

■ BLACK PEPPER

■ June 28, 2007

SPOT MARKETS

Domestic black pepper markets remain quiet during Wednesday's trade. It was offered in an unchanged price range in Kochi markets amid no arrivals as well as offtake. Increased export inquiries for Indian pepper are providing the underlying support to the market. Recent export figures suggest an increase in US demand for Indian pepper as compared to other sources like Vietnam and Brazil. Indian pepper continues to remain highly competitive in global market. 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 to test an intraday high of Rs. 15585 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 15416. The futures finished in negative territory in final action. Most active August contract traded in the range of Rs. 15416-15585 during Wednesday'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 steady to weak opening and initial downtrend. 14-day RSI is neutral, leaving scope for both way movements. MACD is about to make a bullish crossover 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 as well as 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 thereafter.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	15081	15260	15464	15790	15980

TRADE RECOMMENDATION

Buy NCDEX August Pepper at Rs. 15375-15400 with a target at Rs. 15525 and then Rs. 15575 with a strict stop loss at Rs. 15275. Trade cautiously with intra day outlook.

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

SPOT MARKETS

Domestic jeera markets remained stable during Wednesday's trade. It was offered in an unchanged price range in Unjha markets amid steady arrivals and reduced offtake. Improved export inquiries have provided the underlying support for the market. Moreover, firm futures prices are also supporting 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 lower as compared to previous settlement and most active August contract tested an intraday low of Rs. 12960 at the early hours of trade. The futures traded upwards thereafter on increased buying interest and tested an intraday high of Rs. 13265 during late hours of trading. The futures finished higher after curbing some gains in final action. Most active August contract traded in the range of Rs. 12960-13265 during Wednesday'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 Gujarat state during next 48 hrs. and increase thereafter. 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 upwards in negative territory, supporting the firmness. 14-day RSI is neutral, leaving scope for both way movements. Volume as well as open interest has declined 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)2007/06/27 - Daily B:13123.00 A:13128.00
O 13035.00 H 13260.00 L 12960.00 C 13127.00 V 14,691 I 13,797 +96
EMA(9) 12950 (18) 13027



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12803	12925	13127	13369	13500

TRADE RECOMMENDATION

Buy NCDEX August Jeera near Rs. 13030-13050 with a target of Rs. 13225 and then Rs. 13275 with a strict stop loss of Rs. 12930. 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	

SPOT MARKETS

Chilli spot prices at Guntur markets were steady as that of Tuesday's trade. Arrivals and offtake were also similar to that of previous trading session. 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.4500. The contract after initial firmness at Rs.4508 made an intraday fresh low at Rs.4346 on selling pressure. The open interest fell down slightly and the volumes gained slightly as compared to previous trading session. The change in close price is indicating short accumulation. The contract however closed at Rs.4346 significantly down by 3.53% as against 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

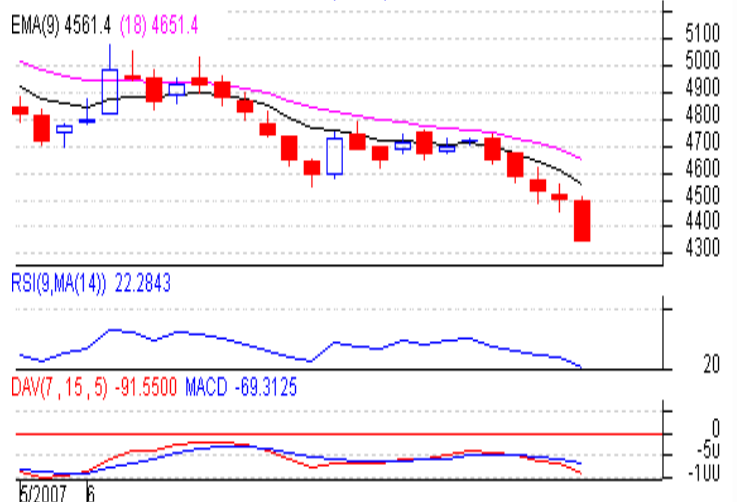
WEATHER

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

Long dark candlesticks are indicating active bears in the market. The volumes gained slightly and supported the price movement. 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)2007/06/27 - Daily B:4350.00 A:4359.00
O 4500.00 H 4508.00 L 4346.00 C 4346.00 V 5,440 17,685 -154



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4190	4247	4346	4613	4667

TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4346-4375 with a target of Rs. 4301 and then Rs. 4275 with a strict stop loss of Rs. 4400. 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 28, 2007

SPOT MARKETS

Turmeric prices at the auctions were quoted steady to slightly firm by Rs.25 as compared to Tuesday's trade. The prices at the Erode auctions were steady amidst marginal gain in daily arrivals and offtake. It was offered firmness of around Rs.25 per quintal in Nizamabad market amid slightly low arrivals as well as offtake. Currently there is no fresh development in the fundamental aspect and we expect the price to be range bound and slightly firm.

FUTURES MARKETS

Turmeric futures at NCDEX opened slightly weak at Rs.2164. The contract there after made an intraday high at Rs.2180 due to buying support. However during the later trading session the contract made a low of Rs.2160. The open interest made a steep fall and the volumes are very low. The change in the close price and the open interest is indicating long liquidation. The contract then closed at Rs.2167 slightly down by 0.23% 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 weak opening and active bears in the market. The volumes failed to breach the previous highs and did not support the price movement. Prices closed above the 9-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 moving downwards. Turmeric futures are likely to trade weak and we can expect small spurt in prices.

Turmeric 0707(NCTMCN7)2007/06/27 - Daily B:2163.00 A:2167.00
O 2164.00 H 2180.00 L 2160.00 C 2167.00 V 7,800 I 21,700 -4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2135	2146	2167	2188	2199

TRADE RECOMMENDATION

Sell NCDEX July Turmeric at Rs. 2167-2170 or at the market open price with a target of Rs. 2159 and then Rs. 2151 with a strict stop loss of Rs. 2176. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1925-1950	1500
	Gattah	1800-1825	
Erode	Finger	2000-2100	3200
	Gattah	1900-1950	



■ CARDAMOM

■ June 28, 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 vagaries of the weather would bring down the production next season, besides delaying the harvesting, which might take place only by late August. 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 weak at Rs.480.5. The contract however failed to sustain the initial gains at Rs.481.5 and made an intraday low at Rs.475. The open interest gained slightly and the volumes were. The change in close price and open interest is indicating short accumulation. The contract then closed at Rs.480.5 down by 0.21% 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

Candlesticks are indicating weak openings and initial uptrend amidst low volumes as compared to previous trading session. 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	467.2	470.7	480.5	491.2	494

TRADE RECOMMENDATION

Sell MCX July Cardamom near Rs. 480.5-481 with a target of Rs. 475.2 with a strict stop loss of Rs. 484.2. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Kumily

Closed

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