

■ BLACK PEPPER

■ July 02, 2007

SPOT MARKETS

Domestic black pepper markets remain calm at the weekend. It was offered at an unchanged price in Kochi markets amid no arrivals as well as offtake. Rangebound trade at the futures market has failed to provide any cues to the physical market traders. Traders are closely watching the price movements at futures market as quality pepper stocks are only available with the exchange accredited warehouses. Market remains supported by increased export inquiries for Indian pepper. Increased demand from the US for Indian pepper is attributable to the lower price tag as compared to that of Vietnam and Brazil. Pepper prices are likely to remain firm in the coming days owing to its strong fundamentals.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher as compared to previous settlement and the most active August contract tested an intraday low of Rs. 15655. The futures traded upwards on increased buying interest and tested an intraday high of Rs. 15788. The August contract finished higher by Rs. 69 or 0.47 per cent over previous settlement. Most active August contract traded in the range of Rs. 15655-15788 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
2. India's export up 50% on year at 2,200 tonnes in May 2007
3. Increased US demand for Indian pepper

Bearish:

1. Profit taking at higher price levels

WEATHER

Rain/thundershowers are likely over pepper growing regions. It would be beneficial for the growth of newly planted as well as old vines.

TECHNICALS

Candlesticks pattern indicates indecision. RSI is neutral, leaving scope for both way movements. MACD is rising in positive territory, supporting the firmness in the market. Prices closed far above the 9-day as well as 18- day EMA, indicating that the short-term as well as intermediate-term trend remains bullish. Volumes traded decreased and open interest increased when compared to previous settlement. Black pepper futures are likely to remain volatile during the session.

Pepper 0708(NCPEPQ7)2007/06/30 - Daily B:15710.00 A:15711.00
O 15682.00 H 15780.00 L 15655.00 C 15710.00 V 5,841
EMA(9) 15411 (18) 15171



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	15245	15450	15710	16000	16200

TRADE RECOMMENDATION

Sell NCDEX August Pepper below Rs. 15640 with a target at Rs. 15480 and then Rs. 15420 with a strict stop loss at Rs. 15758. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14800	-
	Ungarbled	14200	

■ CUMIN

■ July 02, 2007

SPOT MARKETS

Domestic jeera markets maintain its previous steadiness during Saturday's trade. It was quoted unchanged in benchmark Unjha market owing to mostly steady arrivals as well as offtake. Increased export inquiries have provided the underlying support for the market. Traders are reporting higher demand from Singapore at present. Traders are expecting further decline in arrivals that may result into some firmness in prices. Estimated decline in production in Syria and Turkey has resulted in firmness in global jeera prices. Long-term outlook on jeera continues to remain firm on domestic as well as global supply shortage.

FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active August contract tested an intraday low of Rs. 12925. The contract tested an intraday high of Rs. 13030. August contract finished lower by Rs. 8 or 0.06 per cent as against previous settlement. Most active August contract traded in the range of Rs. 12925-13030 during Saturday'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

WEATHER

Rain/thundershowers are likely at a few places over East Rajasthan and Gujarat state during next 48 hours and increase thereafter. Isolated rain/thundershowers are likely over West Rajasthan. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates indecision in the market. Prices closed above the 9-day EMA, indicating that the short-term trend is firm. However, the close below the 18-day EMA is bearish for the market. MACD is moving rising in negative territory indicating decreasing bearish momentum. Oscillators are giving mixed indications. Jeera futures are likely to trade volatile during the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12702	12805	12992	13150	13310

TRADE RECOMMENDATION

Sell NCDEX August Jeera below Rs. 13000 with a target of Rs. 12885 and then Rs. 12825 with a strict stop loss of Rs. 13078. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2460-2540	
	Ganesh	2560-2640	3000
	Machine Cleaned	2760-2840	

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