

■ BLACK PEPPER

■ Oct 20, 2007

SPOT MARKETS

Black pepper traded weak at Kochi markets by Rs. 100/qtl. Kerala's Idukki district based investors were liquidating their stocks and the exporters, processors, domestic dealers and processors were buying. The higher domestic demand is mainly met by supplies from the primary markets. Heavy rains during the flowering season have affected the pepper yield in the pepper growing tracts in Karnataka. International market continued to remain quiet. Brazilian growers were reportedly reluctant to sell due to uptrend in local prices, while Vietnam markets were steady.

FUTURES MARKETS

NCDEX Pepper futures traded weak in the recent trading range. The most active November contract opened weak at Rs. 14110/qtl, Rs. 21 down the previous settlement and after a marginal rise to test an intraday high of Rs. 14149/qtl, the contract slipped on increased selling activity to test an intraday low of Rs. 13912/qtl. Prices improved slightly thereafter on some buying support and the contract settled at Rs. 13965/qtl. Volume and open interest dipped 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

Bearish:

1. Sellers active at higher price levels

WEATHER

Good sunshine and occasional rains are conducive for the growth of the vines.

TECHNICALS

Pepper remains trapped in the trading range. Candlestick pattern suggests a slightly weak opening and further downtrend. Prices remain above the EMAs, suggesting a firm market. MACD is rising in the positive territory, while Stochastic has flattened in the overbought region, leaving room for a technical correction. RSI is falling in the neutral region, supporting further downtrend. Pepper futures are likely to trade weak in the next session. Selling on intraday rallies remains the best bet.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13250	14110	14365	14705

TRADE RECOMMENDATION

Sell NCDEX November Black Pepper near 14000-14025, with a target of Rs. 13900, then at Rs. 13850, with a strict stop loss of Rs. 14085. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,900	Nil
	Ungarbled	13,300	



■ CARDAMOM

■ Oct 20, 2007

SPOT MARKETS

Cardamom domestic auctions at Vandanmedu were weak by Rs. 40/kg. Good quality capsules were weak by Rs. 20 at Rs. 460/kg. The market is seen weak till December, with some possibility of correction in the next week. The arrivals and yield in the peak harvesting period in December is critical in deciding the future trend of the market. The lower production estimates in the major growing countries, including India are likely to prop up the market beyond December. Exporters are still shying away from Indian markets due to higher price of Indian parity as compared to Guatemalan capsules.

FUTURES MARKETS

MCX cardamom futures closed lower on some short accumulation. The most active November contract opened firm at Rs. 509/kg, Rs. 1.5 above the previous settlement and traded steadily down to test an intraday low of Rs. 495/kg. Prices improved thereafter on some profit taking at lower levels and the contract closed at Rs. 502/kg. Open interest and volume traded improved as compared to the previous day, suggesting 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 suggests a firm opening and further downtrend. Prices closed well below the EMAs, indicating a weak market. MACD is flat in the negative territory, leaving scope for movement in either direction, while a downward bound RSI and Stochastic in the neutral region suggest downward pressure on the prices in the short term. Cardamom futures are technically bound to trade weak in the next trading session with some late upward movement. However, a probability of technical correction cannot be ruled out.

CARDAMOM 0711(MXCAMX7)2007/10/19 - Daily B:498.00 A:502.50
O 509.00 H 509.00 L 495.00 C 502.00 V 312 T 64,353 I 511 -5.5
EMA(9) 515.49 (18) 521.86



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	-	493	502	527	542

TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 504 with a target of Rs. 499 and then 597 with a strict stop loss of Rs. 507. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	460	30,000

CUMIN

Oct 20, 2007

SPOT MARKETS

Domestic jeera trade at the benchmark Unjha markets remained steady as that of previous day. The prices remained unchanged as against previous trading session. Arrivals improved marginally to 2500 bags and while offtake remained steady to 5500 to 6000 bags. Domestic buyers were reported to be active and improve further on festive buying. Overseas buyers from Gulf, European countries, Malaysia and Srilanka actively buy around 2000-3000 bags on daily basis. The current stock position in the market is reported to be low at around 4.5-6 lakh bags and this is likely to cause demand and supply mismatch and favour the uptrend in prices.

FUTURES MARKETS

NCDEX Jeera most active December futures closed in a negative territory down by 1.65 percent at Rs.10940 as against previous close price. The futures moved in a range of Rs.10910 and Rs.11149 and witnessed short accumulation amidst low volumes. The November futures moved in a range of Rs.10570 and Rs.10870 and closed at Rs.10618 down by 1.59 % as against previous close price.

PRICE DRIVERS

Bullish:

1. Lower domestic and global production

Bearish:

1. Export down 16.35% in quantity during August 2007 as against August 2006
2. Steady domestic and overseas demand inspite of festive season.

WEATHER

Dry weather is likely over Gujarat and elsewhere in North Western regions.

