

## ■ BLACK PEPPER

■ Oct 23, 2007

### SPOT MARKETS

Black pepper physical markets extended firmness further and the Malabar garbled variety was quoted higher at the benchmark Kochi markets by Rs. 300/qtl. Exporters and overseas buyers were seen actively covering from the domestic markets. Upcountry stockists and dealers were also active covering ahead of the winter season. The market is likely to remain buoyant till January-February when the fresh arrivals hit the market. The lower production estimates of the major producing countries, along with depleting inventories, are likely to prop up the pepper prices in the long term.

### FUTURES MARKETS

Pepper futures traded firm at NCDEX on fresh buying and have emerged from the trading range, establishing an uptrend. The most active December contract opened firm at Rs. 14650/qtl, Rs. 150 above the previous close and traded steadily up to test an intraday high of Rs. 15240/qtl on good buying support. The contract slipped slightly thereafter on some selling pressure to close at Rs. 15165/qtl. Volume and open interest surged as compared to the previous session, suggesting 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

Pepper futures emerged out of the trading range to establish an uptrend. A bullish marubozu is formed in the charts with prices closing well above the short term EMAs, suggesting a firm market. MACD is rising in the positive territory, while RSI and Stochastic are rising into overbought region, which warrants likelihood of a technical correction. Hence, trade with caution. Pepper futures are likely to trade firm in the next trading session with some late downward movement.

Pepper 0712(NCPEPZ7)2007/10/22 - Daily B:15161.00 A:15175.00  
O 14665.00 H 15234.00 L 14659.00 C 15165.00 V 14,654 I 10,253 +515



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX December	13515	14052	15165	16244	17022

### TRADE RECOMMENDATION

Buy NCDEX December Black Pepper near 15075-15125, with a target of Rs. 15325, then at Rs. 15375, with a strict stop loss of Rs. 14975. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14,300	Nil
	Ungarbled	13,700	

## CARDAMOM

Oct 23, 2007

### SPOT MARKETS

Cardamom auctions weakened further amidst improved arrivals from the second round of picking. Good quality capsules were quoted lower by Rs. 10 at Rs. 450/kg. North Indian buyers were actively buying to meet their Diwali requirements, while upcountry dealers were not buying to create any inventory. The prevailing higher prices were restricting the entry of exporters into the market. Meanwhile, the lower prices of Guatemalan capsules are luring the dealers to import them. The cardamom market is seen weak, despite the lower production estimates.

### FUTURES MARKETS

Cardamom futures traded volatile at MCX. The most active November contract opened firm at Rs. 506/kg, Rs. 7.5 above the previous close and traded down in the opening session to test an intraday low of Rs. 500.50/kg. Prices improved thereafter on good buying support and the contract tested an intraday high of Rs. 5109.50/kg. Some selling at higher levels pushed the prices slightly lower to close at Rs. 507/kg. Open interest dipped marginally amidst lower 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

Doji formation suggests indecision in the market. Prices remain below the EMAs, indicating a weak market. MACD is falling slowly in the negative territory, while Stochastic is descending into the oversold region, supporting further downtrend. RSI is rising abruptly in the neutral region, indicating some short term firmness in the market. Cardamom futures are technically bound to trade range-bound to weak in the next session with probability of some late upward movement. 495 is providing a good support to the prices, breaking which the contract may test fresh lows.

CARDAMOM 0711(MXCAMX7)2007/10/22 - Daily B:505.50 A:508.00  
O 506.00 H 509.50 L 500.50 C 507.00 V 190 T 48,004 I 512 +3.5  
EMA(9) 511.42 (18) 518.27



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	-	495	507	528	543

### TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 506-507 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 )

Bodinayakanur

450

9,000

## CUMIN

Oct 23, 2007

### SPOT MARKETS

Jeera prices at Unjha market were modestly firm against prior days. The prices improved as sales were almost double the inflow of the commodity. The market saw arrival of 2500 bags of Jeera on Monday. The market is witnessing increasing off take due to high festive demand. Overseas buyers from Gulf, European countries, Malaysia and Srilanka these days are actively buying about 2000-3000 bags on daily basis. Moreover, low output concerns, scarcity of premium quality jeera in global markets and current low stock position of around 4.5-6 lakh bags are supporting Jeera prices. The current demand - supply mismatch may help Jeera prices to improve in the near term.

