

■ BLACK PEPPER

■ June 20, 2007

SPOT MARKETS

Domestic black pepper markets remain stable during Tuesday's trade. It was quoted unchanged in Kochi markets amid no arrivals as well as offtake. Volatile trade at the futures counter ahead of the June contract exodus at NCDEX has kept the market quiet. Traders are reporting increase in export inquiries for Indian pepper, which remains competitive in global market after the recent decline in domestic prices. Global supply shortage continues to support the long-term firm outlook on pepper. However, prices may remain rangebound in the near future.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher as compared to previous settlement and the most active July contract traded downwards to test an intraday low of Rs. 13870 at the early hours of trade. The futures retraced back on increased buying support at the lower price level and tested an intraday high of Rs. 14238. However, the futures finished with marginal losses in final action. Most active July contract traded in the range of Rs. 13870-14238 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
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 most places over Coastal Karnataka, Kerala and at many places over South Interior Karnataka. 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 uptrend. 14-day RSI is neutral, leaving scope for both way movements. MACD is moving indecisively in negative territory. Prices closed above the 9-day EMA, indicating that the short-term trend firm. However, the close below 18-day day EMA is somewhat bearish for 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 to weak opening with possibility of some downward movements early in the session.

Pepper 0707(NCPEPN7)2007/06/19 - Daily B:14090.00 A:14095.00
O 14165.00 H 14229.00 L 13885.00 C 14090.00 V 12,046 I 8,796 -59
EMA(9) 14036 (18) 14234



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	13686	13883	14090	14514	14700

TRADE RECOMMENDATION

Buy NCDEX July Pepper at Rs. 13975-14000 with a target at Rs. 14200 and then Rs. 14225 with a strict stop loss at Rs. 13890. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14000	-
	Ungarbled	13400	

CUMIN

June 20, 2007

SPOT MARKETS

Domestic jeera markets witnessed some firmness during Tuesday's trade. It was offered in a higher price range in Unjha markets owing to higher offtake amid reduced arrivals. Arrivals are likely to decline further in the coming few days that may result into some firmness in prices. Market continues to remain supported by its strong fundamentals. 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 and increased overseas demand thereof for Indian jeera.

FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and active July contract tested an intraday low of Rs. 12920 at the early hours of trade. The futures traded upwards thereafter and tested an intraday high of Rs. 13225 during late hours of trading. However, the futures pared the gains and finished with some losses in final action. Most active July contract traded in the range of Rs. 12920-13225 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
2. Reduced near-month open position limit for Jeera futures

WEATHER

Rain/thundershowers are likely at a few places over Gujarat region and East Rajasthan and isolated over rest region. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates steady opening and indecision in the market. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend remains bearish. MACD is moving indecisively in the positive territory. 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 opening with possibility of some downward movements early in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	12614	12803	13088	13446	13635

TRADE RECOMMENDATION

Buy NCDEX July Jeera at Rs. 12950-13000 with a target of Rs. 13150 and then Rs. 13200 with a strict stop loss of Rs. 12825. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2420-2500	3000
	Ganesh	2520-2600	
	Machine Cleaned	2720-2800	

SPOT MARKETS

Domestic red chillies prices remain on average stable during Tuesday's trade. Prices remained in previous price range in Guntur markets amid lower arrivals as well as offtake. Trade sources estimated stock of around 50 lakh bags at cold storages in Guntur. Moreover, overseas demand is also reportedly good at present. Sowing in Andhra Pradesh has been started at some pockets. However, sowing activity would gather momentum in the coming month. Longer-term fundamentals of chillies remain bearish if considered the significant rise in production this year.

FUTURES MARKETS

Red chillies futures at NCDEX opened higher than previous settlement and most active July contract tested an intraday high of Rs. 4760 at the opening session of trade. The futures traded sharply downwards thereafter on increased selling interest and tested an intraday low of Rs. 4640. The futures finished in negative territory with 0.9 per cent loss against its previous settlement. Most active July contract traded in the range of Rs. 4640-4760 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Moderate demand in the market
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 a few places over Andhra Pradesh during next 36 hours and increase thereafter. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicated steady to weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, an indication that the short term as well as intermediate term trend is bearish. MACD is moving indecisively in negative territory. 14-day RSI is neutral, hinting both way movements. Volume as well as open interest has declined as compared to previous settlement. Red chillies futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements later in the session.