TECHNICALS

Candlestick is indicating firm opening and thereafter active selling in the market amidst gain in open interest supportive to the fall in prices. RSI is in neutral region and moving downwards leaving scope for further fall in price. MACD is moving downwards towards the negative region is also hinting further weakness. Jeera futures are likely to trade range bound to weak following a steady opening.

JEERA 0712(NCJEEZ7)2007/10/19 - Daily B:10931.00 A:10959.00

O 11139.00 H 11147.00 L 10912.00 C 10940.00 V 3,927 18,049 -148

EMA(9) 10932 (18) 10814



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	10528	10678	10940	11336	11441

TRADE RECOMMENDATION

Sell NCDEX December Jeera at Rs.10965-10975 or below with a target of Rs. 10901 then at Rs.10825 with a strict stop loss at Rs.10996. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2310-2320	
	Ganesh	2500-2540	2500
	Machine Cleaned	2580-2700	

TURMERIC

Oct 20, 2007

SPOT MARKETS

Turmeric prices at the major spot markets witnessed a steady trade. The benchmark Nizamabad market remained closed due to Dushera celebrations and will reopen from Tuesday onwards. At Erode the prices remained unchanged at Rs.2200-2250/qtl amidst low arrivals and offtake at 3800 bags. Spill over of the prices at the futures counter added to the weakness in prices at the spot during the week apart from this anticipation of further fall in prices sidelined the buyers in the market. Overseas buyers are active from Gulf and Japan. Turmeric prices are likely to trade rangebound to weak during the week ahead on lack of buying interest.

FUTURES MARKETS

NCDEX turmeric most active November futures closed down in a negative region at Rs.1972 or by 0.20 % on long liquidation. The contract moved in a range of Rs.1990 and Rs.1970 amidst very low volumes. The far month December futures witnessed short accumulation amidst very low volumes and open interest and moved in a range of Rs.2046 and Rs.2021.

PRICE DRIVERS

Bearish:

1. Good stock level for the season at the major growing areas.

Bullish

1. Good export demand in the market.
2. Improved domestic demand due to festive season ahead.

WEATHER

Rain/thundershowers are likely over coastal and south interior Karnataka as well as at T.N and coastal at A.P. Rains at present are beneficial for the crop at its growing stage.

TECHNICALS

Candle stick is indicating initial upmove and thereafter selling pressure coming towards the close amidst very low volumes and fall in open interest not supportive to the fall in close price. Descending RSI and stochastic is hinting further fall in prices. The close below the EMA's and negative MACD is suggesting weakness in prices. Turmeric futures are likely to trade range bound to weak following a steady opening however slight profit booking is likely towards the closing session.

Turmeric 0711(NCTMCX7)2007/10/19 - Daily B:1969.00 A:1974.00
O 1978.00 H 1990.00 L 1970.00 C 1972.00 V 4,710 I 13,240 -7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1910	1932	1972	2045	2072

TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.1975-1977 or market open with a target of Rs.1963 and then Rs.1949 with a strict stop loss of Rs.1981. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	-	-
Erode	Finger	2200-2050	3800
	Gattah	2050-2100	

CHILLI

Oct 20, 2007

SPOT MARKET

Benchmark Guntur markets for chilli will remain closed due to Dushera holiday till Sunday. Domestic demand for the commodity remained stable and is likely to remain stable during the days ahead. Overseas demand from Bangladesh, Sri Lanka and Malaysia is reported to be active and a key supportive feature aiding uptrend in prices. Chilli prices in the medium term are likely to be rangebound to slightly firm due to improvement in overseas demand amidst ample stocks at Guntur warehouse of around 25-26 lakh bags.

FUTURES MARKETS

Chilli most active November futures opened firm at Rs.4359 and moved in a range of Rs.4340 - Rs.4456 and closed up by 2.61 % or at Rs.4448 indicating short liquidation. Open interest declined slightly amidst significant gain in volumes. The far month contract has witnessed long accumulation and moved in a range of Rs.3831 and Rs.3950.

PRICE DRIVERS

Bullish:

1. Export up by 34.23% during August 2007 as against August 2006

Bearish:

1. Chilli acreage and output at Andhra Pradesh is likely to go up.

WEATHER

Rain/thundershowers are likely over coastal and south interior Karnataka and coastal Andhra Pradesh. Rainfall is beneficial for the crop at present during its growing stage.

TECHNICALS

A bullish marubazu is indicating fresh buying amidst very gain in volumes supportive to the firm close. Rising RSI and stochastic is suggesting further uptrend in prices. The close above the EMA's and MACD is likely to witness a bullish crossover. Chilli futures are likely to trade firm following a firm opening however slight dip in price is likely to profit booking.

CHLL334GTR 0711(NCGTRX7)2007/10/19 - Daily B:4440.00 A:4448.00
O 4359.00 H 4456.00 L 4340.00 C 4448.00 V 3,100 14,965 +122
EMA(9) 4288.7 (18) 4291.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4155	4202	4448	4523	4570

TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4415-4420 or below with a target of Rs. 4485 and then Rs.4515 with a strict stop loss of Rs. 4396. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	Closed	-

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