### FUTURES MARKETS

NCDEX Jeera most active December futures prices advanced Monday. The contract gained 1.23% or Rs 127 to close at Rs 11197. The prices opened Rs 47 up at Rs 11117 against prior day's close of Rs 11070. The prices thereafter touched a high of Rs 11350 and were lowest at Rs 11002 during the session. November futures prices moved in the range of Rs.10596 and Rs.10920 before closing at Rs.10814 up by Rs 119 or 1.17 % against previous closing of Rs 10695.

### PRICE DRIVERS

#### Bullish:

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

#### Bearish:

1. August Jeera exports in quantity terms fell 16.35% on year

### WEATHER

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

### TECHNICALS

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



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	10852	11000	11197	11350	11430

### TRADE RECOMMENDATION

Buy NCDEX December Jeera above Rs.11147 with a target of Rs. 11310 and then of Rs.11345 with a strict stop loss at Rs.11032. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2320-2330	
	Ganesh	2510-2550	2500
	Machine Cleaned	2590-2710	



## TURMERIC

Oct 23, 2007

### SPOT MARKETS

Turmeric market of Nizamabad remained closed Monday for Dusshera celebrations. In Erode turmeric traded at nearly similar prices with arrivals reduced to 3000 bags though off take was good at about 2300 bags. The market has a comfortable stock of 10-12 lakh bags. The prices may try to recover a bit amid festive buying at lower levels and better demand from Gulf and Japan. Though may be restricted from any major highs due to ample stock in the markets. Turmeric stock in NCDEX warehouses stood 5088 mt at the weekend.

### FUTURES MARKETS

NCDEX turmeric most active November futures contract recouped from contracts low, to close Re 1 up at Rs 1938 against prior day's close. The contract opened weak by Rs 9 at Rs 1928 and since then traded between the contracts low of Rs 1927 and the days high of Rs 1952. The far month December futures ended steady at Rs 1988 after trading in the range of Rs.1980 and Rs.2004.

### PRICE DRIVERS

#### Bullish

1. Demand from international markets.
2. Improved domestic demand ahead of festive season.
3. Arrivals reduced in Erode

#### Bearish:

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

### WEATHER

Rain/thundershowers are likely at many places in T.N, Kerala, Coastal & South Interior Karnataka, and Coastal Andhra Pradesh and Rayalseema. Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Turmeric chart is showing a downtrend of prices. MACD is falling in negative territory showing bearish momentum in the market. RSI is rising and stochastic is falling in the oversold region warranting caution to the bears. The prices have closed below short and medium term EMA's indicating weakness in the market. Turmeric is likely to trade volatile during the session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1892	1927	1938	1972	1999

### TRADE RECOMMENDATION

Sell NCDEX November Turmeric below Rs.1948 with a target of Rs.1927 and then Rs.1912 with a strict stop loss above Rs.1963. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2200	3000
	Gattah	2100	
Erode	Finger	Closed	-
	Gattah	Closed	

## ■ CHILLI

■ Oct 23, 2007

### SPOT MARKET

Red chilli traded steady at the benchmark Guntur markets on stable demand amidst normal supplies. Arrivals stood at 20,000 bags, while offtake was limited to 15,000 bags. Domestic demand for the commodity is expected to remain stable in the days to come. 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 range-bound to slightly firm due to improvement in overseas demand amidst ample stocks at Guntur warehouse of around 25-26 lakh bags.

### FUTURES MARKETS

NCDEX chilli most active November contract opened slightly weak at Rs. 4460, Rs. 7 down the previous settlement and traded steadily down initially to test an intraday low of Rs. 4400. Prices improved thereafter on increased buying support to test an intraday high of Rs. 4479, before closing at the opening levels of Rs. 4460. Open interest improved amidst lower volumes traded as compared to the previous day.

### 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, which is beneficial for the crop in its growing stage.

### TECHNICALS

Prices closed well above the short term EMAs, supporting firmness. MACD is rising in the negative territory, while Stochastic oscillator is rising in the neutral region, suggesting further uptrend in place. RSI is falling slowly in the neutral region, supporting bears. Chilli futures are likely to trade volatile with a firm tone in the next trading session. However, doji formation suggests indecision in the market and possible trend reversal. Hence, trade with caution.

CHLL334GTR 0711(NCGTRX7)2007/10/22 - Daily B:4460.00 A:4469.00

O 4460.00 H 4479.00 L 4400.00 C 4460.00 V 1,015 I 5,325 -20

EMA(9) 4353.5 (18) 4326.7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4171	4227	4460	4550	4586

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4455-4465 or below with a target of Rs. 4485 and then Rs.4495 with a strict stop loss of Rs. 4440. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4300	20,000

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