

■ BLACK PEPPER

■ July 13, 2007

SPOT MARKETS

Black pepper markets extended previous advances further during Thursday's trade. It was quoted higher by Rs. 400 per quintal in Kochi markets amid no arrivals as well as offtake. Improved demand, both domestic as well as overseas supported the firmness in the market. Moreover, sharp gains in pepper futures prices have also provided underlying support. It is learnt that pepper exporters/hedgers and the Forward Markets Commission (FMC) would meet on Friday to discuss on the lower open position limit as well as higher margins on pepper futures. According to the Indonesian Pepper Exporters' Association, global pepper supply remained well below demand, with an estimated shortfall of 47,500 tonnes in 2007.

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. 14460 at the early hours of trade. Increased buying interest at the lower price levels has supported the futures thereafter and the futures traded sharply upwards thereafter to test an intraday high of Rs. 15068 at close. The futures finished at day's high in final action. Most active August contract traded in the range of Rs. 14460-15068 during Thursday's trade.

PRICE DRIVERS

Bullish:

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

Bearish:

1. Talks of lower pepper prices offered by Vietnam

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 positive territory. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. Volume as well as open interest has declined as compared to previous settlement. Pepper futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.

Pepper 0708(NCPEPQ7)2007/07/12 - Daily B:15068.00 A:15068.00
O 14600.00 H 15068.00 L 14460.00 C 15068.00 V 20,213 I 13,466 +487
EMA(9) 14975 (18) 15066



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14421	14675	15068	15410	15650

TRADE RECOMMENDATION

Buy NCDEX August Pepper near Rs. 14950-15000 with a target at Rs. 15125 and then Rs. 15200 with a strict stop loss at Rs. 14825. Trade cautiously with intra day outlook.

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

SPOT MARKETS

Domestic jeera markets witnessed some firmness during Thursday's trade. It was offered in a higher price range in Unjha markets owing to higher offtake amid mostly steady arrivals. Traders reported presence of some export demand from Bangladesh as a major reason behind the firmness in jeera prices. Moreover, improvement in jeera futures prices has also supported the physical market sentiments. Global supply of jeera is expected to fall short of demand as key producing nations like Syria and Turkey has estimated lower harvest besides fall in domestic production.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active August contract tested an intraday low of Rs. 12463 at the early hours of trade. The futures traded sharply upwards thereafter to test an intraday high of Rs. 12770 during final hours of trade. The futures finished with significant gains in final action. Most active August contract traded in the range of Rs. 12463-12770 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

WEATHER

Rain/thundershowers are likely at a few places over the rest region outside West Rajasthan where it may be isolated. Heavy rainfall would limit regular trading activity.

TECHNICALS

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

JEERA 0708(NCJEEQ7)2007/07/12 - Daily B:12743.00 A:12760.00
O 12470.00 H 12770.00 L 12463.00 C 12760.00 V 15,360 I 10,830 +300
EMA(9) 12656 (18) 12765



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12418	12576	12760	12961	13108

TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12700-12725 with a target of Rs. 12850 and then Rs. 12900 with a strict stop loss of Rs. 12600. 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	2000
	Machine Cleaned	2780-2860	

CHILLI

July 13, 2007

SPOT MARKETS

Spot prices for chilli at the Guntur market remained unchanged for Thursday. The trade lacked luster amidst good arrivals and low offtake of around 15000 bags. Chilli acreage at Andhra Pradesh is likely to rise up to 1.50-1.80 lakh hectare where as usually it is 1.60 lakh hectares. The output for the year 2007-08 is likely to go up by 20-30 per cent due to large area under cultivation. Favourable climate during sowing time as well as higher stock levels up to 53 lakh bags is further adding weakness to the prices. The prices are likely to witness slump due to anticipation of higher production and present lackluster demand in the market.

FUTURES MARKETS

Red chillies most active August futures witnessed much awaited positive correction after testing fresh lows during the initial trading session. The contract opened weak with a gap at Rs.405. Futures observed an initial slip in the prices at Rs.3960 however, during the mid trading session witnessed a spurt up to Rs.4124 on buying support. Open interest gained amidst significant gain in the volumes. The contract then closed at Rs.4091 marginally up by 0.34% as against previous close price

PRICE DRIVERS

Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage at Andhra Pradesh is likely to go up.
3. High stock levels nearly 53-lakh bags at the cold storages

WEATHER

Rain/thundershowers are likely over coastal and interior of Karnataka and isolated near Andhra Pradesh. Good rainfall during the time of the sowing is beneficial for the crop.

