

■ BLACK PEPPER

■ June 11, 2007

SPOT MARKETS

Domestic black pepper markets remained quiet at the weekend. It was quoted unchanged in Kochi markets amid no arrivals as well as offtake. Revival of southwest monsoon has kept the market under pressure as it would be favourable for the growth of the newly planted as well as old vines. India has exported 1,600 tonnes of pepper worth Rs. 20.64 crore during April 2007 as against 1,575 tonnes worth Rs. 13.17 crore during April 2006. According to IPC, global pepper prices continue to slide down during this week with exception of India.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active July contract traded downwards to test an intraday low of Rs. 14170 at the early hours of trade. The futures recovered back on increased buying support at the lower price levels and tested an intraday high of Rs. 14378. However, the July contract finished with some losses in final action. Most active July contract traded in the range of Rs. 14170-14378 on Saturday.

PRICE DRIVERS

Bullish:

1. Global supplies remain tight
2. Vietnam crop size projected lower by 10-20 percent
3. 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 Andaman & Nicobar Islands, Tamil Nadu, Kerala, Karnataka and Lakshadweep and scattered rain/thundershowers are likely over rest region. It would be beneficial for the newly planted as well as old vines and would enhance the soil moisture.

TECHNICALS

Candlesticks pattern indicates steady opening and initial uptrend. 14-day RSI is neutral, leaving scope for both way movements. MACD is moving indecisively in negative territory. 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 upwards following a steady opening with possibility of some downward movements early in the session.

Pepper 0707(NCPEPN7)2007/06/09 - Daily B:14331.00 A:14350.00
O 14375.00 H 14378.00 L 14170.00 C 14340.00 V 8,194 I 11,438 +5
EMA(9) 14456 (18) 14648



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13968	14160	14340	14668	14882

TRADE RECOMMENDATION

Buy NCDEX July Pepper near Rs. 14250-14275 with a target at Rs. 14450 and then Rs. 14500 with a strict stop loss at Rs. 14170. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14200	-
	Ungarbled	13600	

SPOT MARKETS

Domestic jeera markets witnessed some weakness on Saturday. It was quoted in a lower price range in Unjha markets owing to increased arrivals amid steady offtake. Demand is likely to improve further ahead of the rainy season. Traders are reporting increased export enquiries for Indian jeera this time and hope to ship more quantity over previous year. Notably, India has exported 1,100 tonnes of jeera worth Rs. 11 crore during April 2007. News of adverse climatic conditions in Syria, Turkey and consequent decline in production is underpinning the firmness in domestic markets.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active July contract tested an intraday low of Rs. 13490 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 13692. The futures finished near day's high in final action. Most active July contract traded in the range of Rs. 13490-13692 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Estimations of lower production
2. Improved demand amid lower arrivals
3. Reports of adverse weather conditions in Syria, Turkey

Bearish:

1. Thin trading activities in markets

WEATHER

Rain/thundershowers are likely at many places over Konkan & Goa and at a few places over Madhya Maharashtra & Marathwada and isolated over the rest region outside Rajasthan where weather will be mainly dry. 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 positive territory, supporting the firmness in the market. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. Volume as well as open interest has declined 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)2007/06/09 - Daily B:13690.00 A:13694.00
O 13615.00 H 13690.00 L 13490.00 C 13690.00 V 20,751 I 14,337 +65
EMA(9) 13237 (18) 13066



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13389	13503	13690	13900	14051

TRADE RECOMMENDATION

Buy NCDEX July Jeera near Rs. 13600-13625 with a target of Rs. 13750 and then Rs. 13800 with a strict stop loss of Rs. 13500. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2420-2500	5000
	Ganesh	2520-2600	
	Machine Cleaned	2720-2800	

SPOT MARKETS

Domestic red chillies markets regular trade in Guntur likely to resume by 12or 13th June. During April, 2007, the chilli exports touched 22,000 tonne and were valued at Rs 126.50 crore, compared with 6644 tonne and Rs 30.11 crore value in April, 2006. Chilli exports in terms of quantity were reported to be the best amongst all the spices with a growth of 231 per cent in quantity and 320 per cent in value. According to Spices Board Chairman, production in China was less than the previous year, resulting in short supply in the International market.

