

■ BLACK PEPPER

■ July 09, 2007

SPOT MARKETS

Black pepper markets remained quiet at the weekend. It was offered in an unchanged price range in Kochi markets amid no arrivals as well as offtake. Prices declined in past few days on news that Vietnam is reducing price tag in order to clear its stock ahead of the entry of Indonesian and Brazilian crop in the global market. According to news by Peppertrade Board of Brazil, Vietnam has exported around 42,252 metric tonnes during January-May 2007 of the total 96,365 metric tonnes total available supply for the season. It has also estimated the balance for export at 49,692 metric tonnes after deduction of 46,673 metric tonnes on account of total use during the first five months of the year.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower as compared to previous settlement and the most active August contract tested an intraday low of Rs. 14860 at the opening session of trade. Increased buying interest has supported the futures thereafter and the futures retraced back to test an intraday high of Rs. 15190 at close. The futures finished with over 1 per cent gain in final action. Most active August contract traded in the range of Rs. 14860-15190 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Total margins on futures reduced by FMC
2. Increased US demand for Indian pepper

Bearish:

1. Stocks with commodity exchange warehouses over 15,000 tonnes

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 firm opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, a bearish set up for the market. MACD is moving downwards in positive territory. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. Volume has declined, while open interest has increased as compared to previous settlement. Pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0708(NCPEPQ7)2007/07/07 - Daily B:15180.00 A:15190.00
O 15025.00 H 15190.00 L 14864.00 C 15190.00 V 10,430 I 14,711 +160

EMA(9) 15381 (18) 15289



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14618	14820	15190	15525	15715

TRADE RECOMMENDATION

Buy NCDEX August Pepper below Rs. 15150-15175 with a target at Rs. 15275 and then Rs. 15300 with a strict stop loss at Rs. 15075. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14600	-
	Ungarbled	14000	

CUMIN

July 09, 2007

SPOT MARKETS

Domestic jeera markets remain on an average stable during Saturday's trade. Rains in Gujarat have dampened the trade of jeera at Unjha. According to a recent FMC directive, total margins on jeera have been reduced to 12.5 per cent on selling and 18.5 per cent on buying effective beginning of trade on July 6th. This is likely to increase participation in the market. However, the curb on open position limit still holds that has put a negative impact on trade participation in the futures market. Low output estimates are expected to support the jeera market. Rains in Gulf countries have damaged the cumin crop, tightening the supply condition globally.

FUTURES MARKETS

Jeera futures at NCDEX opened marginally lower than previous settlement and most active August contract tested an intraday low of Rs. 12565 at the early hours of trade. The futures traded upwards thereafter on some buying support at lower price levels and tested an intraday high of Rs. 12775 during late hours of trade. The futures finished higher in final action. Most active August contract traded in the range of Rs. 12565-12775 during Saturday'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 many places over Gujarat and East Rajasthan during next 24 hrs. and increase thereafter. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. The close below the 9-day as well as 18-day EMA is a bearish indication for the market. 14-day RSI is neutral and leaving scope for both way movements. 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 upwards following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0708(NCJEEQ7)2007/07/07 - Daily B:12709.00 A:12718.00
O 12616.00 H 12775.00 L 12565.00 C 12711.00 V 11,448 I 12,015 +91
EMA(9) 12818 (18) 12898



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12406	12515	12711	12927	13029

TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12650-12675 with a target of Rs. 12775 and then Rs. 12800 with a strict stop loss of Rs. 12575. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2470-2570	
	Ganesh	2590-2670	2000-3000
	Machine Cleaned	2790-2870	

CHILLI

July 09, 2007

SPOT MARKETS

Chilli spot market at Guntur remained closed on account of weekly off. Chilli acreage is likely to be surged by 10,000 hectares to last years 57,672 hectares of total area under cultivation. The output for the year 2007 -08 is likely to go up by 20-30% due to large area under cultivation. The crop for next season is likely to hit the market early by November -December where as usually it arrives during January - February. The prices are likely to witness further slump due to anticipation of better production.

FUTURES MARKETS

Red chillies most active August futures at NCDEX opened steady at Rs.4440. The contract traded slightly firm during the day without much weakness. The contract thereafter surged up to Rs.4489 on short covering. Open interest was marginally low amidst very low volumes. The contract then closed at Rs.4461 marginally up by 0.47% as compared to previous close price.