TECHNICALS

Candlestick is indicating initial active bulls after initial weak trend in the market. Volumes were at their highest levels for the contract. 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 upwards leaving scope for positive recovery. Red chillies futures are likely to trade firm in next trading session with a slight fall in the prices during the mid trading session.

CHLL334GTR 0708(NCGTRQ7)2007/07/12 - Daily B:4090.00 A:4095.00
C 4051.00 H 4124.00 L 3960.00 C 4091.00 V 12,255 18,060 +9
EMA(9) 4294.3 (14) 4374.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3883	3938	4091	4255	4319

TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 4085-4091 with a target of Rs. 4142 and then Rs. 4198 with a strict stop loss of Rs. 4032. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4400	50000

TURMERIC

July 13, 2007

SPOT MARKETS

Turmeric spot prices at Nizamabad market traded slightly weak by Rs.25-30 per quintal amidst steady arrivals as that of Wednesday. At Erode market the prices were steady amidst good arrivals as compared to Wednesday's trading session. At Sangli, prices were slightly firm by Rs.25-30 per quintal on almost all the variety. Domestic as well as export demand from Gulf nation was reported to be good. Sowing at most of the areas at Nizamabad is completed and this year sowing is likely to be down by 10% in this area as compared to last year.

FUTURES MARKETS

Turmeric most active August futures at NCDEX closed firm after initial slump in the prices. The contract opened weak at Rs.2188. The futures initially witnessed a slump at Rs.2175 however during the later trading session surged up to Rs.2210 on fresh buying support. Volumes were marginally low where as the open interest gained marginally. The contract then closed marginally up by Rs.4 at Rs.2196 as against previous close.

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 Karnataka, Andhra Pradesh and Tamil Nadu. Rainfall over Maharashtra would also benefit the crop at its growing stage.

TECHNICALS

Candlestick is indicating initial weak trend and there after firm closure in the market. Volumes remained marginally subdued. 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 neutral and moving upwards leaving scope for further up move in prices. Turmeric futures are likely to trade firm with slight dip in the prices.

Turmeric 0708(NCTMCQ7)2007/07/12 - Daily B:2195.00 A:2200.00
O 2188.00 H 2210.00 L 2175.00 C 2196.00 V 22,280 I 27,120 +4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2151	2168	2196	2236	2248

TRADE RECOMMENDATION

Buy NCDEX August Turmeric at Rs. 2192-2196 or at the market open price with a target of Rs. 2210 and then Rs. 2218 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	1925-1950	500
	Gattah	1825-1850	
Erode	Finger	2100-2150	4500
	Gattah	2000-2050	

SPOT MARKETS

Cardamom prices at Bodinayakanur auction were traded in the range of 450-460 per kg. Arrivals of 16000 kg of commodity were sold completely. Local dealers say that domestic demand is good and the old stock is being sold in the auctions. Export demand is likely to pick up once the new crop starts arriving in the market by 1st week of August.

FUTURES MARKETS

Cardamom most active August futures contract closed in negative territory. The futures contract opened at Rs.502.1. The futures after initial slight weakness at Rs.502 made an intraday high at Rs.505 on short covering. Open interest slipped slightly amidst very good volumes as against previous trading session. The contract then closed marginally firm by Rs.0.70 at Rs.503.1.

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. This would be beneficial for the crop at this stage.

TECHNICALS

Candlesticks are indicating range bound trend in the market. Volumes gained significantly as against previous trading session. Prices closed below the 18-day EMA, indicating that the trend favours the bears for the short term. MACD is steady in the negative region. 14-day RSI is moving downwards and is neutral. Cardamom futures are likely to trade weak in the next trading session with a slight firmness in the prices during the mid trading session.

CARDAMOM 0708(MXCAMQ7)2007/07/12 - Daily B:503.10 A:504.00
O 502.10 H 505.00 L 502.00 C 503.10 V 588 T 21,404 I 1,350 +0.7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	494.8	493.6	503.1	511.3	515.4

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.502.8-503.1 or market open price with a target of Rs. 507.3 with a strict stop loss of Rs. 499.5 Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	450-460	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>