

■ BLACK PEPPER

■ June 27, 2007

SPOT MARKETS

Domestic black pepper markets remained on an average stable during Tuesday's trade. It was quoted unchanged in Kochi markets amid arrivals as well as offtake of 58 MT. Increased export inquiries for Indian pepper along with a firm futures market is providing the underlying support to the firmness. Recent export figures suggest an increase in US import of Indian pepper as compared to other sources like Vietnam and Brazil. Indian pepper continues to remain highly competitive in global market after the recent decline in prices. Global supply shortage continues to support the long-term firm outlook on pepper with most producing countries estimated to have a reduced crop size.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower as compared to previous settlement and the most active August contract traded upwards after some initial weakness to test an intraday high of Rs. 15725 during late hours of trading. The futures ran into profit taking and slide to test an intraday low of Rs. 15472. The futures finished near day's low in final action. Most active August contract traded in the range of Rs. 15472-15725 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
2. India's export up 50% on year at 2200 tonnes in May 2007
3. Increased US demand for Indian pepper

Bearish:

1. Moderate stocks at exchange warehouses

WEATHER

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

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. MACD is moving upwards in positive territory, supporting the firmness in the market. Prices closed above the 9-day as well as 18-day EMA, indicating that the short-term as well as intermediate-term trend is bullish. Volume has declined, while open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a weak opening initially and upwards thereafter.

Pepper 0708(NCPEPQ7)2007/06/26 - Daily B:15480.00 A:15500.00
O 15651.00 H 15724.00 L 15474.00 C 15474.00 V 16,849 I 14,024 -210
EMA(9) 15060 (18) 14904



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	15060	15234	15474	15742	15945

TRADE RECOMMENDATION

Buy NCDEX August Pepper at Rs. 15375-15400 with a target at Rs. 15550 and then Rs. 15625 with a strict stop loss at Rs. 15250. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	58
	Ungarbled	14100	

CUMIN

June 27, 2007

SPOT MARKETS

Domestic jeera markets witnessed a firm trend during Tuesday's trade. It was quoted higher in Unjha markets owing to higher offtake amid mostly steady arrivals. Traders reported improved export inquiries as a major reason behind the firmness. Moreover, sharp increase in jeera futures prices has also supported the physical market sentiments. 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 remains firm on domestic as well as global supply shortage.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active August contract tested an intraday low of Rs. 12821 at the early hours of trade. The futures traded upwards thereafter on increased buying interest and tested an intraday high of Rs. 13188 during late hours of trading. The futures finished with significant gains in final action. Most active August contract traded in the range of Rs. 12821-13188 during Tuesday'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 many places over Konkan & Goa and Madhya Maharashtra. Rain/thundershowers are likely at a few places over the rest region. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Prices closed above the 9-day as well as 18-day EMA, indicating that the short-term as well as intermediate-term trend is firm. MACD is moving indecisively in negative territory. 14-day RSI is moving flat in neutral region, leaving scope for both way movements. Volume as well as open interest has increased as compared to previous settlement. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements early in the session.

JEERA 0708(NCJEEQ7)2007/06/26 - Daily B:13031.00 A:13060.00
O 12944.00 H 13187.00 L 12821.00 C 13031.00 V 23,835 I 14,175 +107
EMA(9) 12906 (18) 13014



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12644	12825	13031	13256	13425

TRADE RECOMMENDATION

Buy NCDEX August Jeera at Rs. 12950-12975 with a target of Rs. 13125 and then Rs. 13175 with a strict stop loss of Rs. 12860. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2440-2520	2000-2500
	Ganesh	2540-2620	
	Machine Cleaned	2740-2820	

CHILLI

June 27, 2007

SPOT MARKETS

Chilli prices at the Guntur market were traded weak by RS.100 per quintal. The arrivals and offtake were low as compared to Monday's trade. Traders are reporting weak overseas demand from Sri Lanka, Bangladesh and Malaysia. There are stocks to the tune of 7-8.5 million bags of 40-45 kg each in the cold storages of Andhra Pradesh. 18,000 tonnes of chillies valued at Rs 97.20 crore were exported in May, while about 22,000 tonnes worth Rs 126.5 crore were shipped out of India in April. Global supply of chillies is less this year as output is hit in both India and China as per spice board official.

FUTURES MARKETS

Red chillies futures at NCDEX opened weak at Rs.4518. The contract after initial weakness in the prices at Rs.4452 thereafter surged up to Rs.4560. The volumes failed to breach previous highs. The open interest was low. The change in the close price and open interest is indicating long liquidation. The contract then closed at Rs.4500 down by 0.54% as compared to previous close price.

