

## ■ BLACK PEPPER

■ Oct 16, 2007

### SPOT MARKETS

Domestic pepper markets were steady fuelled by high festival season demand and scanty arrival of the spice in the market. The momentum is likely to persist considering the expected fall in production in the coming harvest season due to climatic factors. The stock in the futures exchange is also expected to go down considerably by the month end. The demand-supply gap of the spice is expected to widen till February when the fresh stocks begin to arrive in the market. Steady demand is seen from Europe for FAQ grade, while US buyers started to buy Asta grades.

### FUTURES MARKETS

NCDEX Pepper futures traded firm in the recent trading range to close at the opening levels. The most active November contract opened firm at Rs. 14150/qtl, Rs. 72 above the previous settlement and traded up to test an intraday high of Rs. 14330/qtl. Increased selling pressure at higher levels pushed the prices down to test an intraday low of Rs. 14061/qtl. Prices improved thereafter on some buying support and the contract settled marginally higher than the opening levels at Rs. 14151/qtl. Volume traded and open interest improved as compared to the previous day, indicating fresh buying.

### 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 are in a consolidation phase and a breakout in either direction is needed to establish a trend. Candlestick pattern as well as a flat RSI in the overbought region suggests indecision in the market. Close above the short term EMAs, and rising MACD and RSI support bulls in the market. Pepper is technically bound to trade firm in the trading range, unless a breakout with significant volumes result in a new trend. 14340-14365 is seen resisting the uptrend in the short term.

Pepper 0711(NCPEPX7)2007/10/15 - Daily B:14150.00 A:14161.00  
O 14150.00 H 14330.00 L 14070.00 C 14151.00 V 12,874 I 9,801 +17



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13268	14151	14365	14705

### TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 14125-14150, with a target of Rs. 14050, then at Rs. 14325, with a strict stop loss of Rs. 13940. Trade with intraday outlook.

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

## CARDAMOM

Oct 16, 2007

### SPOT MARKETS

Cardamom markets ruled steady on good demand ahead of festivals. There were restricted arrivals of good quality capsules at the auction. The good sunshine and occasional rains in the cardamom growing regions of Kerala is seen favouring the flowering of standing crop as well as picking. Second round of picking is progressing in Kerala which has resulted in increased arrivals of good quality fresh capsules in the auctions. The price of Indian parity still remains higher than that of Guatemalan spice, which is restricting the export queries.

### FUTURES MARKETS

MCX Cardamom futures traded weak. The most active November contract opened weak at Rs. 524/kg, Re. 1 down the previous settlement and traded steadily down to test an intraday low of Rs. 518/kg. The prices improved slightly thereafter on some buying support and the contract settled at Rs. 520/kg. Open interest improved 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 harvesting as well as growth of standing crop.

### TECHNICALS

Candlestick pattern suggests a weak opening and a steady downtrend. Prices remain below the EMAs. A dipping RSI and Stochastic support bears in the market. MACD is flat, but has made a bullish crossover, indicating some medium term firmness in the market. Cardamom futures are likely to trade weak in the next trading session with some late downward movement. 514-515 level is providing some immediate resistance to the downtrend.

CARDAMOM 0711(MXCAMX7)2007/10/15 - Daily B:518.50 A:521.50

O 524.00 H 524.00 L 518.00 C 520.00 V 192 T 50,009 I 442 -5

EMA(9) 525.66 (18) 528.95



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	503	507.5	520	542	553.5

### TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 522 with a target of Rs. 517 and then 515 with a strict stop loss of Rs. 525. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodinayakanur

500

NA

## CUMIN

Oct 16, 2007

### SPOT MARKETS

Jeera, trade at the Unjha markets extended previous weeks weakness. The prices for jeera declined by Rs.20 per 20 kg as against previous trading session. The arrivals improved to 3500 bags and offtake declined to 5000 bags. The spill over of prices at the futures counter added the selling pressure at the physical markets. However the market men are anticipating the prices to rule firm due to festive season. Overseas buyers from Gulf, European countries, Malaysia and Srilanka were active in the market. 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 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 weak by 2.37 percent at Rs.10425 as against previous close price. The futures moved in a range of Rs.10410 and Rs.10716 and witnessed long liquidation amidst good volumes. The December futures moved in a range of Rs.10690 and Rs.10946 and witnessed short accumulations and closed at Rs.10700 down by 2.01 % 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

Candlestick is indicating weak opening and active selling in the market amidst gain in volumes. Falling RSI and falling stochastic is supportive to the weakness in prices. The close below the EMA's and falling MACD in negative region is hinting further fall in prices. Jeera prices are likely to trade weak following a steady opening.

