

■ BLACK PEPPER

■ June 16, 2007

SPOT MARKETS

Domestic black pepper markets remain quiet during Friday's trade. It was quoted unchanged in Kochi markets amid no arrivals as well as offtake. Traders attributed lack of buying support as the reason behind the lackluster trade. However, global demand-supply mismatch continues to support the market sentiments. Traders are reporting some export inquiries for Indian pepper as it remains competitive in global market after the recent decline in prices. Long term outlook for the pepper remains firm, though some rangebound trade is likely in the days ahead as demand, both domestic as well as overseas remains subdued.

FUTURES MARKETS

Black pepper futures at NCDEX opened marginally lower as compared to previous settlement and the most active July contract tested an intraday high of Rs. 13975 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 13538. The futures finished lower after paring some of the losses in late action. Most active July contract traded in the range of Rs. 13538-13975 during Friday's trade.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
2. India's export up 1.6% at 1600 tonnes in April 2007

Bearish:

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

WEATHER

Rain/thundershowers are likely at many places over Coastal Karnataka, Kerala and at a few places over the rest region. It would be beneficial for the growth of newly planted as well as old vines.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. 14-day RSI is moving downwards in neutral regions, leaving scope for further downtrend. MACD is moving downwards in negative territory, supporting the weakness in the market. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend remains bearish in the market. Volume as well as open interest has declined as compared to previous settlement. Black pepper futures are likely to trade downwards following a steady to weak opening initially and upwards thereafter.

Pepper 0707(NCPEP7)2007/06/15 - Daily B:13655.00 A:13660.00
O 13901.00 H 13975.00 L 13550.00 C 13655.00 V 12,856 I 10,339 -270
EMA(9) 14063 (18) 14329



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13159	13394	13655	14000	14203

TRADE RECOMMENDATION

Sell NCDEX July Pepper near Rs. 13700 with a target at Rs. 13600 and then Rs. 13550 with a strict stop loss at Rs. 13775. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14000	-
	Ungarbled	13400	

SPOT MARKETS

Domestic jeera markets witnessed some firmness during Friday's trade. It was offered in a higher price range in Unjha markets owing to steady offtake amid reduced arrivals. Spillover weakness from futures market has pressurised the physical market sentiments. However, the market continues to remain supported by its strong fundamentals. Long-term outlook on jeera remains firm on domestic as well as global supply shortage this year and increased overseas demand thereof for Indian jeera.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active July contract tested an intraday high of Rs. 13340 at the early hours of trade. Increased selling interest has pressurised the futures thereafter and the futures traded downwards for the rest of the session. July contract tested an intraday low of Rs. 12955 during late hours of trading and finished with significant losses in final action. Most active July contract traded in the range of Rs. 12955-13340 during Friday's trade.

PRICE DRIVERS

Bullish:

1. Lower domestic production
2. Reports of decline in production in Syria, Turkey

Bearish:

1. Lack of buying support in markets
2. Lower open position limit for jeera futures

WEATHER

Rain/thundershowers are likely at a few places over Gujarat region and isolated over rest region. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, an indication that the trend remains bearish. MACD is moving downwards in the positive territory. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of upward movements later in the session.

JEERA 0707(NCJEEN7)2007/06/15 - Daily B:13075.20 A:13094.00
O 13250.00 H 13340.00 L 12955.00 C 13080.00 V 19,071 I 8,796 -171.2
EMA(9) 13220 (18) 13140



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	12575	12784	13080	13370	13578

TRADE RECOMMENDATION

Sell NCDEX July Jeera near Rs. 13100-13125 with a target of Rs. 12975 and then Rs. 12950 with a strict stop loss of Rs. 13200. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2400-2480	3000
	Ganesh	2500-2580	
	Machine Cleaned	2700-2780	

SPOT MARKETS

Red Chill spot prices remained steady to slightly up as compared to that of previous trading session. Currently there is a stock of 50 lakh bags at the Guntur cold storage as per local trader. Chillies fetched better prices on the back of good domestic demand. Export demand was also reported to be good. Out of the total arrivals around 16000 bags were sold. Sowing at Andhra Pradesh has been initiated in small quantity where as the overall sowing is likely to start after a period of one month.

FUTURES MARKETS

NCDEX Chilli most active July contract settled in a negative territory under pinned by selling pressure. Volumes were slightly low as compared to previous day's trading session and supported the price movement. The contract opened firm at Rs.4743 and after an initial high of Rs.4786 the contract made an intraday low at Rs.4683. The contract then closed at Rs. 4685 down by 0.96%.

