

■ BLACK PEPPER

■ Oct 19, 2007

SPOT MARKETS

Black pepper domestic markets continued to remain stable on the higher side amidst improved offtakes. Buyers are not active at the prevailing rates and they are adopting a wait and watch approach in anticipation of further fall in prices. Strengthening Indian rupees against US dollar in addition to the low carry over stocks pushed the prices higher. It is reported that the stocks in Vietnam are limited and tight as output from the current year's crop dropped compared to last year. Lampung and Sri Lankan markets remain stable, while prices eased further in Sarawak by 1%.

FUTURES MARKETS

Pepper futures traded volatile at NCDEX with a bullish tone. The most active November contract opened weak at Rs. 14098/qtl, Rs. 12 down the previous settlement and up initially to test an intraday high of Rs. 14215/qtl. Prices slumped thereafter on increased selling pressure to test an intraday low of Rs. 14030/qtl. Prices improved on some buying interest later and the contract settled at Rs. 14110/qtl. Open interest and volume 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 futures failed to emerge from the trading range. Close above short term EMAs and rising Stochastic suggest firm market. Candlestick indicates indecision in the market; so do a flat RSI. MACD is also flattening in the positive territory after the initial rise. Pepper futures are expected to trade range-bound with a firm tone in the next session. However, probability of a technical correction cannot be ruled out, unless a bullish breakout occurs.

Pepper 0711(NCPEPX7)2007/10/18 - Daily B:14100.00 A:14115.00
O 14098.00 H 14212.00 L 14032.00 C 14110.00 V 8,119 | 8,984 +20



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13268	14110	14365	14705

TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 14060-14100, with a target of Rs. 14210, then at Rs. 14260, with a strict stop loss of Rs. 13985. Trade with intraday outlook.

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

CARDAMOM

Oct 19, 2007

SPOT MARKETS

Cardamom capsules of all grades were quoted lower at the domestic auctions at Bodinayakanur by Rs. 5/kg. Reports of lower production are countered by the presence of carry over stocks in the market as well as the Guatemalan capsules. Increased arrivals of fresh capsules are reported in the auctions. The market is expected to remain weak till December and the arrivals in December will decide the future trend of the market. The lower production estimates at the major producing centres are likely to firm up the domestic as well as global spice markets.

FUTURES MARKETS

Cardamom futures traded firm at MCX. The most active November contract opened weak at Rs. 506.5/kg. Rs. 3 down the previous settlement and traded down initially to test an intraday low of Rs. 503/kg. Increased buying support pushed the prices up to test an intraday high of Rs. 510/kg. Prices slumped marginally thereafter on some selling pressure and the contract finished at Rs. 508.5/kg. Open interest improved amidst smaller volumes traded as compared to the previous day.

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 weak opening and a further uptrend. Prices closed below the EMAs, supporting bears in the market. A downward bound Stochastic in the neutral region and dipping MACD in the negative territory leave room for further downtrend. RSI is almost flat in the neutral region suggesting indecision in the market. Cardamom is likely to trade weak in the next session with some late upward movement. 503 level is seen supporting the prices in the short term

CARDAMOM 0711(MXCAMX7)2007/10/18 - Daily B:508.50 A:509.00
O 506.50 H 510.00 L 503.00 C 508.50 V 234 T 59,323 I 497 -1
EMA(9) 519.06 (18) 524.30



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	493	503	508.5	542	553.5

TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 510 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)

Bodinayakanur

480

30,000

CUMIN

Oct 19, 2007

SPOT MARKETS

Domestic jeera trade at the benchmark Unjha markets extended previous days firm trend on festive demand. The prices improved by Rs.20 per 20kg as against previous trading session. Arrivals declined marginally to 2000 bags and while offtake remained steady to 6000 bags. Domestic buyers were reported to be active. Overseas buyers from Gulf, European countries, Malaysia and Sri Lanka actively buy around 2000-3000 bags on daily basis. Adding to firm demand upcoming festivals like Dusshera 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 0.23 percent at Rs.10751 as against previous close price. The futures moved in a range of Rs.10673 and Rs.10848 and witnessed short liquidation amidst low volumes. The December futures moved in a range of Rs.11013 and Rs.11193 and witnessed short liquidation and closed at Rs.11088 firm by 0.26 % 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