FUTURES MARKETS

NCDEX Chilli most active July contract tested fresh lows for the week at Rs.4790 on selling pressure. The contract opened weak at Rs.4864 and made an intraday high at Rs.4900. The contract however closed at Rs.4820 down by 1.02% against previous close price. Volumes were marginally low as compared to previous trading session where as the open interest gained indicating accumulation of fresh short positions.

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

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 downwards. 18 EMA is indicating short term bearish trend in the market. Stochastic oscillator is in the neutral region and steady. MACD is bearish. Red chillies futures are likely to trade weak in next trading session amidst slight firmness in the prices.

CHLL334GTR 0707(NCGTRN7)2007/06/09 - Daily B:4820.00 A:4831.00
O 4864.00 H 4900.00 L 4790.00 C 4820.00 V 4,690 I 7,110 -50



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4703	4723	4820	4954	5026

TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4820-4835 or market open price with a target of Rs. 4770 and then Rs. 4742 with a strict stop loss of Rs. 4865.

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

TURMERIC

June 11, 2007

SPOT MARKETS

All the major spot markets were closed on account of weekly off. But at Sangli around 2400 bags were arrived from the other centres. Local demand is reported to be weak. Turmeric exports suffered a serious set-back, a drop of 22 per cent in quantity. The country's turmeric exports were 3750 tonne and valued at Rs 11.73 crore in April, 2007. Exporters at Nizamabad said that this week there was negligible fresh export demand as well as no inquiries were made. Traders at Nizamabad said that up to now that stock for left for the season is around 3.50-4.00 lakh bags.

FUTURES MARKETS

Turmeric most active July futures contract on NCDEX lacked luster. The contract closed at Rs.2197 slightly down by Rs.3 as compared to previous close price. Volumes were low and did not support the price movement where the open interest gained slightly. The contract opened steady at Rs.2198 made an intraday high at Rs.2204 and low at Rs.2188.

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 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

Doji candlestick is indicating indecisive trend in the market. Volumes were low as compared to previous close price. Stochastic oscillator is neutral and has witnessed a bearish crossover. 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 downwards. We expect the contract to trade weak with small spurt in the prices during the trading session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2163	2171	2197	2222	2231

TRADE RECOMMENDATION

We recommend intraday Sell NCDEX July contract at 2197-2203 or at market open price with a target of Rs.2187 and then 2180 with a stop loss of Rs.2112.

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



■ CARDAMOM

■ June 11, 2007

SPOT MARKETS

Cardamom auctions were closed amidst low arrivals as the season for the commodity has ended. Traders say that local demand was reported to be steady where as there was no export inquiries. Currently there is no sufficient rainfall at the cardamom growing areas. However due to the prevailing conditions they are anticipating rainfall at the Idduki districts.

FUTURES MARKETS

The MCX cardamom July contract settled in negative territory on account of selling pressure. We witnessed creation of fresh short positions amidst fall in the volumes. The open interest gained and the contract closed down by 0.87% at Rs.482.8 against previous close price. The contract opened at Rs.487.4 made an intraday high at the opening price and low at Rs.482.

PRICE DRIVERS

Bearish:

1. Rains in Kerala.

Bullish:

1. Low Production in India.
2. Nearly 30-40% 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

Candlesticks are indicating a rangebound market amidst marginal gain in the 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 oversold region and moving downwards leaving scope for a positive move in the prices. Stochastic is bearish. We expect the contract to trade slightly weak however; a positive move in the prices is expected.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX July	465.9	469.7	482.8	493.6	497.3

TRADE RECOMMENDATION

We recommend intraday Sell for the MCX cardamom July contract at Rs.482.8 - 483.7 or at market open price with a target of Rs.478.2 and then 474.5 with a stop loss of Rs.488.2.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

Market Closed

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