JEERA 0711(NCJEEX7)2007/10/15 - Daily B:10424.00 A:10437.00  
O 10675.00 H 10716.00 L 10410.00 C 10425.00 V 10,088 17,776 -260



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	9955	10158	10425	10972	11243

### TRADE RECOMMENDATION

Sell NCDEX November Jeera at Rs.10445-10450 or below with a target of Rs. 10395 then at Rs.10342 with a strict stop loss at Rs.10471. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2270-2280	
	Ganesh	2460-2500	3500
	Machine Cleaned	2540-2660	



## TURMERIC

Oct 16, 2007

### SPOT MARKETS

Turmeric prices extended previous weeks firmness. Active buying support on the eve of festive demand pushed up domestic turmeric prices at all the major spot markets. The prices at Nizamabad were quoted firm by Rs.25/qtl at Rs.1950/qtl. At erode the prices were firm by Rs.25/qtl at Rs.2175-2225/ qtl. Domestic demand for the commodity is good on the eve of Dushera and Diwali and demand is likely to remain firm during the days ahead. Overseas buyers are active from Gulf and Japan. Prices of Turmeric are likely to trade rangebound to slightly firm during the week ahead on festive buying coming in.

### FUTURES MARKETS

NCDEX turmeric most active November futures closed marginally up by Rs.2038 or by 0.24 % on long accumulation. The contract moved in a narrow range of Rs.2027 and Rs.2047 amidst gain in volumes. The far month December futures witnessed long accumulation amidst good volumes and open interest and moved in a range of Rs.2073 and Rs.2096.

### 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 south-coastal Andhra Pradesh, coastal and south interior Karnataka Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Currently turmeric is trading rangebound a breakout on either side with good volumes is necessary to establish a trend. Formation of doji candlestick is indicating indecisive market move. Firm close and gain in volumes is suggesting firmness in prices. Rising RSI and gain in volumes and open interest is suggesting further upmove in prices. Turmeric prices are likely to trade firm following a firm opening.

Turmeric 0711(NCTMCX7)2007/10/15 - Daily B:2036.00 A:2039.00  
O 2035.00 H 2047.00 L 2027.00 C 2038.00 V 5,990 I 12,750 +6

EMA(9) 2037.7 (18) 2054.2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	2001	2015	2038	2070	2087

### TRADE RECOMMENDATION

Buy NCDEX November Turmeric at Rs.2035-2037 or market open with a target of Rs.2047 and then Rs.2056 with a strict stop loss of Rs.2029. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950	1500
	Gattah	1870-1880	
Erode	Finger	2175-2225	2800
	Gattah	2075-2125	

## ■ CHILLI

■ Oct 16, 2007

### SPOT MARKET

Domestic chilli prices improved at the Guntur auctions as against previous trading session. Prices for chillies were quoted firm by Rs.100 /qtl at Rs.3900-4350 /qtl. The arrivals declined to 25000 bags while offtake improved to 20000 bags. 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 causing the upmove in prices. Chilli prices in the medium term are likely to be rangebound to slightly firm due to improvement of overseas demand amidst ample stocks at Guntur warehouse of around 26.5-27 lakh bags.

### FUTURES MARKETS

Chilli most active November futures opened firm at Rs.4189 and moved in a range of Rs.4160 - Rs.4215 and closed marginally up by 0.51 % or at Rs.4188. The open interest gained amidst gain in volumes. The near month contract has witnessed short covering and moved in a range of Rs.4340 and Rs.4387.

### 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 south-coastal Andhra Pradesh. Rainfall is beneficial for the crop at present during its growing stage.

### TECHNICALS

An indecisive doji is suggesting that prices are likely to move on either side. Firm close amidst gain in volumes and open interest as compared to previous close prices as against previous close prices is supportive to firmness in prices. Rising RSI is also favouring upward movement in prices. Chillies are likely to trade firm following a firm opening in prices.

CHLL334GTR 0711(NCGTRX7)2007/10/15 - Daily B:4175.00 A:4189.00  
C 4189.00 H 4215.00 L 4160.00 C 4188.00 V 1,825 I 5,860 +25  
EMA(9) 4216.6 (18) 4270.7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4046	4116	4188	4304	4374

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4180-4185 or below with a target of Rs. 4216 and then Rs.4238 with a strict stop loss of Rs. 4168. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4350	25000

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