

## ■ BLACK PEPPER

■ Oct 22, 2007

### SPOT MARKETS

Pepper traded firm at the domestic auctions on good buying support amidst tight supply. Malabar garbled variety was quoted higher by Rs. 100/qtl at the benchmark Kochi markets. Exporters were seen actively covering from the exchanges as spot pepper was not available. The higher domestic demand is mainly met by supplies from the primary markets. Traders are eyeing an improvement in demand after Diwali, which is expected to maintain the market tight amidst lower supplies till January-February, when the new crop hits the market.

### FUTURES MARKETS

Pepper futures traded firm at NCDEX on some short covering. The most active November contract opened weak at Rs. 13932/qtl, Rs. 28 down the previous close and traded down initially to test an intraday low of Rs. 13812/qtl. Prices improved thereafter on good buying support and the contract tested an intraday high of Rs. 14333/qtl. Some selling at higher levels pushed the prices down marginally to close at Rs. 14320/qtl. Open interest dipped amidst larger volumes trades as compared to the previous day, suggesting short liquidation.

### 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

A long hollow candle is formed in the charts suggesting uptrend. Prices closed above the short term EMAs, supporting firmness in the market. MACD is rising in the positive territory, while RSI and Stochastic are rising in the overbought region, leaving room for a technical correction. Pepper is likely to trade firm during the next trading session with some late downward movement. However, pepper futures continue to remain trapped in the trading range. Do not initiate long position until a bullish breakout occurs.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13250	14320	14705	14936

### TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 14160-14200, with a target of Rs. 14350, then at Rs. 14400, with a strict stop loss of Rs. 14085. Trade with intraday outlook.

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

## ■ CARDAMOM

■ Oct 22, 2007

### SPOT MARKETS

Cardamom domestic auctions at Pulianmalai were closed on Durga puja. The market is seen weak till December, with some possibility of correction in the next week. The arrivals and yield in the peak harvesting period in December is critical in deciding the future trend of the market. The lower production estimates in the major growing countries, including India are likely to prop up the market beyond December. Exporters are still shying away from Indian markets due to higher price of Indian parity as compared to Guatemalan capsules.

### FUTURES MARKETS

MCX Cardamom futures traded firm on fresh buying. The most active November contract opened firm at Rs. 499/kg, Rs. 0.5 above the previous settlement and trade steadily up to test an intraday high of Rs. 507/kg. The contract slipped thereafter on some selling pressure and closed at Rs. 503.5/kg. Open interest improved amidst improvement in volumes traded as compared to the previous session on account of long accumulation.

### 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 steady to slightly firm opening and an uptrend with some profit booking at higher levels. Close below the short term EMAs and a southward bound Stochastic support a weak market. MACD is flat in the negative territory, leaving room for movement in either direction, while RSI is rising slightly in the neutral region, indicating further uptrend in place. Cardamom is likely to trade weak in the next session with some late upward movement.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	-	493	503.5	527	542

### TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 505 with a target of Rs. 500 and then 498 with a strict stop loss of Rs. 508. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Pulianmalai

Closed

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## CUMIN

Oct 22, 2007

### SPOT MARKETS

Domestic jeera trade at the benchmark Unjha markets remained steady as that of previous session. The prices remained unchanged as against previous trading session. Arrivals declined marginally to 2000 bags and while offtake remained steady to 6500 bags. Domestic buyers were reported to be active and improve further on festive buying. Overseas buyers from Gulf, European countries, Malaysia and Srilanka actively buy around 2000-3000 bags on daily basis. 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 December futures closed in a positive zone firm by 1.50 percent at Rs.11095 as against previous close price. The futures moved in a range of Rs.10836 and Rs.11111 and witnessed long accumulation amidst gain in volumes. The November futures moved in a range of Rs.10523 and Rs.10725 and closed at Rs.10710 up by 0.90 % 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. Steady 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 initial weakness and thereafter active buying towards the close amidst gain in volumes and open interest supportive to the firm close. Rising RSI and the close above the EMA's is hinting further uptrend in prices. MACD is in positive territory is favouring the uptrend for the medium term. Stochastic is likely to witness a bullish crossover is also supporting the firm trend. Jeera futures are likely to trade firm following a steady to firm opening.

JEERA 0712(NCJEEZ7)2007/10/20 - Daily B:11066.00 A:11096.00  
O 10965.00 H 11111.00 L 10836.00 C 11095.00 V 4,362 I 8,517 +155

EMA(9) 10964 (18) 10843



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	10573	10676	11095	11327	11430

### TRADE RECOMMENDATION

Buy NCDEX December Jeera at Rs.11042-11053 or below with a target of Rs. 11108 then at Rs.11153 with a strict stop loss at Rs.11013. 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 22, 2007

### SPOT MARKETS

Turmeric physical markets remained closed due to weekly off. The benchmark Nizamabad market will reopen from Tuesday onwards and remained closed due to Dushera celebrations. Spill over of the prices at the futures counter added to the weakness in prices at the spot during the week apart from this anticipation of further fall in prices sidelined the buyers in the market. Festive buying at lower levels is likely from next week onwards. Overseas buyers are active from Gulf and Japan. Turmeric prices are likely to trade rangebound during the week ahead on festive buying interest amidst ample of stock around 19 lakh bags at the major spot markets.

### FUTURES MARKETS

NCDEX turmeric most active November futures closed after testing fresh lows in a negative region at Rs.1930 or by 2.08 % on short accumulation. The contract moved in a range of Rs.1972 and Rs.1930 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.2016 and Rs.1984.

### 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 south coastal and 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

A bearish marubuzu is indicating active selling in the market amidst gain in volumes and open interest supporting the fall in price. MACD has witnessed a bearish crossover in negative territory while RSI is falling in the oversold region is hinting weak trend in the market. The close below the EMA's and stochastic in the oversold region is indicating further weakness in the prices. Turmeric is likely to trade weak however technical correction is due very soon as the contract is extremely oversold.

Turmeric 0711(NCTMCX7)2007/10/20 - Daily B:1930.00 A:1935.00  
O:1972.00 H:1972.00 L:1930.00 C:1930.00 V:8,180 I:13,730 -42



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1875	1886	1930	2023	2040

### TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.1933-1935 or market open with a target of Rs.1922 and then Rs.1911 with a strict stop loss of Rs.1938. Trade cautiously with intraday outlook.

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

## CHILLI

Oct 22, 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 marginally up at Rs.4450 and moved in a range of Rs.4416 - Rs.4487 and closed up by 0.75 % or at Rs.4480 indicating long accumulation. Open interest gained amidst steady volumes. The far month contract has witnessed a sluggish trade and moved in a range of Rs.3890 and Rs.3930 and closed marginally down by 0.27% or Rs.3925.

### 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

Long lower shadow is indicating initial weakness and thereafter a fresh buying towards the close. The gain in the open interest amidst low volumes is not convincing the firm close. The close above the EMA's and rising RSI as well as stochastic in the overbought region is favouring firm trend in the market. MACD has witnessed a bullish crossover is also hinting further uptrend in prices. Chilli futures are likely to trade firm following a steady to firm opening however a correction is due as the market is extremely overbought.

CHLL334GTR 0711(NCGTRX7)2007/10/20 - Daily B:4476.00 A:4479.00  
O 4450.00 H 4487.00 L 4416.00 C 4480.00 V 1,410 I 5,260 +32  
EMA(9) 4326.9 (18) 4311.1



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4295	4335	4480	4554	4601

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4468-4475 or below with a target of Rs. 4501 and then Rs.4515 with a strict stop loss of Rs. 4442. Trade cautiously with intraday outlook.

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

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