

■ BLACK PEPPER

■ June 06, 2007

SPOT MARKETS

Domestic black pepper markets witnessed a firm trend during Tuesday's trade. It was quoted higher by Rs. 200 per quintal in Kochi markets amid arrivals as well as offtake of 70 MT. Activity at global markets continue to remain slow as buyers preferred to be on the sideline. Overseas buyers are now eyeing the Indonesian and Brazilian new harvest that is most likely to hit the market after June. At the domestic front, traders reported no selling pressure in the physical markets. Spillover strength from its futures prices has supported the firmness in physical market prices. Pepper prices are expected to maintain the firmness in the day ahead.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active July contract tested an intraday low of Rs. 14300 at the early hours of trade. The futures traded upwards thereafter on increased buying interest and tested an intraday high of Rs. 14720 during late hours of trading. The futures finished with significant gains in final action. Most active July contract traded in the range of Rs. 14300-14720 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Global supplies remain tight
2. Vietnam crop size projected lower by 10-20 percent

Bearish:

1. Higher stocks at exchange warehouses
2. Moderate domestic and export demand

WEATHER

Rain/thundershowers are likely at a few places over Coastal Andhra Pradesh. Isolated rain/thundershowers are likely over the rest region. Rainfall over pepper growing regions would help the newly planted vines.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. MACD is moving upwards in negative territory, supporting the firmness in the market. Prices closed above the 9-day EMA, indicating that the short-term trend has turned firm. However, the close below the 18-day EMA is somewhat bearish for the market. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0707(NCPEPN7)2007/06/05 - Daily B:14665.00 A:14670.00
O 14388.00 H 14716.00 L 14300.00 C 14670.00 V 15,570 I 11,499 +310
EMA(9) 14530 (18) 14779



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	14250	14465	14670	15000	15225

TRADE RECOMMENDATION

Buy NCDEX July Pepper at Rs. 14575-14625 with a target at Rs. 14775 and then Rs. 14825 with a strict stop loss at Rs. 14475. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qt	Arrival (Tonnes)
Kochi	Garbled	14400	70
	Ungarbled	13800	

CUMIN

June 06, 2007

SPOT MARKETS

Domestic jeera markets remained firm during Tuesday's trade. It was quoted in a higher price range in Unjha markets owing to higher offtake amid steady arrivals. Demand is likely to improve further ahead of the rainy season in major producing/trading regions. Moreover, unconfirmed news of adverse climatic conditions in Syria, another key jeera producing country, has supported the firmness in domestic markets. Long-term outlook for jeera remains firm with the estimated decline in domestic production this year. Jeera prices are likely to remain firm in the days ahead.

FUTURES MARKETS

Jeera futures at NCDEX opened marginally changed as compared to previous settlement and most active July contract tested an intraday low of Rs. 12800 at the opening session of trade. The futures surged up on increased buying interest and breached the 4 per cent upper circuit level to test an intraday high of Rs. 13340. The futures finished near day's high in final action. Most active July contract traded in the range of Rs. 12800-13340 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Estimations of lower production this season
2. Improved demand amid lower arrivals

Bearish:

1. Thin trading activities in markets

WEATHER

Isolated duststorm/thunderstorm is likely over Rajasthan. Isolated rain/thundershowers over the rest region. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices closed above the 9-day as well as 18-day EMA, indicating that the trend remains firm. MACD is moving upwards in the negative territory, supporting the firmness in the market. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. Volume as well as open interest has increased as compared to previous settlement. Jeera futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.

JEERA 0707(NCJEEN7)2007/06/05 - Daily B:13331.00 A:13337.00
O 12800.00 H 13339.00 L 12800.00 C 13339.00 V 31,410 I 13,839 +507.1
EMA(9) 12806 (18) 12814



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	12840	13050	13339	13700	13920

TRADE RECOMMENDATION

Buy NCDEX July Jeera near Rs. 13275-13325 with a target of Rs. 13400 and then Rs. 13475 with a strict stop loss of Rs. 13175. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2320-2400	3000
	Ganesh	2420-2500	
	Machine Cleaned	2620-2700	

CHILLI

June 06, 2007

SPOT MARKETS

Domestic red chillies markets regular trade in Guntur likely to resume by 12or 13th June. Chilli export from the country in fiscal year 2006-07 was 1, 48,500 tonnes valued at Rs 807.75 crore against 1, 13,174 tonnes worth Rs 403.01 crore in 2005-06. Despite increase in prices, the exports increased by 31 per cent in volume. According to Spices Board Chairman, production in China was less than the previous year, resulting in short supply in the International market. During the last fiscal, China imported around 900 tonnes of chilli from India. Malaysia, Bangladesh and Indonesia have imported more quantity of chillies from India during the last fiscal year.

FUTURES MARKETS

Chilli June futures contract on NCDEX closed at lower levels after initial high. We witnessed liquidation of long positions for the benchmark June futures amidst fall in open interest. The volumes were low as against previous trading session. The contract opened weak at Rs.4833 made an initial high at Rs.4870 and then made a steep fall at Rs.4721. The contract however closed weak at Rs.4742 down by 2.19% against previous trade.

