

■ BLACK PEPPER

■ Oct 18, 2007

SPOT MARKETS

Black pepper physical markets remained steady at higher levels amidst no arrivals. Buyers are not active at the prevailing higher rates as they anticipate a dip in the prices. The domestic demand continues to be good. The prices are likely to remain on the higher side till January-February when the fresh arrivals hit the market and ease the supply conditions. The global as well as domestic output of the 2007 crop is estimated lower, leading to supply concerns once the carryover stock with the major producing countries is depleted.

FUTURES MARKETS

NCDEX black pepper futures traded firm with some profit booking at higher levels. The most active November contract opened weak at Rs. 14001/qtl, Rs. 95 down the previous settlement and traded steadily down to test an intraday low of Rs. 13096/qtl. Improved buying support pushed the prices up to test an intraday high of Rs. 14275/qtl. Active selling at higher levels pressurized the markets and the contract slipped to close at Rs. 14090/qtl. Open interest and volume traded declined 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 futures continue to remain trapped in the trading range. Candlestick pattern and flat RSI in overbought region suggest indecision in the market. Prices closed above the short term EMAs, indicating firmness in the market. A rising MACD and RSI also support firm market. Pepper futures are likely to trade sideways with a firm tone. However, probability of a technical correction cannot be ruled out until a bullish break out occurs. Hence, trade with caution.

Pepper 0711(NCPEPX7)2007/10/17 - Daily B:14085.00 A:14090.00
O 14001.00 H 14274.00 L 13911.00 C 14090.00 V 11,869 I 9,328 -2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13268	14090	14365	14705

TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 14075-14100, with a target of Rs. 14225, then at Rs. 14250, with a strict stop loss of Rs. 14000. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14,000	Nil
	Ungarbled	13,400	



■ CARDAMOM

■ Oct 18, 2007

SPOT MARKETS

Cardamom domestic auctions were weak by Rs. 10/kg for all grades amidst larger arrivals. Increased arrivals of fresh capsules are seen entering the market from the second round of picking. The traders observe that the market will remain weak till December on account of the carry over stock and imports from Guatemala. The crop yield in December will decide the future course of the market. However, the domestic as well as global production estimates are lower by 20% as compared to the previous year. This is likely to firm up the market in the long term.

FUTURES MARKETS

Cardamom futures traded weak at MCX on long liquidation. The most active November contract opened steady to slightly firm at Rs. 522/kg, Rs. 0.50 above the previous settlement and traded steadily down to test an intraday low of Rs. 508.5/kg. Prices improved marginally on some profit booking and the contract settled at Rs. 509.5/kg. Open interest dipped amidst larger volumes traded as compared to the previous day, suggesting long liquidation.

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

A bearish maribozu formed in the charts suggest a weak market. Prizes closed below the short term EMAs, indicating weakness in the market. A falling Stochastic and RSI in the neutral region suggests further downtrend in place. MACD is flat in the negative zone, leaving scope for movement in either direction. Cardamom is likely to trade weak in the next session with some profit booking towards the close of the day.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	493	503	509.5	542	553.5

TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 510-512 with a target of Rs. 505 and then 503 with a strict stop loss of Rs. 515. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Kumily	485	54,000

CUMIN

Oct 18, 2007

SPOT MARKETS

Domestic jeera trade at the benchmark Unjha markets witnessed a firm trend on festive demand. The prices improved by Rs.20 per 20kg as against previous trading session. Arrivals remained steady at 2500 bags and while offtake improved to 6000-7000 bags. Domestic buyers were reported to be active. Overseas buyers from Gulf, European countries, Malaysia and Srilanka actively buy around 2000-3000 bags on daily basis. Adding to firm demand upcoming festivals like Dushera and Diwali is supportive for prices in the medium term. 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 November futures closed slightly up by 0.29 percent at Rs.10693 as against previous close price. The futures moved in a range of Rs.10551 and Rs.10884 and witnessed short liquidation amidst low volumes. The December futures moved in a range of Rs.10870 and Rs.11230 and witnessed long accumulation and closed at Rs.11030 firm by 0.64 % 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. Subdued domestic and overseas demand inspite of festive season.