PRICE DRIVERS

Bullish:

1. Export up to 132 percent to 40000 tonnes in April-May 2007

Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage is likely to be surged by 10,000 hectares
3. Sluggish demand in the market

WEATHER

Rain/thundershowers are likely at most places over Coastal Andhra Pradesh. Rain/thundershowers are likely at many places over rest region outside Tamil Nadu where it may be at a few places. Rain during the initial sowing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating steady opening and initial uptrend. The volumes were marginally low as compared to previous close price. Prices closed below the 9-day and 18-day EMA, indicating short-term weak trend in the market leaving scope for further fall in prices. MACD is flat and indecisive in negative territory. 14-day RSI is neutral and moving upwards. Stochastic oscillator is in neutral region. Red chillies futures are likely to trade weak in next trading session with a slight spurt in the prices.

Turmeric 0708(NCTMCQ7)2007/07/07 - Daily B:2232.00 A:2233.00
O 2243.00 H 2246.00 L 2221.00 C 2233.00 V 7,030 I 26,170 -9

EMA(9) 2247.7 (14) 2242.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	4301	4345	4461	4597	4652

TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 4461-4475 with a target of Rs. 4392 and then Rs. 4352 with a strict stop loss of Rs. 4585. 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 09, 2007

SPOT MARKETS

Turmeric major spot market at Nizamabad and Erode remained closed on account of weekly off. The prices at Sangli and Warangal remained unchanged amidst steady arrivals. Sowing has been initiated at Nizamabad region in Andhra Pradesh and 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 a Re. up at Rs.2243. The contract after marginal up move in the prices at Rs.2246 initially made a steep fall to Rs.2221 on selling activity. Open interest gained slightly and the volumes remained subdued as compared to previous trading session. The contract then closed at Rs.2233 marginally down by 0.40% 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 are indicating active bears and initial week trend for the contract. The volumes remained subdued and failed to breach previous levels. Prices closed below the 9-day EMA, indicating that the trend favours the bears for short-term. MACD is moving upwards leaving scope for up move in the market. 14-day RSI is in the neutral and moving downwards. Turmeric futures are likely to trade weak and we can expect slight firmness in the prices during the initial trading session.

Turmeric 0708(NCTMCQ7)2007/07/07 - Daily B:2232.00 A:2233.00
O 2243.00 H 2246.00 L 2221.00 C 2233.00 V 7,030 I 26,170 -9

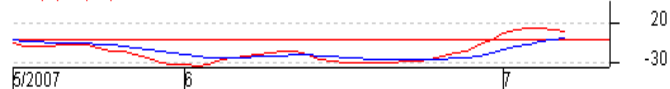
EMA(9) 2247.7 (14) 2242.3



RSI(9,MA(6)) 46.6343



DAV(9, 26, 12) 8.96996 MACD 0.800144



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2195	2209	2233	2275	2298

TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs. 2233-2235 or at the market open price with a target of Rs. 2225 and then Rs. 2218 with a strict stop loss of Rs. 2243. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah		
Erode	Finger	Closed	-
	Gattah		

CARDAMOM

July 09, 2007

SPOT MARKETS

Cardamom auction at Vandanmedu witnessed low arrivals all the arrivals were sold amidst good demand by the domestic dealers. Cardamom production is likely to be short around 9000-11000 for the year 2007-08 due to the unfavorable weather climatic conditions. Currently there is negligible export demand and however expected during late in August or early September.

FUTURES MARKETS

Cardamom most active August futures contract opened marginally firm by Re.0.3 firm at Rs. 504. The futures after initial weakness at Rs.503 the contract surged up to Rs.508.4 on fresh buying support. The open interest gained amidst marginally low volumes. Gain in open interest and fall in the price is indicating creation of fresh long positions. The contract closed up by 0.61% at Rs.506.8 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 at Kerala and Tamil Nadu where it is likely at many places. This would be beneficial for the crop.

TECHNICALS

Candlestick is indicating firm opening and active bulls in the market. The volumes were marginally low as against previous trading session. Prices closed above the 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 and is neutral. Cardamom futures are likely to trade steady to firm in the next trading session with a slight slump in the prices during the mid trading session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	498.8	500.1	506.8	513.0	517.6

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs. 506.-506.8 or market open price with a target of Rs. 510.4 with a strict stop loss of Rs. 501.5 Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

Closed

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