

## ■ BLACK PEPPER

■ Oct 25, 2007

### SPOT MARKETS

Black pepper traded steady at the higher price levels on good buying support. Rise in prices of other origins and lack of offers from Indonesia and limited support from Vietnam for Asta grade pepper have acted as a key supporting factor for the prices. Physical market is catering to the domestic demand from upcountry dealers. Meanwhile, Indian importers are reported to be showing interest to buy from Brazil and Indonesia as Indian parity is outpriced. The continuous North east monsoon is likely to hamper the standing crop.

### FUTURES MARKETS

NCDEX pepper futures traded volatile to close marginally lower than the opening levels. The most active December contract opened firm at Rs. 15450/qtl and traded up initially to test an intraday high of Rs. 15673/qtl. Prices slipped thereafter on increased selling pressure to test an intraday low of Rs. 15185/qtl. Buyers emerging at lower levels pushed the prices up to close at Rs. 15391/qtl. Open interest and volume traded improved as compared to the previous day, suggesting short 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 indecision in the market. MACD and RSI are flat and inconclusive. However, close above the short term EMAs, and a rising Stochastic indicate a bullish posture of the market in the short term. Pepper futures are likely to trade sideways with a firm tone in the next session. However, the extremely overbought nature of the market is seen increasing the possibility of a technical correction. Hence, trade with caution.

Pepper 0712(NCPEPZ7)200710/24 - Daily B:15375.00 A:15395.00  
O:15450.00 H:15670.00 L:15190.00 C:15391.00 V:20,858 I:11,564 0  
EMA(9) 14789 (18) 14291



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX December	13515	14052	15391	16244	16400

### TRADE RECOMMENDATION

Buy NCDEX December Black Pepper near 15330-15370, with a target of Rs. 15520, then at Rs. 15570, with a strict stop loss of Rs. 15255. Trade with intraday outlook.

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



## ■ CARDAMOM

■ Oct 25, 2007

### SPOT MARKETS

Cardamom auctions ruled steady at the auctions at Kumily, while the good quality capsules fetched a higher price of Rs. 460/kg, Rs. 5 higher than the previous settlement on good buying support. North Indian buyers were active in the domestic auctions covering to meet their Diwali requirements. The higher price of Indian parity as compared to the Guatemalan produce is restricting the entry of the exporters.

### FUTURES MARKETS

MCX cardamom futures traded weak after an initial uptrend. The most active November contract opened Rs. 2.5 firm at Rs. 517.5/kg and traded up initially to test an intraday high of Rs. 522.5/kg. Prices slumped thereafter on increased selling pressure to test an intraday low of Rs. 510/kg, before settling at Rs. 513/kg. Open interest dipped, while volume improved as compared to the previous day, suggesting long 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

Candlestick pattern suggest a firm opening and initial uptrend. Prices closed above 9 day EMA, suggesting a firm market in the short term. MACD is falling in the negative territory, while Stochastic is falling into oversold region. RSI is also dipping slowly in the neutral region. Overall, technicals indicate a weak market in the short term. However, a close above the 18 day EMA indicates an intermediate term bullish posture of the market. Cardamom is likely to trade weak in the next trading session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	495	503	513	528	543

### TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 515 with a target of Rs. 510 and then 508 with a strict stop loss of Rs. 518. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Kumily	460	52,000

## CUMIN

Oct 25, 2007

### SPOT MARKETS

In Unjha market Jeera prices remained steady near prior day's levels as arrivals and off take both increased Wednesday. The market saw inflow of 4000 bags up by 1000 bags against Tuesday's 3000 bags. The sales also increased to 8000 bags from prior days 6500 bags. Market has high demand from Bangladesh and Indian domestic consumption centers particularly due to festive season. Spices Board of India revealed the country's Jeera exports during Apr-Sep fell 33.6% on yr to 11,250 mt from 16,940 mt. NCDEX warehouse Jeera total stock on Tuesday was 3218 mt. MCX Jeera total stock was 145.354 mt. Jeera prices may be firm on low output concerns, scarcity of premium quality jeera in global markets and reducing current low stock position of around 8 lakh bags (including 6 lakh bags in Unjha).

### FUTURES MARKETS

NCDEX Jeera prices continued with its uptrend. December expiry futures prices advanced Rs 291 to close at Rs 11441. The contract opened firm by Rs 90 to Rs 11240 and thereafter traded mostly up between Rs 11133-11460. November delivery near month Jeera futures prices ended high at Rs 10982, up by Rs 182 after trading mostly firm in the range of Rs 10775-11000.

### 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

Isolated rain/thundershowers are likely over Madhya Maharashtra. Sporadic Jeera sowing has started in Gujarat. Dry weather is likely over rest of west India.