Formation of doji is indicating indecisive price move amidst low volumes and fall in open interest. MACD has entered the positive territory is supportive to the firm close and favouring further uptrend in prices. RSI is flat in the neutral region is hinting that the prices are likely to move on either side. The close above the EMA's is also favouring the firm trend in the prices. Jeera futures are likely to trade rangebound to firm during the next trading session following a steady opening.

JEERA 0711(NCJEE7)2007/10/18 - Daily B:10750.00 A:10751.00
O 10736.00 H 10848.00 L 10675.00 C 10751.00 V 7,779 I 6,642 +58

EMA(9) 10635 (18) 10553



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	10023	10294	10751	11256	11447

TRADE RECOMMENDATION

Buy NCDEX November Jeera at Rs.10725-10730 or below with a target of Rs. 10795 then at Rs.10825 with a strict stop loss at Rs.10691. 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	2000
	Machine Cleaned	2580-2700	

TURMERIC

Oct 19, 2007

SPOT MARKETS

Turmeric prices at the major spot markets extended the previous trade's weakness and were traded steady to weak. Arrivals and offtake at the benchmark Nizamabad market declined to 600 bags and the prices were quoted weak by Rs.25 at Rs.1875/ctl. At Erode the prices remained unchanged at Rs.2200-2250/ctl amidst low arrivals and offtake at 4300 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. 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 testing fresh lows at Rs.1961 or by 1.14 % on short accumulation. The contract moved in a range of Rs.2008 and Rs.1961 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.2066 and Rs.2014.

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

Candlestick is indicating initial weakness and thereafter slight buying during the later trading session amidst very good volumes supportive to the fall in prices. The close below the EMA's and falling RSI is hinting further weakness in prices. Gain in open interest and MACD in negative region is also supportive to the weak trend. Turmeric futures are likely to trade weak with late recovery in prices. However a correction is likely very soon as the market is extremely over sold.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1903	1924	1979	2066	2093

TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.1982-1984 or market open with a target of Rs.1971 and then Rs.1960 with a strict stop loss of Rs.1988. Trade cautiously with intraday outlook.

Centers	Variety	Price/ctl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1875	600
	Gattah	1825	
Erode	Finger	2200-2050	4300
	Gattah	2050-2100	

CHILLI

Oct 19, 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 slightly weak at Rs.4295 and moved in a range of Rs.4284 - Rs.4349 and closed marginally up by 0.73 % or at Rs.4326. Open interest declined amidst gain in volumes. The near month contract has witnessed long liquidation and moved in a range of Rs.4305 and Rs.4340.

PRICE DRIVERS

Bullish:

- Export up by 34.23% during August 2007 as against August 2006

Bearish:

- 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

Candlestick is indicating initial firmness and thereafter profit booking towards the close. The fall in open interest and low volumes is not support the firm close. RSI is rising and MACD is likely to witness a positive crossover is favouring the further uptrend in prices. Chilli futures are likely to trade rangebound to slightly firm during the next trading session.

CHLL334GTR 0711(NCGTRX7)2007/10/18 - Daily B:4325.00 A:4332.00
O 4295.00 H 4349.00 L 4284.00 C 4326.00 V 1,520 I 5,035 +26
EMA(9) 4248.8 (18) 4272.7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4145	4193	4326	4475	4530

TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4320-4330 or below with a target of Rs. 4363 and then Rs.4392 with a strict stop loss of Rs. 4298. Trade cautiously with intraday outlook.

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

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