

## ■ BLACK PEPPER

■ July 21, 2007

### SPOT MARKETS

Black pepper markets witnesses some weakness during Friday's trade. It was quoted lower by Rs. 100 per quintal in Kochi market amid arrivals as well as offtake of 50 metric tonnes. Weakness in pepper futures counter has also pressurised the physical market trend. Indian ASTA grade pepper continues to remain highly competitive in global markets. Most of the overseas buyers are now eyeing the Indonesian crop, estimates of which vary widely at present. Preliminary estimates from the country indicate an increase of around 17 per cent at around 35,000 tonnes in 2007 due to large carry over stock. Brazil's new harvest that spreads during July to October is likely to peak 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. 15199 at the opening session of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 14770 during late hours of trading. The futures finished lower by around 1.9 per cent in final action. Most active August contract traded in the range of Rs. 14770-15199 during Friday's trade.

### PRICE DRIVERS

#### Bullish:

1. Global supply shortage is estimated at 47,500 tonnes in 2007
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 initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving slightly upwards in negative territory. 14-day RSI is neutral and moving downwards, leaving scope for further downtrend. Volume as well as open interest has declined as compared to previous settlement, suggests that the longs are closing out their positions. 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)2007/07/20 - Daily B:14880.00 A:14897.00  
O 15198.00 H 15199.00 L 14770.00 C 14880.00 V 11,862 I 8,915 -292  
EMA(9) 14911 (18) 14970



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14294	14573	14880	15310	15564

### TRADE RECOMMENDATION

Buy NCDEX August Pepper near Rs. 14750-14775 with a target at Rs. 14950 and then Rs. 15000 with a strict stop loss at Rs. 14625. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14600	50
	Ungarbled	14000	

### SPOT MARKETS

Domestic jeera markets witnessed a stable trend during Friday's trade. It was offered in previous price range in benchmark Unjha market owing to reduced offtake amid steady arrivals. Traders reported presence of some export demand from Singapore as the major supportive feature for the market. Spillover weakness from jeera futures counter has also pressurised the physical market trend. 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.

### FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active August contract tested an intraday high of Rs. 12700 at the opening session of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12478 during late hours of trading. Most active August contract traded in the range of Rs. 12478-12700 during Friday's trade. Near month July contract hit 6 per cent lower circuit ahead of its exodus on Friday.

### PRICE DRIVERS

#### Bullish:

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

#### Bearish:

1. Lower position limit for jeera futures
2. Moderate domestic demand

### WEATHER

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

### TECHNICALS

Candlesticks pattern indicates steady to weak 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 has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade moderately downwards following a steady to weak opening initially with possibility of upward movements later in the session.

JEERA 0708(NCJEEQ7)2007/07/20 - Daily B:12520.00 A:12550.00  
O 12645.00 H 12699.00 L 12478.00 C 12544.00 V 10,209 I 6,495 -78  
EMA(9) 12575 (18) 12655



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12248	12384	12544	12769	12916

### TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12450-12475 with a target of Rs. 12600 and then Rs. 12650 with a strict stop loss of Rs. 12350. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2480-2560	
	Ganesh	2580-2660	3000
	Machine Cleaned	2780-2860	

## CHILLI

July 21, 2007

### SPOT MARKETS

Chilli spices at the Guntur spot market were quoted steady as that of Thursday's trading session. The arrivals at the market yard were around 20000 bags and offtake of 10000-12000 bags. The low arrivals were due to last day of the auction for the week. 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 next week onwards. Prices are likely to remain range bound to slightly steady for short term.

### FUTURES MARKETS

Red chillies most active August futures opened firm at Rs.3853. The contract during the initial trading witnessed a spurt at Rs.3917 on fresh buying support and there after the contract surged made an intraday low at Rs.3825. Open interest gained slightly along with good volumes. The contract then closed in positive territory firm by 1.20 percent at Rs.3865 as compared to Thursday'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 south interior region of Karnataka, Tamil Nadu and over Andhra Pradesh. Rainfall during the time of initial sowing stage is beneficial for the crop.