### TECHNICALS

Jeera chart is showing an uptrend of prices. Candlestick pattern are revealing presence of bullish sentiments in the market. MACD has made a bullish crossover in positive region indicating increasing bullish momentum. The prices have closed above short and medium term EMA's showing strength in the market. Stochastic Oscillator and RSI are rising in neutral region indicating firmness. Jeera futures may trade volatile with firm bias.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	11002	11193	11441	11640	11725

### TRADE RECOMMENDATION

Buy NCDEX December Jeera above Rs.11390 with a target of Rs. 11550 and then of Rs.11640 with a strict stop loss below Rs.11278. 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	4000
	Machine Cleaned	2610-2730	





## ■ TURMERIC

■ Oct 25, 2007

### SPOT MARKETS

Turmeric prices were slightly firm in Erode market with reduced arrivals and high demand. Turmeric arrivals reduced to 1500 bags from Tuesday's 2500 bags due to rains in the region. Sales were equal to the day's inflow. The market these days has good demand from Middle East and Indian domestic markets particularly due to festive season. Rains are proving favourable for crop and the market has comfortable stock of 10-12 lakh bags. NCDEX warehouse Turmeric total stock reduced to 4929 mt. MCX turmeric total stock was 1604.336 mt on Tuesday. Spices board of India showed Apr-Sep Turmeric export rose 0.8% on yr to 25,800 mt. Turmeric prices may continue firm in the near term on high demand & reducing arrivals. Though, gains may be restricted on comfortable stock levels.

### FUTURES MARKETS

NCDEX November expiry turmeric futures witnessed a quick run up. The prices surged to make intra day high of Rs 2009. The contract opened Rs 4 weak, at Rs 1944 thereafter traded mostly up in the range of Rs 1942-2009. Trading for the day finally ended Rs 44 up, at Rs 1989 from previous close of 1945. December futures prices also shot higher by Rs 58 to close at Rs 2059 after trading in green between Rs 1998-2077.

### PRICE DRIVERS

#### Bullish

1. Demand from Middle East.
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 over T.N, Pondicherry & many places over Kerala, Coastal & south interior Karnataka, south coastal AP & Rayalseema. Rains at present are beneficial for the growth crop.

### TECHNICALS

Candlestick pattern is showing bullish sentiments are prevailing in the market. MACD has made a bullish crossover in negative territory showing decreasing bearish momentum in the market. The prices have closed above short term EMA's indicating firmness in the near term. RSI is rising in neutral region and stochastic is rising after making a bullish crossover in oversold region indicating firmness. Turmeric is likely to continue firm.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1927	1944	1989	2033	2068

### TRADE RECOMMENDATION

Buy NCDEX November Turmeric above Rs.1976 with a target of Rs. 2012 and then Rs.2028 with a strict stop loss below Rs.1951. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	NA	-
	Gattah	NA	
Erode	Finger	2175-2250	1500
	Gattah	2125-2150	

### SPOT MARKET

Guntur chilli markets traded firm amidst normal demand-supply conditions. The domestic demand is seen normal, while improved overseas demand is seen supporting the uptrend. Unfavourable weather conditions in China and other chilli producing countries have resulted in lower production estimates, leading to global short supply. This is seen as a favourable premise for Indian chilli exports. Production and export of pesticide-free chillies is likely to be taken up on a large scale in Andhra Pradesh.

### FUTURES MARKETS

The most active NCDEX chilli November contract opened weak at Rs. 4460, Rs. 16 down the previous settlement and traded up initially to test an intraday high of Rs. 4524. Increased selling pressurized the market and the contract slipped to test an intraday low of Rs. 4416. Prices improved thereafter on some buying support and the contract settled at Rs. 4477. Open interest dipped while volumes surged as compared to the previous day, suggesting short covering.

### PRICE DRIVERS

#### Bullish:

1. Export up by 86% on year during April-August 2007
2. Lower global production estimates

#### 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 an indecisive market; so does a flat RSI. MACD is rising to test zero level, while Stochastic is rising in the neutral zone, supporting further uptrend in place. Prices closed above the short term EMAs, indicating a firm market in the short term. Chilli futures are technically bound to trade sideways with a firm tone in the next trading session. 4585 level is seen providing a good resistance to the uptrend, breaking which prices would test fresh highs.

CHLL334GTR 0711(NCOTRKT)20071024 - Daily B:4470.00 A:4475.00  
O 4460.00 H 4524.00 L 4416.00 C 4477.00 V 2,305 I 5,400 +8

EMA(9) 4396.7 (18) 4358.0



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4171	4227	4477	4550	4586

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4470-4480 or below with a target of Rs. 4500 and then Rs.4510 with a strict stop loss of Rs. 4460. Trade cautiously with intraday outlook.

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

### 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