

## ■ BLACK PEPPER

■ July 20, 2007

### SPOT MARKETS

Black pepper markets witnessed a firm trend during Thursday's trade. It was quoted higher by Rs. 200 per quintal in Kochi markets amid arrivals as well as offtake of 65 metric tonnes. Spillover strength from the futures market has also supported the firmness in physical market. Market is eyeing further cues to hold the gains in near-term. Indian ASTA grade pepper continues to remain highly competitive in global markets as compared to that of Vietnam's. Production figures of Indonesia seem vague at present, though; preliminary estimates from the country indicate an increase of 17 per cent in total supply at around 35,000 tonnes in 2007. 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 low of Rs. 14749 at the opening session of trade. The futures traded sharply upwards thereafter on increased buying interest and tested an intraday high of Rs. 15240 during late hours of trading. The futures finished higher by over 3 per cent in final action. Most active August contract traded in the range of Rs. 14749-15240 during Thursday'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 firm opening and initial uptrend. Prices closed above the 9-day as well as 18-day EMA, indicating a bullish trend in the market. MACD is moving indecisively in negative territory. 14-day RSI is neutral and rising, leaving scope for further uptrend. Volume has increased, while open interest has declined as compared to previous settlement, suggests that the short sellers are covering their positions. Pepper futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.

Pepper 0708(NCPEPQ7)2007/07/19 - Daily B:15171.00 A:15175.00  
O 14749.00 H 15235.00 L 14749.00 C 15171.00 V 19,135 I 10,932 +438  
EMA(9) 14919 (18) 14980



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14632	14865	15171	15563	15819

### TRADE RECOMMENDATION

Buy NCDEX August Pepper near Rs. 15125-15140 with a target at Rs. 15250 and then Rs. 15325 with a strict stop loss at Rs. 15025. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	65
	Ungarbled	14100	

## ■ CUMIN

■ July 20, 2007

### SPOT MARKETS

Domestic jeera markets witnessed a firm trend during Thursday's trade. It was offered in a higher price range in benchmark Unjha market as improved offtake has surpassed slightly higher arrivals. Traders reported improved export demand from Singapore as the major reason behind the rise in prices. Moreover, firmness in jeera futures counter has also supported 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 low of Rs. 12440 at the opening session of trade. The futures traded upwards thereafter to test an intraday high of Rs. 12665 during late hours of trading. The futures finished higher by around 1.5 per cent in final action. Most active August contract traded in the range of Rs. 12440-12665 during Thursday'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. Moderate domestic demand

### WEATHER

Rain/thundershowers are likely at a few places over the Konkan & Goa and Madhya Maharashtra during next 48 hrs. and increase thereafter and isolated over the rest region. Heavy rainfall would limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Prices closed above the 9-day EMA, indicating a short-term bullish trend. However, the close below the 18-day EMA is somewhat bearish for the market. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. 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 upwards following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0708(NCJEEQ7)2007/07/19 - Daily B:12620.00 A:12624.00  
O 12445.00 H 12664.00 L 12440.00 C 12619.00 V 9,369 I 7,731 +194  
EMA(9) 12582 (18) 12668



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12312	12455	12619	12850	13005

### TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12575-12600 with a target of Rs. 12700 and then Rs. 12725 with a strict stop loss of Rs. 12500. 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	

### SPOT MARKETS

Chilli spices at the Guntur spot market were quoted firm by Rs.200 per quintal as compared to Tuesday'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 rainfall causing transportation problems for the commodity. 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 firm at Rs.3784. The contract during the initial trading witnessed a low at Rs.3775 and there after the contract surged up to Rs.3865 on buying support. Open interest was slightly low as well as the volumes remained subdued. The contract then closed in positive territory firm by 2.02 percent at Rs.3845 as compared to Wednesday'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 firm opening and slight bullish activity in the market. Volumes remained subdued slightly as against 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 oversold and moving upwards. 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)2007/07/19 - Daily B:3840.00 A:3845.00  
O 3784.00 H 3865.00 L 3775.00 C 3845.00 V 8,425 I 9,775 +85

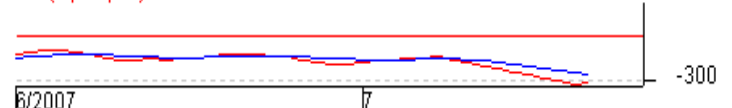
EMA(9) 3959.9 (14) 4070.7



RSI(9,MA(6)) 26.1716



DAV(9, 26, 12) -313.105 MACD -252.819



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3603	3671	3845	4085	4175

### TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3855-3880 with a target of Rs. 3805 and then Rs.3775 with a strict stop loss of Rs. 3935. 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



## TURMERIC

July 20, 2007

### SPOT MARKETS

Turmeric prices at the major spot market were traded firm by Rs.25-40 as against Wednesday'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. Local demand is reported to be good. 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.2153. The futures after opening firm did not witness any fall in the prices and surged up to Rs.2183 buying activity coming in. Open interest level came down amidst very good volumes. The change in the close price and open interest is indicating short covering. The contract then closed firm by 0.74 percent at Rs.2174 as compared to Wednesday'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 steady opening and there after active bulls in the market. Volumes gained significantly and supported 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 has crossed the oversold region and moving upwards. Turmeric futures are likely to trade firm with slight dip in the prices during intraday.

Turmeric 0708(NCTMCQ7)2007/07/19 - Daily B:2172.00 A:2174.00  
O 2153.00 H 2182.00 L 2153.00 C 2174.00 V 19,210 | 24,910 +21



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2117	2129	2174	2199	2220

### TRADE RECOMMENDATION

Buy NCDEX August Turmeric at Rs.2172-2174 or below with a target of Rs. 2183 and then Rs. 2191 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	1975-1990	1000
	Gattah	1875-1900	
Erode	Finger	2150-2200	5500
	Gattah	2000-2100	



## ■ CARDAMOM

■ July 20, 2007

### SPOT MARKETS

Cardamom daily auction at Bodinayakanur remained closed on Thursday due to insufficient arrivals. The next auction at Bodinayakanur is likely to take place on 9<sup>th</sup> of August as per auction officials. 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

MCX Cardamom most active August futures closed at Rs.565.40 up by 3.63 percent after breaching 4% upper circuit. The contract opened steady at Rs.545.4 and there after did not make any lows for the day and surged significantly up to Rs.573.9 and made fresh high 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

Long white 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 overbought 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)2007/07/19 - Daily B:563.00 A:565.80  
O 545.40 H 573.90 L 545.40 C 565.40 V 4,577 T 257,715 I 1,956 +19.8  
EMA(9) 525.88 (18) 516.03



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	518.2	528.6	565.4	588.1	594.8

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.565-565.4 or market open price with a target of Rs. 573.8 with a strict stop loss of Rs. 560.8 Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	Closed	-

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