

■ BLACK PEPPER

■ July 14, 2007

SPOT MARKETS

Black pepper markets witnessed some weakness during Friday's trade. It was quoted lower by Rs. 100 per quintal in Kochi markets amid no arrivals as well as offtake. Softness in pepper futures led by profit taking at higher price levels has pressurised the physical market trend. However, Vietnam is learnt to have quoting higher prices following some decline in the recent past. Global supply situation continue to remain tight with an estimated shortfall of 47,500 tonnes in 2007. A good quantity of around 14,800 tonnes of certified pepper stock is lying with the national commodity exchanges. However, lower open position limit coupled with higher margins has resulted in lower participation in the futures market.

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. 14822 at the early hours of trade. Increased buying interest has supported the futures thereafter and the futures traded upwards to test an intraday high of Rs. 15277. Profit taking capped further advances and the futures finished with some losses in final action. Most active August contract traded in the range of Rs. 14822-15277 during Friday's trade.

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

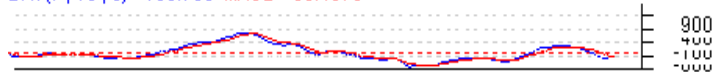
Candlesticks pattern indicates steady to weak opening and indecision in the market. Prices closed above the 9-day EMA, indicating a short-term bullish trend. However, the close below the 18-day EMA is bearish for the market. MACD is moving indecisively in positive territory. 14-day RSI is neutral and moving downwards, leaving scope for further downtrend. Volume as well as open interest has increased as compared to previous settlement. Pepper futures are likely to trade downwards following a steady to weak opening initially and upwards thereafter.

Pepper 0708(NCPEPQ7)2007/07/13 - Daily B:14991.00 A:15000.00
O 15060.00 H 15273.00 L 14830.00 C 14993.00 V 27,500 I 13,696 -56

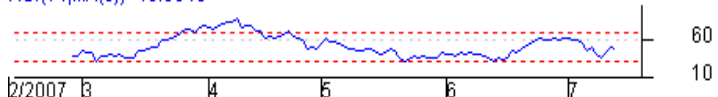
EMA(9) 14976 (18) 15057



DAV(7, 15, 5) -109.769 MACD -93.4875



RSI(14,MA(6)) 48.5343



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14421	14675	14993	15395	15666

TRADE RECOMMENDATION

Buy NCDEX August Pepper near Rs. 14875-14900 with a target at Rs. 15075 and then Rs. 15125 with a strict stop loss at Rs. 14750. Trade cautiously with intra day outlook.

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

SPOT MARKETS

Domestic jeera markets extended previous advances further during Friday's trade. It was quoted in a higher price range in Unjha markets owing to higher offtake amid 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. 12682 at the early hours of trade. The futures traded upwards thereafter on some buying support to test an intraday high of Rs. 12899 only to retreat again. The futures finished near unchanged level in final action. Most active August contract traded in the range of Rs. 12682-12899 during Friday'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 many places over East Rajasthan. 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 steady to weak opening and indecision in the market. Prices closed above the 9-day EMA, indicating a short-term bullish trend. However, the close below the 18-day EMA is bearish for the market. 14-day RSI is neutral and moving flat, 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 downwards following a steady to weak opening initially and upwards thereafter.

JEERA 0708(NCJEEQ7)2007/07/13 - Daily B:12739.00 A:12740.00
O 12760.00 H 12899.00 L 12682.00 C 12740.00 V 13,983 I 10,584 +2
EMA(9) 12669 (18) 12761



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12418	12565	12740	13005	13142

TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12675 with a target of Rs. 12800 and then Rs. 12825 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	2500-2580	
	Ganesh	2600-2680	2000-2500
	Machine Cleaned	2800-2880	

CHILLI

July 14, 2007

SPOT MARKETS

Spot prices for chilli at the Guntur market witnessed a slump of Rs.200 per quintal due to no buyers in the market. The domestic demand is reported to be weak for the commodity. Traders say that currently there is good export demand for chillies from Bangladesh. However, due to rainfall the transportation for the commodity has been hit and hence there is delay in executing the export orders. Currently at Guntur cold storage there are stocks of 45-48 lakh bags. At NCDEX accredited warehouse the stock position as on 12th July is at 2,533 tonnes.