WEATHER

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

TECHNICALS

Long upper shadow is indicating initial uptrend and thereafter active selling in the market amidst low volumes and fall in open interest. RSI is falling and moving downwards and MACD in negative region is hinting further fall in prices. The close above the EMA's and is favouring firmness in prices. Jeera futures are likely to trade range bound to weak during the next trading session.

JEERA 0711(NCJEE7)2007/10/17 - Daily B:10690.00 A:10693.00
O 10625.00 H 10875.00 L 10551.00 C 10693.00 V 11,325 17,062 +4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	10023	10294	10693	11243	11447

TRADE RECOMMENDATION

Sell NCDEX November Jeera at Rs.10715-10725 or below with a target of Rs. 10671 then at Rs.10631 with a strict stop loss at Rs.10746. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2290-2300	
	Ganesh	2480-2520	2500
	Machine Cleaned	2560-2680	

TURMERIC

Oct 18, 2007

SPOT MARKETS

Turmeric prices at the major spot markets traded steady to weak. Arrivals and offtake at the benchmark Nizamabad market were declined marginally to 1200 bags and the prices were quoted slightly weak by Rs.25 at Rs.1900/qtl. At Erode the prices remained unchanged at Rs.2200-2250/qtl amidst improved arrivals and offtake at 5500 bags. Spill over of the prices at the futures counter added to the weakness in prices apart from this anticipation of further fall in prices sidelined the buyers in the market. Overseas buyers are active from Gulf and Japan. Prices of Turmeric are likely to trade rangebound during the week ahead on continuing festival demand.

FUTURES MARKETS

NCDEX turmeric most active November futures closed down testing fresh lows at Rs.1999 or by 1.38 % on long liquidation. The contract moved in a range of Rs.2033 and Rs.1996 amidst gain in volumes. The far month December futures witnessed short accumulation amidst very good volumes and open interest and moved in a range of Rs.2059 and Rs.2080.

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

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

TECHNICALS

A bearish marubuzu indicating weakness in the current trend and further fall in prices amidst very good volumes. Falling RSI and the close below the EMA's is hinting further fall in prices. MACD in negative region is also favouring weakness in the weakness in prices. Turmeric prices are likely to trade weak during early hours and witness slight profit booking towards the closing session.

Turmeric 0711(NCTMCX7)2007/10/17 - Daily B:1996.00 A:2000.00
O 2033.00 H 2033.00 L 1996.00 C 1999.00 V 8,440 I 13,020 -30



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1939	1967	1999	2045	2096

TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.2005-2007 or market open with a target of Rs.1993 and then Rs.1984 with a strict stop loss of Rs.2010. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1900	1200
	Gattah	1815	
Erode	Finger	2200-2050	5500
	Gattah	2050-2100	

■ CHILLI

■ Oct 18, 2007

SPOT MARKET

Chilli prices at the domestic markets remained steady at Rs.3900-4350/qlt as that of previous trading session. The arrivals and offtake improved to 40000 bags 25000 bags respectively. The arrivals and offtake improved as the Guntur markets will remain closed due to Dusshera till Sunday. Domestic demand was reported to be stable. 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 26-27 lakh bags.

FUTURES MARKETS

Chilli most active November futures opened firm at Rs.4217 and moved in a range of Rs.4210 - Rs.4315 and closed marginally up by 2.32 % or at Rs.4300. Open interest declined amidst gain in volumes. The near month contract has witnessed long liquidation and moved in a range of Rs.4291 and Rs.4353.

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

Isolated 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 marubozu is indicating active buying support in the market amidst very good volumes. RSI is rising while MACD is moving hesitantly towards the positive region is hinting further uptrend in prices. The close above the EMA's is also favouring the uptrend in prices. Chilli prices are likely to trade firm following a firm opening.

CHILL334GTR 0711(NCGTRX7)2007/10/17 - Daily B:4296.00 A:4300.00
O 4217.00 H 4315.00 L 4210.00 C 4300.00 V 2,770 | 5,585 +107

EMA(9) 4229.5 (18) 4266.5



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4091	4131	4300	4427	4494

TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4284-4295 or below with a target of Rs. 4335 and then Rs.4363 with a strict stop loss of Rs. 4268. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qty	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4350	40000

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

© 2007 Indian Agribusiness Systems Pvt Ltd.