

■ BLACK PEPPER

■ Oct 24, 2007

SPOT MARKETS

Black pepper markets continued to trade firm amidst improved arrivals. Domestic demand for pepper has surged, while overseas buyers are also covering from Indian markets. Rise in the prices of pepper in other origins is also supporting the domestic market. Farmers and stockists are reported to abstain from selling in anticipation of further higher prices amidst reports of global supply deficit. Good buying support amidst tight supply conditions is likely to maintain the prices on the higher side till new crop arrivals hit the market.

FUTURES MARKETS

Pepper futures traded firm at NCDEX on fresh buying after an initial dip. The most active December contract opened firm at Rs. 15190/qrtl, Rs. 13 above the previous settlement and traded down initially to test an intraday low of Rs. 14980/qrtl. Improved buying support pushed the prices up thereafter to test an intraday high of Rs. 15575/qrtl, before settling slightly lower at Rs. 15391/qrtl. Volume and open interest improved on account of long accumulation.

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

Candlestick pattern suggests a firm opening and an initial downtrend. Prices remain above the short term EMAs, supporting a firm market. MACD is rising in the positive territory, while RSI and Stochastic oscillator are rising in the overbought region, suggesting further uptrend. However, the pepper market is extremely overbought, thereby increasing the probability of a technical correction.. Hence, trade with caution. Pepper futures are likely to trade firm in the next trading session with some late profit booking.

Pepper 0712(NCPEPZ7)2007/10/23 - Daily B:15391.00 A:15398.00
O 15190.00 H 15565.00 L 14980.00 C 15391.00 V 19,687 I 11,384 +226
EMA(9) 14638 (18) 14162



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX December	13515	14052	15391	16244	17022

TRADE RECOMMENDATION

Buy NCDEX December Black Pepper near 15330-15370, with a target of Rs. 15560, then at Rs. 15600, with a strict stop loss of Rs. 15240. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14,700	40
	Ungarbled	14,100	



■ CARDAMOM

■ Oct 24, 2007

SPOT MARKETS

Domestic cardamom auctions at Nedumkandam were steady to firm amidst improved arrivals and capsules of all grades were quoted Rs. 5 higher than the previous settlement. Though upcountry dealers were buying to meet their Diwali requirements, they were not creating new inventories in anticipation of further fall in prices. The exporters are staying away from the market at the current higher prices. The arrivals were reported to be 25-35% lower as compared to the same period last year, despite peak picking season. The cardamom markets are likely to remain steady to weak in the short term.

FUTURES MARKETS

MCX cardamom futures traded firm on short covering. The most active November contract opened firm at Rs. 508.5/kg, Rs. 1.5 above the previous close and traded steadily up to test an intraday high of Rs. 516.50/kg, before closing at Rs. 515/kg. Open interest dipped amidst larger volumes traded as compared to the previous session, suggesting short 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

Bullish marubozu is formed in the charts. Prices closed above 9 day EMA, suggesting short term firmness in the market. MACD is falling in the negative territory, while Stochastic is falling in the neutral region, supporting further bearish trend. Close below 18 day EMA also support bearish posture of the market in the intermediate term. RSI is rising in the neutral region, suggesting further uptrend in place. Cardamom is likely to trade range-bound to firm in the next trading session with some late downward correction.

CARDAMOM 0711(MXCAMX7)200710/23 - Daily B:514.50 A:516.50
O 508.50 H 516.50 L 508.50 C 516.50 V 278 T 64,188 I 496 +9.5
EMA(9) 512.44 (18) 518.08



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	495	503	515	528	543

TRADE RECOMMENDATION

Buy MCX November Cardamom near Rs. 513-515 with a target of Rs. 519 and then 521 with a strict stop loss of Rs. 510. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Nedumkandam	455	17,000

CUMIN

Oct 24, 2007

SPOT MARKETS

Jeera prices at Unjha market continued to increase Tuesday following demand from Bangladesh and domestic markets ahead of festive season. Arrivals increased by 500 bags and outflow further rose to 6500 bags against Monday's 5000 bags. Jeera exports during Apr-Sep fell 33.6% on year to 11,250 mt from 16,940 mt. In value terms Jeera export increased to US\$ 29.70 mln from US\$ 26.87 mln, according to the Spices Board of India. Moreover, low output concerns, scarcity of premium quality jeera in global markets and current low stock position of about 8 lakh bags (including 6 lakh bags in Unjha) are supporting Jeera prices. Sporadic sowing has begun in Gujarat that is likely to speed up in the coming days. NCDEX warehouse Jeera stock stood 3200 mt Monday. The current demand-supply mismatch may help Jeera prices to remain firm in the near term.

FUTURES MARKETS

NCDEX Jeera most active December futures prices declined Tuesday. The contract closed down Rs 47 at Rs 11150 from Monday's close of Rs 11197. The contract opened weak at Rs 11186 and thereafter traded mostly weak between the range of Rs 11087-11255. Near month expiry November contract prices closed down by Rs 14 at Rs 10800 after hovering in the range of Rs 10720-10869.