PRICE DRIVERS

Bullish:

1. Market closed due to summer holidays
2. Export up 31 percent in last fiscal year

Bearish:

1. Domestic production is estimated higher by 20 percent

WEATHER

Rain/thundershowers are likely at many places over South Interior Karnataka, Tamil Nadu, Kerala, and Andhra Pradesh. Weather is not a crucial factor at present.

TECHNICALS

Medium sized dark candlestick is indicating active bears in the market. Volumes were marginally low and did not support the price movement. 14-day RSI is in the neutral region and moving down wards. Prices closed below the 18-day EMA, indicating a short-term bear trend in the market. Stochastic oscillator is in the neutral region and moving upwards. MACD is bearish. Red chillies futures are likely to trade weak in next trading session amidst small spurt in the prices.

CHLL334GTR 0706(NCGTRM7)2007/06/05 - Daily B:4742.00 A:4750.00
O 4833.00 H 4870.00 L 4721.00 C 4742.00 V 6,830 16,870 -83



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4555	4621	4742	4968	5084

TRADE RECOMMENDATION

Sell NCDEX June Chilli at Rs. 4745-4770 or market open price with a target of Rs. 4700 and then Rs. 4645 with a strict stop loss of Rs. 4835.

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

TURMERIC

June 06, 2007

SPOT MARKETS

All the major spot markets traded steady to marginally firm by Rs.25 after opening slightly bearish for the week. At Sangli, around 1159 bags were sold and the prices were steady. Around 3000 and 8000 bags were sold at Duggirala and Warangal prices were steady and up by Rs.25 per quintal respectively. Local traders say that the demand lacked lustre. There were no export inquiries as well said a trader at Nizamabad.

FUTURES MARKETS

Turmeric June futures contract on NCDEX surged on short covering and closed on a positive note. The June contract closed on liquidation of short position. Volumes were marginally low as against previous trading session where as the open interest slipped down. The contract opened low for the week at Rs.2169 and closed at Rs.2187 up by 1.02% as against previous close price after making a high for the day. In July contract we witnessed liquidation of short position amidst marginal gain in the volumes and fall in open interest.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. Fresh export orders expected.

WEATHER

Isolated thundershowers and rain over Andhra Pradesh and Tamil Nadu is expected. This kind of weather will not have a major effect as harvest and post harvest activities have already been carried out in these areas while rainfall at Karnataka and Maharashtra would benefit the crop at its initial growing stage.

TECHNICALS

Small white candlestick is indicating a short term positive correction for the bearish trend in the market. The volumes were low and did not support the price movement. Stochastic oscillator is moving towards the oversold region and supporting the bearish trend in the market. MACD is in negative region indicating a bearish trend. The contract settled below the long term (18-day EMA). EMA's are indicating a bearish trend. 14-day RSI is neutral and moving upwards. We expect the contract to trade firm where as the long-term trend favours the bears.

Turmeric 0706(NCTMCM7)2007/06/05 - Daily B:2187.00 A:2188.00
O 2169.00 H 2187.00 L 2169.00 C 2187.00 V 7,030 I 15,750 +22



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2145	2154	2187	2205	2215

TRADE RECOMMENDATION

We recommend intraday Buy for NCDEX June contract at 2184-2187 or at market open price with a target of Rs.2195 and then 2203 with a stop loss of Rs.2173.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1925-1950	2000
	Gattah	1825-1850	
Erode	Finger	1975-2075	7500
	Gattah	1725-1875	



■ CARDAMOM

■ June 06, 2007

SPOT MARKETS

Weekly auction at Ndukandam are closed on account of commodity season ending amidst poor arrivals. During the off-season auctions will be carried twice a week mainly on Thursday and Friday, as the markets will remain closed the other days. Regular trade will resume from the last week on July or first week of August During the last few days of the auction, buyers were active and exporters bought around 4000 kg.

FUTURES MARKETS

The MCX cardamom June contract closed at almost steady levels as compared to previous close price slightly down by Re.0.1. Benchmark June contract traded between Rs.471 and Rs.479.1. The change in close price and open interest is indicating liquidation of short position however the change is very small to support our analysis. Volumes were low as against previous trading session and did not support the price movement.

PRICE DRIVERS

Bearish:

1. Rains in Kerala.

Bullish:

1. Low Production in India.
2. Nearly 30% of cardamom plants dried and dead.

WEATHER

Isolated thunder showers and rain are likely over Kerala and Karnataka region of cardamom growing areas during past 48 hours. Due to this, the crop at the growing areas and the yield of the crop would benefit largely.

TECHNICALS

Candlestick is indicating indecisive trend in the market amidst marginally low volumes as compared to previous close. The contract closed below all the EMA's, indicating a short-term bear trend. MACD is in the negative zone and is currently bearish. 14 day RSI is in neutral region and moving upwards leaving scope for a positive move in the prices. Stochastic is in neutral region. We expect the contract to trade slightly weak however; a positive move in the prices is expected.

CARDAMOM 0706(MXCAMM7)2007/06/05 - Daily B:474.40 A:475.00
O 474.20 H 479.10 L 471.00 C 474.20 V 387 T 18,360 I 1,585 -0.1
EMA(9) 480.12 (18) 487.22



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	463	468.2	474.2	485.2	490

TRADE RECOMMENDATION

We recommend intraday Sell for the MCX cardamom June contract at Rs.474.2-475.3 or at market open price with a target of Rs.469.2 with a stop loss of Rs.480.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandam

Market Closed

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