PRICE DRIVERS

Bullish:

1. Low Physical demand in the market
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

Candlestick is indicating active bears in the market. The volumes were slightly low as compared previous trading session and did not support the price movement. 14-day RSI is in the neutral region and moving downwards leaving scope for positive move in the prices. 18 EMA is indicating short term bearish trend in the market. Stochastic oscillator is also in the oversold zone and has witnessed a bullish crossover. MACD is bearish. Red chillies futures are likely to trade weak in next trading session.

CHLL334GTR 0707(NCOTRN7)2007/06/15 - Daily B:4685.00 A:4695.00
O 4743.00 H 4786.00 L 4683.00 C 4685.00 V 7,450 I 8,145 -46
EMA(9) 4742.8 (18) 4813.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4568	4599	4685	4826	4876

TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4685-4700 or market open price with a target of Rs. 4634 and then Rs. 4605 with a strict stop loss of Rs. 4744.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 Loose	3000-4000	10000
	Cold Storage	3800-4500	10000

TURMERIC

June 16, 2007

SPOT MARKETS

Turmeric prices at all the major spot markets remained steady for the day. Nizamabad market remained closed on account of "Amavas". Domestic and export demand was reported to be lack luster. At Sangli around 1200 bags of Turmeric arrived from other centres. At Duggirala and Warangal around 3300 and 5500 bags were sold and the prices were steady.

FUTURES MARKETS

Turmeric most active July futures closed marginally down on selling pressure. The change in close price and open interest is indicating short accumulation. The volumes failed to breach the previous highs. The contract opened at Rs.2143 and after an initial low of Rs.2132 and there after made an intraday high at Rs.2152. The open interest gained as compared to last trading session. The contract then closed at Rs.2139 slightly down by 0.23% as against previous close price.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. Weak Domestic demands

Bullish

3. 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 sowing for the next season is not yet started in this area. Rainfall is expected in Karnataka and Maharashtra likely to benefit the crop at its growing stage.

TECHNICALS

Candlestick is indicating indecisive trend in the market. Volumes failed to breach previous day's high levels. Stochastic oscillator is neutral and moving downwards. 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 in oversold region. We expect the contract to trade weak with small spurt in the prices during the trading session. However a positive correction is expected in the market.

Turmeric 0707(NCTMCN7)2007/06/15 - Daily B:2138.00 A:2139.00
O 2143.00 H 2152.00 L 2132.00 C 2139.00 V 11,710 I 22,910 -2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2113	2124	2139	2165	2173

TRADE RECOMMENDATION

We recommend intraday sell NCDEX July contract at 2139-2145 or at market open price with a target of Rs.2129 and then 2116 with a stop loss of Rs.2157.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger Gattah	Closed	
Erode	Finger Gattah	2025-2075 2000-2050	7000



■ CARDAMOM

■ June 16, 2007

SPOT MARKETS

At the last auction for the season at Vandanmedu cardamom arrivals were witnessed around 26000 kg out of which around 25500 kg was sold. Local trader at Vandanmedu said that since 1st June rainfall at the cardamom growing areas were scanty and was witnessed for only two days as compared to last years rainfall. Severe heat has affected cardamom plants in nearly 10,000 hectares and needs replanting, said Mr. KK Devassia secretary of Cardamom Growers association

FUTURES MARKETS

The MCX cardamom July contract settled slightly weak and witnessed creation of fresh short positions. Volumes failed to breach previous highs. Open interest gained slightly. The contract opened at Rs.484 and after an initial high at Rs.485.5 the contract made an intraday low at Rs.477. The contract there after closed at Rs.481.8 slightly down by 0.17%.

PRICE DRIVERS

Bearish:

1. Rains in Kerala.

Bullish:

1. Low Production in India.
2. Nearly 30-40% of cardamom plants dried and dead.

WEATHER

Rain and thunder showers 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

Candlesticks are indicating indecisive trend in the market. Volume was low and failed to breach the previous day's trading session. The contract closed above the short term, 9 day EMA indicating short term firmness in the market. MACD is in the negative zone and is currently bearish. 14 day RSI is in the neutral region and moving downwards. Stochastic oscillator is bearish. We expect the contract to trade steady to firm for next trading session.

CARDAMOM 0707(MXCAMN7)2007/06/15 - Daily B:481.70 A:482.60
O 484.00 H 485.50 L 477.00 C 481.80 V 612 T 21,398 I 1,180 -0.8

EMA(9) 481.26 (14) 484.11



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX July	467.9	471.1	481.8	492.0	495.2

TRADE RECOMMENDATION

We recommend intraday Sell for the MCX cardamom July contract at Rs.481.8 - 482.4 or at market open price with a target of Rs.476.4 and stop loss of 484.9

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Vandanmedu

430-440

26000

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