

■ BLACK PEPPER

■ July 03, 2007

SPOT MARKETS

Domestic black pepper markets remained unchanged during the day. It was quoted unchanged in Kochi markets on offtakes equaling arrivals. Range-bound trade at the futures market has failed to provide any cues to the physical market traders. Traders are closely watching the price movements at futures market as quality pepper stocks are only available with the exchange warehouses. Market remains supported by increased export inquiries. Increased demand from the US for Indian pepper is attributable to the lower price tag as compared to that of Vietnam and Brazil.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher as compared to previous settlement with the most active August contract opening higher at Rs. 15779/qtl. The contract traded up to test an intra day high of Rs. 15902/qtl and thereafter, down on increased selling pressure to test a low of Rs. 15680/qtl, before closing at Rs. 15750/qtl. The volume traded improved significantly, while open interest improved marginally.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
2. India's export up 50% on year at 2,200 tonnes in May 2007
3. Increased US demand for Indian pepper

Bearish:

1. Profit taking at higher price levels

WEATHER

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

TECHNICALS

Candlesticks pattern indicates indecision. RSI is neutral, leaving scope for both way movements. MACD is also flat in positive territory with a probability of bullish cross over. Prices closed far above the 9-day as well as 18- day EMA, indicating that the short-term as well as intermediate-term trend remains bullish. Volumes traded and open interest increased when compared to previous settlement. Black pepper futures are likely to remain volatile during the session.

Pepper 0708(NCPEPQ7)2007/07/02 - Daily B:15750.00 A:15759.00
O:15779.00 H:15902.00 L:15680.00 C:15750.00 V:13,434 I:14,775 +40
EMA(9):15479 (18):15232



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	15336	15500	15710	16123	16300

TRADE RECOMMENDATION

Buy NCDEX August Pepper above Rs. 15675 with a target at Rs. 15860 and then Rs. 15900 with a strict stop loss at Rs. 15555. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14800	5000
	Ungarbled	14200	

SPOT MARKETS

Domestic jeera markets witnessed lower prices on account of lower volumes traded. Rains in and around the trading centre have interfered with the arrival of the commodity. Increased export inquiries have provided the underlying support for the market. Traders are reporting higher demand from Singapore at present. 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 continues to remain firm on domestic as well as global supply shortage.

FUTURES MARKETS

Jeera futures finished in red at NCDEX, with the most active August contract opening weak at Rs. 12950. The contract traded up initially to test a high of Rs. 13019 and then prices were pushed down by increased selling pressure to test a low of Rs. 12681, before settling at Rs. 12715. The contract traded in the range of Rs. 12681-13019 during the day, with an increase in the volumes traded as well as open interest.

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 East Rajasthan and Gujarat state during next 48 hours and increase thereafter. Isolated rain/thundershowers are likely over West Rajasthan. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

A long bearish candlestick with increased selling pressure at the top is formed for the day, with prices closing below the EMA's. MACD is flat in the negative zone and is about to make a bullish crossover, while RSI is falling in the neutral region. Stochastic is also flat in the neutral zone, but it is showing the probability of a bearish cross over. Overall, the technicals indicate a bearish trend.

JEERA 0708(NCJEEQ7)2007/07/02 - Daily B:12712.00 A:12720.00
O 12950.00 H 13019.00 L 12681.00 C 12715.00 V 18,762 | 13,479 -277
EMA(9) 12920 (18) 12985



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12406	12515	12715	12893	13000

TRADE RECOMMENDATION

Sell NCDEX August Jeera near 12750-12790 with a target of Rs. 12670 and then Rs. 12640 with a strict stop loss of Rs. 12900. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2450-2530	
	Ganesh	2550-2630	2500
	Machine Cleaned	2750-2830	

SPOT MARKETS

Chilli spot price quotes remained unchanged on the first day of the week. The arrivals were slightly low as compared to last week amidst low offtake of 20000-25000 bags at the Guntur market. 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. Chilli prices are anticipated to fall in the medium term supported by the fundamentals of higher production this year.

FUTURES MARKETS

Red chillies most active August futures at NCDEX opened slightly weak by Rs.2 at Rs.4438. The contract after initial slight dip in the prices at Rs.4428 made an intraday high at Rs.4589. The surge in the price was due to fresh buying support coming in the market. The volumes gained significantly and open interest gained as well. The change in the close price as well as the open interest is indicating long accumulation. The contract then closed at Rs.4536 up by 1.64% as against previous close price.

