

## ■ BLACK PEPPER

■ June 12, 2007

### SPOT MARKETS

Domestic black pepper markets remained stable during Monday's trade. Uncertainty over the position limit of pepper futures continues to dampen the market sentiment. Notably, the revised limit will be applicable from July 16 onwards. However, traders are optimistic that the FMC would soon take necessary steps in this regard. Vietnam has exported pepper worth US\$ 110 million during January-May 2007, up by 27 per cent over the corresponding period of previous year. 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 steady as compared to previous settlement and the most active July contract traded upwards thereafter to test an intraday high of Rs. 14520 during early hours of trade. The futures traded sharply downwards to test an intraday low of Rs. 14190 during late hours of trading and finished with some losses in final action. Most active July contract traded in the range of Rs. 14190-14520 during Monday's trade.

### PRICE DRIVERS

#### Bullish:

1. Vietnam crop size projected lower by 10-20 percent
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 Kerala and Coastal Karnataka and at a few places over the rest region outside Tamil Nadu where it will be isolated. It would be beneficial for the newly planted as well as old vines and would enhance the soil moisture.

### TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. 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 has increased, while open interest has declined as compared to previous settlement. Black pepper futures are likely to trade moderately downwards following a steady to weak opening initially with possibility of upward movements later in the session.

Pepper 0707(NCPEPN7)2007/06/11 - Daily B:14265.00 A:14289.00  
O 14349.00 H 14520.00 L 14199.00 C 14275.00 V 13,198 I 11,378 -65  
EMA(9) 14420 (18) 14609



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13864	14000	14275	14595	14752

### TRADE RECOMMENDATION

Sell NCDEX July Pepper near Rs. 14350-14375 with a target at Rs. 14200 and then Rs. 14175 with a strict stop loss at Rs. 14475. Trade cautiously with intra day outlook.

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

### SPOT MARKETS

Domestic jeera markets remain firm on Monday. It was quoted higher in Unjha markets owing to increased offtake amid reduced arrivals. Demand is likely to improve further ahead of the rainy season in major producing and trading regions. 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 or US\$ 2.61 million during the first month of current fiscal year (April 2007- March 2008). 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 high of Rs. 13875 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 13656. However, the futures finished in positive territory in final action. Most active July contract traded in the range of Rs. 13656-13875 during Monday'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

Isolated rain/thundershowers are likely over Gujarat State. Isolated duststorm/thunderstorm is likely over Rajasthan leading to fall in day temperatures. Weather is not crucial at present as the harvesting season is over.

### TECHNICALS

Candlesticks pattern indicates steady opening and initial downtrend. 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 neutral, leaving scope for both way movements. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a steady opening with possibility of some upward movements early in the session.

JEERA 0707(NCJEEN7)2007/06/11 - Daily B:13699.90 A:13710.00  
O 13694.00 H 13875.00 L 13657.00 C 13699.90 V 26,529 I 13,656 +9.9  
EMA(9) 13329 (18) 13133



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13351	13503	13699.9	13937	14089

### TRADE RECOMMENDATION

Sell NCDEX July Jeera near Rs. 13750-13775 with a target of Rs. 13625 and then Rs. 13575 with a strict stop loss of Rs. 13875. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2440-2520	4000
	Ganesh	2540-2620	
	Machine Cleaned	2740-2820	

### SPOT MARKETS

Domestic red chillies markets regular trade in Guntur likely to resume by 12or 13<sup>th</sup> 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 traded in a negative territory. The contract opened with a gap on lower side at Rs.4785. The contract made an intraday low at Rs.4726 on selling pressure and there after high at Rs.4828. the volumes were good amidst gain in open interest. The change in close and open interest is indicating short accumulation. The contract closed at Rs.4735 down by 1.93% against previous close price.

### 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)2007/06/11 - Daily B:4729.00 A:4736.00  
O 4785.00 H 4828.00 L 4726.00 C 4735.00 V 7,525 I 8,310 -85



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4599	4666	4735	4878	4906

### TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4735-4750 or market open price with a target of Rs. 4701 and then Rs. 4672 with a strict stop loss of Rs. 4801.

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



## TURMERIC

June 12, 2007

### SPOT MARKETS

Turmeric prices at all the major spot markets remained steady amidst steady arrivals. At Sangli around 3500 bags were arrived from the other centres. At Duggirala and Warangal around 3000 and 7000 bags were sold for Rs.1600-1850 and Rs.1600-1850 respectively. Local demand is reported to be weak. A local trader said that around 1.10 lakh bags (1 bag = 85 Kg) was stocked at Nanded and further 1 lakh bags are expected. Adding to this sowing is likely to get started by 2 nd week of July.

### FUTURES MARKETS

Turmeric most active July futures contract on NCDEX lacked luster. The contract closed at Rs.2202 slightly up by Rs.3 as compared to previous close price. Volumes were low and did not support the price movement where the open interest slipped slightly. The contract opened marginally up at Rs.2200 made an intraday high at Rs.2206 and low at Rs.2195.

### 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 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 upwards. We expect the contract to trade firm with small dip in the prices during the trading session.

Turmeric 0707(NCTMCN7)2007/06/11 - Daily B:2200.00 A:2202.00  
O 2200.00 H 2206.00 L 2195.00 C 2202.00 V 5,520 I 20,370 +5  
EMA(9) 2200.2 (18) 2208.2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2172	2184	2202	2225	2233

### TRADE RECOMMENDATION

We recommend intraday Buy NCDEX July contract at 2197-2202 or at market open price with a target of Rs.2210 and then 2218 with a stop loss of Rs.2187.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1910-1935	3000
	Gattah	1800-1825	
Erode	Finger	2050-2100	7000
	Gattah	2000-2100	



## ■ CARDAMOM

■ June 12, 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 marginal fall in the volumes. The open interest gained and the contract closed down by 0.37% at Rs.481.10 against previous close price. The contract opened at Rs.483 made an intraday high at 484.50 and low at Rs.480.20.

### 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 active bears in the market. Volumes were slightly low as compared to previous close price. 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.

CARDAMOM 0707(MXCAMN7)2007/06/11 - Daily B:481.00 A:482.00  
O 483.00 H 484.50 L 480.20 C 481.10 V 303 T 14,612 I 975 -1.7  
EMA(9) 485.10 (14) 488.58



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX July	475	477.3	481.1	488.8	490.5

### TRADE RECOMMENDATION

We recommend intraday Sell for the MCX cardamom July contract at Rs.481 - 482.3 or at market open price with a target of Rs.477.7 with a stop loss of Rs.484.2.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodinayakanur

Market Closed

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