### TECHNICALS

Candlestick is indicating firm opening and initial uptrend in the market. Volumes gained and supported the price movement. Prices closed below the 9-day and 18-day EMA, indicating weak trend in the market. MACD is bearish in negative territory. 14-day RSI is oversold and moving upwards. Red chillies futures are likely to trade firm on technical correction with a slight dip in the prices.

CHLL334GTR 0708(NCGTRQ7)2007/07/20 - Daily B:3865.00 A:3868.00  
O 3853.00 H 3917.00 L 3825.00 C 3865.00 V 9,755 I 9,895 +46



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3644	3725	3865	4061	4185

### TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 3845-3865 with a target of Rs. 3900 and then Rs.3928 with a strict stop loss of Rs. 3811. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3700-4100	20000-25000



## TURMERIC

July 21, 2007

### SPOT MARKETS

Turmeric prices at the major spot market were traded firm by Rs.25-40 as against Thursday's trading session. The arrivals at all the centres gained slightly. At Erode the arrivals and offtake were good amidst gain prices for fingers and gattah by Rs.50 per quintal. At Nizamabad, the prices along with arrivals and offtake have gained slightly. Local demand is reported to be good. Export demand from Iran and Japan was reported to be good.

### FUTURES MARKETS

Turmeric most active August futures at NCDEX opened firm at Rs.2179. The contract after initial firmness at Rs.2184 made an intraday low at Rs.2154 on selling pressure from higher levels for the day. Open interest gained as against previous trading session amidst low volumes. The contract then closed marginally weak by 0.28 percent at Rs.2169 as against Thursday's close price.

### PRICE DRIVERS

#### Bearish:

1. Good stock level 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, Tamil Nadu and Andhra Pradesh is beneficial for the crop. Excess rainfall over Maharashtra is likely to cause damage to the crop at its growing stage.

### TECHNICALS

Candle sticks are indicating firm opening, initial uptrend and there after selling pressure in the market. Volumes failed to breach previous levels. Prices closed below the 18-day EMA, indicating that the trend favours the bears for the short term. MACD is in negative territory and bearish. 14-day RSI is neutral and moving downwards. Turmeric futures are likely to trade weak with slight firmness in the prices during intraday.

Turmeric 0708(NCTMCQ7)2007/07/20 - Daily B:2168.00 A:2169.00  
O 2179.00 H 2188.00 L 2154.00 C 2169.00 V 15,400 I 25,950 -6



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2121	2132	2169	2208	2223

### TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs.2173-2177 or above with a target of Rs. 2161 and then Rs. 2154 with a strict stop loss of Rs. 2184. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1970-2000	1000
	Gattah	1860-1900	
Erode	Finger	2200-2250	6000
	Gattah	2050-2150	



## ■ CARDAMOM

■ July 21 2007

### SPOT MARKETS

Cardamom prices at the daily auction was quoted firm by Rs.15-20 per kg as compared to previous trading session. The arrivals were thin at 5000 kg. Out of the total arrivals around 4500 kg were sold. 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 as compared to last crop season.

### FUTURES MARKETS

MCX Cardamom most active August futures closed at negative territory down by 1.54 percent at Rs.555.5 as against previous close price. The contract opened steady at Rs.565 the after the contract did not make any high for the day and made a steep fall to Rs.541.8 on profit booking taking place. Open interest gained slightly amidst subdued volumes.

### 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

Candle sticks are indicating steady opening, active bears and profit booking taking place in the market. Volumes failed to breach previous highs levels. 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 overbought region. Cardamom futures are likely to trade firm in the next trading session with a small dip in prices on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/07/20 - Daily B:555.10 A:555.50  
O 565.00 H 565.00 L 541.80 C 555.50 V 3,485 T 193,049 I 1,962 -8.7  
EMA(9) 531.61 (18) 520.07



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	521.3	529.8	555.5	589.1	594.8

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.553-555.5 or market open price with a target of Rs. 566.8 and then 574.3 with a strict stop loss of Rs. 548.1 Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	470-500	5000

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