PRICE DRIVERS

Bullish:

1. Moderate demand in the market
2. Export up to 132 percent to 40000 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

Candlestick is indicating fresh buying in the market and a much awaited technical correction in the bearish trend in the market. The volumes gained significantly 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 neutral and moving upwards. Red chillies futures are likely to trade firm in next trading session with a slight dip in the prices. However the long term trend favours the bears.

CHLL334GTR 0708(NCGTRQ7)2007/07/02 - Daily B:4532.00 A:4538.00
O 4438.00 H 4589.00 L 4428.00 C 4536.00 V 8,520 I 6,520 +96



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	4293	4360	4536	4730	4788

TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 4525-4550 with a target of Rs. 4595 and then Rs. 4635 with a strict stop loss of Rs. 4495. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	40000

TURMERIC

July 03, 2007

SPOT MARKETS

Turmeric prices at the major auctions were quoted firm by Rs.25-50 per quintal. The prices at the Erode auctions for fingers were slightly firm amidst steady daily arrivals and offtake. It was offered firmness of around Rs.30 per quintal in Nizamabad market amid slight gain in arrivals as well as offtake. Sowing has been initiated at Nizamabad region in Andhra Pradesh a local trader said so far there is no major fall in the acreage. A trader at Sangli said that there is good domestic demand for Gattah from Uttar Pradesh.

FUTURES MARKETS

Turmeric most active August futures at NCDEX opened firm by Rs.2 at Rs.2263. The contract after an initial low at Rs.2243 made an intraday high at Rs.2306 on buying coming in. The change in the close price and open interest is indicating long accumulation. The volumes gained significantly and supported the price movement. The contract then closed at Rs.2291 up by 1.19% as compared to previous close price.

PRICE DRIVERS

Bearish:

1. Higher production estimates for the season
2. Weak domestic and 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 active bulls in the market. The volumes were at its highest for the contract and supported the price movement. Prices closed above the 9-day EMA, indicating that the trend favours the bulls for short-term. MACD is moving upwards and supporting the uptrend in the market. 14-day RSI is in the overbought region. Turmeric futures are likely to trade firm and we can expect slight dip in prices for profit booking.

Turmeric 0708(NCTMCQ7)2007/07/02 - Daily B:2291.00 A:2293.00
O 2263.00 H 2306.00 L 2243.00 C 2291.00 V 28,160 I 27,060 +30



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2216	2226	2291	2328	2340

TRADE RECOMMENDATION

Buy NCDEX August Turmeric at Rs. 2287-2290 or at the market open price with a target of Rs. 2304 and then Rs. 2315 with a strict stop loss of Rs. 2279. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950-2000	2000
	Gattah	1820-1850	
Erode	Finger	2075-2125	4000
	Gattah	1950-2025	

CARDAMOM

July 03, 2007

SPOT MARKETS

Cardamom auction is likely to resume from 1st or 2nd week of July onwards. Cardamom production is likely to be short around 9000-11000 tonne. Mr. Devassia, executive secretary of Cardamom Growers Association said that Import of under-valued cardamom from Guatemala is depressing the Indian prices adding to this he also said that 20,000 kg of cardamom has already reached the Mumbai port and another consignment of the same quantity will arrive soon.

FUTURES MARKETS

Cardamom most active August futures contract opened firm by Rs.2 at Rs.510.5. The contract after initial weakness and slight dip in prices at Rs.518.5 the contract surged up to Rs.519.9. The volumes gained significantly amidst gain in open interest. The change in the close price and open interest is indicating long accumulation. The contract then closed at Rs.514.5 up by 1.18% as against 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

Candle sticks are indicating active bulls and fresh buying coming in. The volumes were at their highest for the contract 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 the short term. MACD is moving upwards leaving scope for further uptrend in the market. 14-day RSI is moving upwards towards the overbought region. Cardamom futures are likely to trade firm in the next trading session with a slight dip in the prices during the mid trading session.

CARDAMOM 0708(MXCAMQ7)2007/07/02 - Daily B:514.00 A:515.00
O 510.50 H 519.90 L 508.50 C 514.50 V 409 T 21,082 I 829 +6
EMA(9) 503.41 (18) 500.96



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	497	501	514.5	522.1	526.5

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs. 514-514.5 or market open price with a target of Rs. 518.5 with a strict stop loss of Rs. 511.5 Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

Closed

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