FUTURES MARKETS

Red chillies most active August futures tested fresh lows after initial uptrend in the market. The contract opened weak with a gap at Rs.4064. Futures observed an initial firmness at Rs.4137 however, during the mid trading session witnessed a slump at Rs.3945 on active bears and weak advices from the spot. Open interest gained amidst significant gain in the volumes. The contract then closed at Rs.3955 down by 3.25 percent 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 / thunder shower is likely over coastal and interior region of Karnataka where as at Andhra Pradesh isolated rainfall is expected. Rainfall during the time of the sowing is beneficial for the crop.

TECHNICALS

Candlestick is indicating initial uptrend and there after active bears. The volumes were recorded to be the highest for the contract till date. 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 weak in next trading session however; a positive recovery in the prices is expected.

CHLL334GTR 0708(NCGTRQ7)2007/07/13 - Daily B:3956.00 A:3969.00
O 4064.00 H 4137.00 L 3945.00 C 3955.00 V 13,980 I 8,435 -133

EMA(9) 4225.9 (14) 4318.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3754	3833	3955	4265	4375

TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3955-3975 with a target of Rs. 3902 and then Rs.3860 with a strict stop loss of Rs. 4025. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4200	50000

TURMERIC

July 14, 2007

SPOT MARKETS

Turmeric prices were steady at all the major spot market. At Nizamabad the quotes remained unchanged amidst steady arrivals. The prices at Erode market also remained unchanged amidst steady arrivals as that of Thursday. At Sangli, prices were steady amidst good demand as the offtake was more than the arrivals. Export demand from Japan 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 against last year.

FUTURES MARKETS

Turmeric most active August futures at NCDEX closed weak after initial firmness in the prices. The contract opened firm at Rs.2203. The futures initially witnessed a spurt at Rs.2212 however during the later trading session the prices slumped to Rs.2186 level on creation of fresh short position. Volumes were marginally low where as the open interest gained marginally. The contract then closed marginally down by 0.50 percent at Rs.2190 as against previous 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 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 uptrend and there after a weak closure. Volumes failed to breach high levels. 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 downwards leaving scope for further fall in prices. Turmeric futures are likely to trade weak during the initial trading session and there after gain slightly towards the end.

Turmeric 0708(NCTMCQ7)2007/07/13 - Daily B:2188.00 A:2194.00
O 2203.00 H 2212.00 L 2186.00 C 2190.00 V 15,700 I 27,150 -11



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2151	2165	2190	2232	2248

TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs. 2190-2193 or at the market open price with a target of Rs. 2178 and then Rs. 2169 with a strict stop loss of Rs. 2202. 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	



■ CARDAMOM

■ July 14, 2007

SPOT MARKETS

Cardamom prices at Vandanmedu auction were quoted firm by Rs.20 at Rs.470 per kg for 7mm variety. Arrivals of 5000 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 a positive territory. The futures opened marginally firm at Rs.503.5. The contract after initial slight weakness at Rs.502 made an intraday high at Rs.507.8 on fresh buying. Open interest gained slightly amidst slightly low volumes as against previous trading session. The contract then closed firm by 0.56 percent at Rs.506.1.

PRICE DRIVERS

Bearish:

1. Rainfall likely over growing region

Bullish:

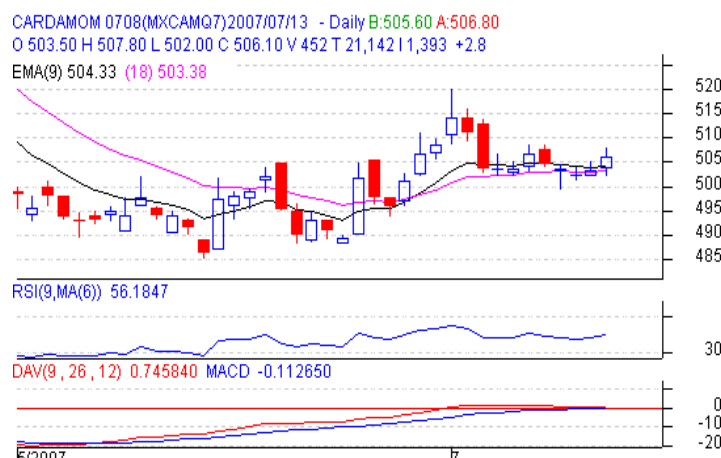
1. Domestic production estimated lower
2. Nearly 30-40 per cent of cardamom plants dried and dead

WEATHER

Rain/thundershowers are likely at most places at Kerala and isolated at 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.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	496.2	499.4	506.1	513.4	518.2

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.505.8-506.1 or market open price with a target of Rs. 511.3 with a strict stop loss of Rs. 501.5 Trade cautiously with intraday outlook.

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

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.