEX)2007/10/27 - Daily B:4438.00 A:4455.00  
O:4469.00 H:4478.00 L:4431.00 C:4443.00 V:46015,380 -23

EMA(9) 4417.1 (16) 4375.7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4171	4227	4443	4526	4550

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4440-4450 or below with a target of Rs. 4470 and then Rs.4480 with a strict stop loss of Rs. 4430. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4300	50,000

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