CHLL334GTR 0707(NCGTRN7)2007/06/19 - Daily B:4662.00 A:4675.00
O 4749.00 H 4760.00 L 4641.00 C 4663.00 V 5,715 I 8,290 -47
EMA(9) 4708.4 (18) 4773.5



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	4540	4598	4663	4718	4772

TRADE RECOMMENDATION

Sell NCDEX July Chilli at Rs. 4675-4680 with a target of Rs. 4620 and then Rs. 4600 with a strict stop loss of Rs. 4717. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4600	40000

TURMERIC

June 20, 2007

SPOT MARKETS

Domestic turmeric prices witnessed a mixed trend during Tuesday's trade. It was offered on an average unchanged in Nizamabad market amid reduced arrivals as well as offtake. However, finger variety was quoted higher in Erode, while gattah variety was offered at a lower price tag. Arrivals were higher in Erode markets as compared to previous day. Daily auction at Sangli would be carried out twice a week on Mondays and Thursdays. Demand, both domestic as well as overseas continues to remain lacklustre.

FUTURES MARKETS

Turmeric futures at NCDEX opened marginally lower than previous settlement and most active July contract tested an intraday high of Rs. 2161 at the opening session of trade. The futures traded sharply downwards thereafter and tested an intraday low of Rs. 2145 during late hours of trading. The futures finished near day's low in final action. Most active July contract traded in the range of Rs. 2145-2161 during Tuesday's trade.

PRICE DRIVERS

Bearish:

1. Higher production this year
2. Weak domestic demands

Bullish

3. Short covering at lower price levels

WEATHER

Rain/thundershowers are likely at most places over Coastal Karnataka, Kerala and at many places over South Interior Karnataka. Rainfall over Karnataka and Maharashtra would benefit the crop at its growing stage.

TECHNICALS

Candlesticks pattern indicated weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend remains bearish for short-term as well as intermediate-term. MACD is moving indecisively in negative territory. 14-day RSI is in neutral region and leaving scope for further uptrend. Volume as well as open interest has declined as compared to previous settlement. Turmeric futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Turmeric 0707(NCTMCN7)2007/06/19 - Daily B:2145.00 A:2147.00
O 2156.00 H 2161.00 L 2145.00 C 2145.00 V 6,830 I 24,030 -11
EMA(9) 2161.4 (18) 2178.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX July	2116	2130	2145	2165	2180

TRADE RECOMMENDATION

Sell NCDEX July Turmeric at Rs. 2150 with a target of Rs. 2136 and then Rs. 2130 with a strict stop loss of Rs. 2160. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1900-1925	1500
	Gattah	1800-1825	
Erode	Finger	2050-2100	6000
	Gattah	1950-2000	



■ CARDAMOM

■ June 20, 2007

SPOT MARKETS

Cardamom daily auction remained closed till the arrival of the next crop. Harvesting is likely to start during late July to early August, which would depend upon the southwest monsoon. Rainfall so far over the cardamom growing regions was scanty, reported a local trader at Vandamedu. Severe heat has affected cardamom plants in nearly 10,000 hectares and needs replanting, according to the Secretary of Cardamom Growers association.

FUTURES MARKETS

Cardamom futures at MCX opened lower than previous settlement and most active July contract tested an intraday high of Rs. 491 at the early hours of trade. The futures traded sharply downwards thereafter to test an intraday low of Rs. 480.1. The futures finished with significant losses in final action. Most active July contract traded in the range of Rs. 480.1-491 during Tuesday's trade.

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 Coastal Karnataka, Kerala and at many places over South Interior Karnataka. This would be beneficial for the crop.

TECHNICALS

Candlestick pattern indicated weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend is turning weak again. MACD is indecisive in negative territory. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. Volume has increased, while open interest has declined as compared to previous settlement. Cardamom futures are likely to trade downwards following a weak opening with possibility of some upward movements later.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX July	469	474	481	489	494

TRADE RECOMMENDATION

Sell MCX July Cardamom at Rs. 482-483 with a target of Rs. 479 and then Rs. 477 with a strict stop loss of Rs. 486. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Nedukandam Iddukki (HSPL)	Closed	-

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