

## ■ BLACK PEPPER

■ July 19, 2007

### SPOT MARKETS

Black pepper markets remain steady during Wednesday's trade. It was quoted unchanged in Kochi markets amid arrivals as well as offtake of 7.5 metric tonnes. Sideways trading at the futures market has kept the prices in a range in physical markets. Demand, both domestic as well as overseas remain subdued. Market is eyeing fresh impetus to break out from the range in either direction. Indian ASTA grade pepper continues to remain highly competitive in global market as compared to that of Vietnam's ASTA. Indonesia's total supply is expected at around 35,000 tonnes in 2007, up 17% on year, mainly due to a large carry over stock. Brazil's new crop has slowly started entering in the market and likely to pick up only during September.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher as compared to previous settlement and the most active August contract tested an intraday high of Rs. 14848 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 14650 during late hours of trading. The futures finished with some losses in final action. Most active August contract traded in the range of Rs. 14650-14848 on Wednesday.

### PRICE DRIVERS

#### Bullish:

1. Total margins on futures reduced by FMC
2. Increased US import of Indian pepper

#### Bearish:

1. Profit taking at higher price levels
2. Lower open position limit for futures

### 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 steady to weak opening and indecision in the market. Prices closed below the 9-day as well as 18-day EMA, indicating bearish trend in the market. MACD is moving indecisively in negative 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. 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 0708(NCPEPQ7)2007/07/18 - Daily B:14725.00 A:14733.00  
O 14758.00 H 14845.00 L 14651.00 C 14733.00 V 9,361 I 12,252 -10



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14205	14460	14733	15051	15284

### TRADE RECOMMENDATION

Sell NCDEX August Pepper near Rs. 14825-14850 with a target at Rs. 14675 and then Rs. 14650 with a strict stop loss at Rs. 14950. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14500	7.5
	Ungarbled	13900	

## CUMIN

July 19, 2007

### SPOT MARKETS

Domestic jeera markets remain quiet during Wednesday's trade. It was offered in an unchanged price range in benchmark Unjha market owing to reduced offtake amid mostly steady arrivals. Weakness in jeera futures prices ahead of near-month July contract expiry on this Friday has also kept the physical market under pressure. Global supply of jeera is expected to fall short of demand as key producing nations like Syria and Turkey has estimated lower harvest. Moreover, domestic production is also estimated significantly lower this year. Jeera prices are likely to remain firm in long-term. However, some short-term weakness is seen on weak demand for the commodity.

### FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active August contract tested an intraday high of Rs. 12509 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12370 during late hours of trading. The futures finished marginally lower after paring some of the losses in final action. Most active August contract traded in the range of Rs. 12370-12509 during Wednesday's trade.

### PRICE DRIVERS

#### Bullish:

1. Lower domestic production
2. Reports of decline in global production

#### Bearish:

1. Lower position limit for jeera futures
2. Weak domestic and overseas demand

### WEATHER

Rain/thundershowers are likely at a few places over the Konkan & Goa and Madhya Maharashtra and isolated over the rest region. Heavy rainfall would limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is neutral and moving downwards, leaving scope for further downtrend. MACD is moving indecisively in negative territory. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements early in the session.

JEERA 0708(NCJEEQ7)2007/07/18 - Daily B:12420.00 A:12431.00  
O 12400.00 H 12509.00 L 12376.00 C 12425.00 V 7,008 I 9,309 -8  
EMA(9) 12573 (18) 12674



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12125	12240	12425	12565	12682

### TRADE RECOMMENDATION

Sell NCDEX August Jeera near 12475-12500 with a target of Rs. 12375 and then Rs. 12350 with a strict stop loss of Rs. 12560. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2460-2540	
	Ganesh	2560-2640	2500
	Machine Cleaned	2760-2840	

### SPOT MARKETS

Chilli spot market at Guntur remained closed on Wednesday due to strike at merchant association on VAT issues. The daily arrivals for the coming days are likely to remain steady at current levels. The domestic demand is reported to be weak with weak export demand as well and no buyers from Bangladesh. However, export demand is likely to gain momentum during the week ahead. Prices are likely to fall further and the trend would remain bearish for a medium term due to higher production for the season.

### FUTURES MARKETS

Red chillies most active August futures opened weak at Rs.3805. The contract during the initial trading session witnessed firmness at Rs.3851 and thereafter on selling pressure made an intraday low at Rs.3740. Open interest gained slightly amidst marginal gain in the volumes as against previous trading session. The contract then closed in negative territory down by 1.52 percent at Rs.3760 as compared to Tuesday's close price.

### PRICE DRIVERS

#### Bullish:

1. Technical correction is likely as futures market is oversold

#### Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage at Andhra Pradesh is likely to go up.

### WEATHER

Rain / thunder shower is likely over coastal and interior region of Karnataka and isolated over Andhra Pradesh. Rainfall during the time of initial sowing stage is beneficial for the crop.