PRICE DRIVERS

Bullish:

1. Reduced global production
2. Concerns of less domestic production
3. High festive season demand
4. Demand from Bangladesh
5. Low stock position

Bearish:

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

WEATHER

Dry weather is likely over West India.

TECHNICALS

Candlestick pattern are indicating indecision in the market. The prices have closed above short and medium term EMA's revealing strength in the market. MACD is falling in positive region indicating decreasing bullish momentum in the market. Stochastic Oscillator is rising in neutral region indicating firmness however RSI is falling in neutral region indicating weakness in the market. Jeera futures are likely to trade volatile during the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	10920	11030	11150	11332	11430

TRADE RECOMMENDATION

Sell NCDEX December Jeera below Rs.11197 with a target of Rs. 11087 and then of Rs.11030 with a strict stop loss above Rs.11277. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2340-2350	
	Ganesh	2530-2570	3000
	Machine Cleaned	2610-2730	

TURMERIC

Oct 24, 2007

SPOT MARKETS

Nizamabad's Turmeric market reopened Tuesday with brisk business, amid demand from Dubai and domestic markets. Sales were of 2000 bags, higher by 500 bags against the inflow of 1500 bags. In Erode, turmeric prices remained nearly steady with slightly reduced arrivals and offtake. Rains are proving favourable for crop and the market has ample stock of 10-12 lakh bags. NCDEX warehouse Turmeric stock reduced to 4979 mt from weekend's 5088 mt. Spices board of India has revealed estimated Turmeric export for Apr-Sep'07. Figures show export of 25,800 mt compared to 25,600 mt during Apr-Sep'06. In value terms, Turmeric exports rose 3% on year to US\$ 19.14 mln. Turmeric may try to improve slightly on festive buying at lower levels and better demand from Gulf & Japan. Though, substantial gains may be restricted due to comfortable stock levels.

FUTURES MARKETS

NCDEX turmeric most active November futures contract traded firm Tuesday. The contract started up by Rs 2, at Rs 1940 thereafter traded mostly firm between Rs 1931-1961. The days trading finally culminated Rs 7 up, at Rs 1945. December futures ended higher by Rs 9 at Rs 1997 against Monday's close of Rs 1988.

PRICE DRIVERS

Bullish

1. Demand from international markets.
2. Improved domestic demand ahead of festive season.
3. Arrivals reducing in Erode
4. Apr-Sep turmeric export up 0.8% on year

Bearish:

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

WEATHER

Rain/thundershowers are likely at many places over T.N, Pondicherry, Kerala, Coastal & South Interior Karnataka, Coastal Andhra Pradesh & Rayalseema. Rains at present are beneficial for growth of crop.

TECHNICALS

Turmeric chart is showing a downtrend of prices with slight recovery at current levels. MACD is falling in negative territory showing bearish momentum in the market. RSI is rising and stochastic is about to make a bullish crossover in oversold region warranting caution to the bears. The prices have closed above short and medium term EMA's indicating firmness in the market. Turmeric is likely to trade volatile with slightly firm bias during the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1892	1927	1945	1972	1999

TRADE RECOMMENDATION

Buy NCDEX November Turmeric above Rs.1939 with a target of Rs.1961 and then Rs.1972 with a strict stop loss below Rs.1927. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950-1970	1500
	Gattah	1900	
Erode	Finger	2200	2500
	Gattah	2100-2150	

CHILLI

Oct 24, 2007

SPOT MARKET

Red chilli markets at Guntur remained steady amidst improved arrivals. The domestic demand for the spice is seen normal. Overseas demand from Bangladesh, Sri Lanka and Malaysia is seen supporting the market in the short term. Indian chilli exporters are now cashing in on a fall in production in Pakistan and a European Union ban on Pakistan chilli due to reported presence of aflatoxin in its produce. Besides, unfavourable weather conditions in China and other chilli producing countries have resulted in production loss, leading to short supply, thereby favouring Indian market.

FUTURES MARKETS

NCDEX chilli futures traded firm on fresh buying. The most active November contract opened weak at Rs. 4450 and traded down in the opening session to test an intraday low of Rs. 4440. Prices improved thereafter on good buying support to test an intraday high of Rs. 4498. Prices slumped later to settle at Rs. 4469. Open interest and volume improved, suggesting long accumulation.

PRICE DRIVERS

Bullish:

1. Export up by 86% on year during April-August 2007
2. Ban on Pakistan Chilli

Bearish:

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

WEATHER

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

TECHNICALS

Candlestick pattern suggests a weak opening and further uptrend. Prices remain above the 9-day and 18-day EMAs, showing a firm market. MACD is rising in the negative territory, while Stochastic is rising in the neutral region, supporting further uptrend, while RSI is flat in the neutral region, leaving scope for movement in either direction. Chilli futures are likely to trade firm in the next session with likelihood of some late downward movement.

CHLL334GTR 0711(NCGTRX7)2007/10/23 - Daily B:4463.00 A:4479.00
O 4450.00 H 4498.00 L 4440.00 C 4469.00 V 1,370 15,570 +9
EMA(9) 4376.6 (18) 4341.7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4171	4227	4469	4550	4586

TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4460-4470 or below with a target of Rs. 4490 and then Rs.4500 with a strict stop loss of Rs. 4450. 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

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.