PRICE DRIVERS

Bullish:

1. Moderate demand in the market
2. Export up 132 percent to 40,000 tonnes in April-May 2007

Bearish:

1. Domestic production is estimated higher by 20 percent

WEATHER

Rain/thundershowers are likely at most places over the region outside south Tamil Nadu where it is likely at many places. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicated indecisive trend in the market as a doji is formed. The volumes were low as compared to previous trading session. Prices closed below the 9-day EMA, indicating short-term weak trend in the market leaving scope for further fall in prices. MACD is moving indecisively in negative territory. 14-day RSI is bearish. Red chillies futures are likely to trade weak in next trading session with a small spurt in the prices during the mid trading session. However a positive correction is likely very soon.

CHLL334GTR 0707(NCGTRN7)2007/06/26 - Daily B:4493.00 A:4503.00
O 4518.00 H 4560.00 L 4452.00 C 4500.00 V 4,690 I 7,705 -27



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4369	4406	4500	4661	4687

TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4500-4525 with a target of Rs. 4473 and then Rs. 4443 with a strict stop loss of Rs. 4560. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	50000

TURMERIC

June 27, 2007

SPOT MARKETS

Turmeric prices at the auctions were quoted steady to firm as compared to Monday's trade. The prices at the Erode auctions were steady amidst marginal fall in daily arrivals and offtake. It was offered in an unchanged price range in Nizamabad market amid increased arrivals as well as offtake. Coinonya Farms Producers Company Ltd will produce turmeric in 500 hectares. The move is to promote processing and exports of locally grown spices in a relatively less developed region of the country.

FUTURES MARKETS

Turmeric futures at NCDEX opened firm at Rs.2155. The contract after initial weakness of Rs.2149 made an intraday high at Rs.2181 under pinned by fresh buying support. The volumes surged significantly as compared to previous trading session. The change in the close price and open interest is indicating long accumulation. The contract then closed at Rs.2171 up by 0.87% as compared to previous close price.

PRICE DRIVERS

Bearish:

1. Higher production estimates for the season
2. Weak domestic as well as overseas demand

Bullish

3. Low Acreage is likely due to fall in prices last year

WEATHER

Rain/thundershowers are likely at most places over the region outside south Tamil Nadu where it is likely at many places. Rainfall over Karnataka and Maharashtra would benefit the crop at its growing stage.

TECHNICALS

Candlesticks pattern indicated steady to firm opening and active bulls in the market. The volumes gained significantly and supported the price movement. Prices closed above the 9-day as well as 18-day EMA, indicating that the trend favours the bulls for short-term. MACD is moving indecisively in negative territory. 14-day RSI is in neutral region and leaving scope for further uptrend. Turmeric futures are likely to trade firm and we can witness fresh buying coming in.

Turmeric 0707(NCTMCN7)2007/06/26 - Daily B:2170.00 A:2172.00
O 2155.00 H 2181.00 L 2149.00 C 2171.00 V 12,620 I 23,080 +19



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2130	2142	2171	2191	2202

TRADE RECOMMENDATION

Buy NCDEX July Turmeric at Rs. 2170-2171 or at the market open price with a target of Rs. 2179 and then Rs. 2185 with a strict stop loss of Rs. 2163. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1900-1925	2000
	Gattah	1800-1825	
Erode	Finger	2000-2100	3200
	Gattah	1900-1950	



■ CARDAMOM

■ June 27, 2007

SPOT MARKETS

Cardamom auction is likely to resume from 1st week of July onwards. Local member of the auction said that due to heavy wind the cardamom tree has witnessed withering of the capsules. The exact report of the damage will be available after 10 days. Adding to this he also said that the roots of the plants are likely to get damaged.

FUTURES MARKETS

Cardamom July futures at MCX opened firm at Rs.491.8. The contract however failed to sustain the initial gains at Rs.492.5 and made an intraday low at Rs.480.2. The open interest fell and the volumes were low as compared to previous day's trade. The change in close price and open interest is indicating long liquidation. The contract then closed at Rs.481.5 down by 1.47% as compared to previous close price.

PRICE DRIVERS

Bearish:

1. Rainfall likely over growing region

Bullish:

1. Domestic production estimated lower
2. Nearly 30-40 per cent of cardamom plants dried and dead

WEATHER

Rain/thundershowers are likely at most places over the region outside south Tamil Nadu where it is likely at many places. This would be beneficial for the crop.

TECHNICALS

Long dark candlestick is indicating active bears in the market. The volumes failed to breach the previous highs. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend favours the bears for the short term. MACD is indecisive in negative territory. 14-day RSI is moving down wards, leaving scope for further negative move in the prices. Cardamom futures are likely to trade weak in the next trading session with a small spurt in the prices during the mid trading session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX July	466.1	470.1	481.5	499.4	504

TRADE RECOMMENDATION

Sell MCX July Cardamom near Rs. 481.5-482.3 with a target of Rs. 475.5 with a strict stop loss of Rs. 486.2. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandam

Closed

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