### TECHNICALS

Candlestick is indicating initial uptrend and there after active bears in the market. Volumes gained marginally as compared to previous trading session. Prices closed below the 9-day and 18-day EMA, indicating weak trend in the market leaving scope for further fall in prices. MACD is bearish in negative territory. 14-day RSI is extremely oversold and moving down. Red chillies futures are likely to trade weak in next trading session however; a slight spurt is likely during the mid trading session.

CHLL334GTR 0708(NCGTRQ7)2007/07/18 - Daily B:3760.00 A:3767.00  
O 3805.00 H 3851.00 L 3742.00 C 3760.00 V 10,255 I 9,810 -58

EMA(9) 3988.7 (14) 4105.4



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3600	3675	3760	4078	4195

### TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3798-3815 with a target of Rs. 3735 and then Rs.3702 with a strict stop loss of Rs. 3865. Trade cautiously with intraday outlook.

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



## TURMERIC

July 19, 2007

### SPOT MARKETS

Turmeric prices at the major spot market were traded steady to slightly firm amidst marginally low arrivals as compared to previous trading session. At Erode the arrivals and offtake were low amidst slight gain prices for fingers by Rs.50 per quintal where as the gattah was quoted weak by Rs.50 per quintal. At Nizamabad, the prices along with arrivals and offtake were steady. Local demand is reported to be steady. Export demand from Japan was reported to be good. Sowing activity at all the major growing areas is likely to be completed by July end.

### FUTURES MARKETS

Turmeric most active August futures at NCDEX opened steady at Rs.2151. The futures during the initial trading session witnessed weakness at Rs.2148 and there after surged on buying coming in at Rs.2164. The open interest dropped slightly amidst subdued volumes which did not support the price movement. The contract then closed marginally up by Rs.2 at Rs.2153 as compared to Tuesday's close price.

### PRICE DRIVERS

#### Bearish:

1. Higher production estimates for the season

#### Bullish

1. Low acreage is likely due to fall in prices last year
2. Good export demand in the market.

### WEATHER

Rain/thundershowers are likely at coastal and south interior Karnataka and Tamil Nadu where as isolated over Andhra Pradesh is beneficial for the crop. Excess rainfall over Maharashtra is likely to cause damage to the crop at its growing stage.

### TECHNICALS

Candlestick is indicating initial uptrend and there after major activity at the lower levels. Volumes were low as compared to previous close price and did not support the price movement. Prices closed below the 9-day EMA, indicating that the trend favours the bears for short-term. MACD is in negative territory and bearish. 14-day RSI is in the oversold region and moving slightly upwards. Turmeric futures are likely to trade weak with slight firmness in the prices during intraday.

Turmeric 0708(NCTMCQ7)2007/07/18 - Daily B:2151.00 A:2153.00  
O 2151.00 H 2164.00 L 2148.00 C 2153.00 V 10,880 I 27,340 +2  
EMA(9) 2179.5 (14) 2192.1



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2106	2117	2153	2193	2203

### TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs.2155-2157 or above with a target of Rs. 2144 and then Rs. 2136 with a strict stop loss of Rs. 2166. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1925-1950	600
	Gattah	1825-1850	
Erode	Finger	2100-2200	3700
	Gattah	1950-2000	



## ■ CARDAMOM

■ July 19, 2007

### SPOT MARKETS

Cardamom prices at the Kumily auction were traded fir by Rs.20 at Rs.490 per kg as compared to last trading session. Arrivals of 16000 kg of capsules were sold completely and out of the total arrivals around 1000-1500 kg was of new crop. Domestic demand for the commodity was reported to be good. Cardamom prices at the auction are likely to remain firm for a medium term due to lower production by 20-30 percent for the season.

### FUTURES MARKETS

Cardamom most active August futures contract closed significantly high at Rs.548.5 after breaching 4% upper circuit. The contract opened firm at Rs.518 and there after did not make any lows for the day and surged significantly up to Rs.548.5 since last three months. Open interest gained amidst record high volumes for the contract supporting the bull trend in the commodity.

### 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 at Kerala and Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

### TECHNICALS

Candlestick is indicating firm opening and active bulls in the market. Volumes gained significantly and were recorded highest for the contract. Prices closed above the 9 day and 18-day EMA, indicating that the trend favours the bulls for the short term. MACD is positive leaving scope for further uptrend. 14-day RSI is in oversold region. Cardamom futures are likely to trade firm in the next trading session with a small consolidation in prices on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/07/18 - Daily B:548.50 A:529.60  
O 518.00 H 548.50 L 518.00 C 548.50 V 3,500 T 186,858 I 1,847 +31



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	500.3	507.9	548.8	571.8	584.6

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.546-548.5 or market open price with a target of Rs. 561.8 with a strict stop loss of Rs. 538.8 Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Kumily	490	16000

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2007 Indian Agribusiness Systems Pvt Ltd.