

■ BLACK PEPPER

■ July 04, 2007

SPOT MARKETS

Black pepper traded firm in the domestic firms. Prices remained unmoved in Kochi markets on offtakes equaling arrivals. Pepper traded range-bound at NCDEX, failing to provide any significant cues to the domestic market. Traders are closely watching the price movements at futures market as quality pepper stocks are only available with the exchange warehouses. Export inquiries are supporting the domestic market and the lower price of the Indian pepper compared to that of Vietnam and Brazil has resulted in increased demand for Indian pepper from the US.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than the previous day's close and traded volatile during the day, before closing slightly lower. The most active August contract opened at Rs. 15757/mt and traded up to test an intraday high of Rs. 15830/mt. Later prices slumped on increased selling pressure at higher prices to test an intraday low of Rs. 15539/mt. The prices improved with some buying interest at lower levels and the contract settled at Rs. 15627/mt. The contract traded in the range of Rs. 15539-15830/mt during the day. Volume traded dipped marginally, while open interest improved slightly.

PRICE DRIVERS

Bullish:

1. Global demand-supply mismatch
2. India's export up 50% on year at 2,200 tonnes in May 2007
3. Increased US demand for Indian pepper

Bearish:

1. Profit taking at higher price levels

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

A short bearish candle is formed for the day with selling pressure at higher levels as well as buying interest at the lower levels. Prices closed slightly above the EMAs. MACD and Stochastic are flat in the neutral region, giving scope for movement in either direction. RSI is slightly dipping in the neutral region. Overall, the technicals speak of indecision in the market. Black pepper is expected to trade volatile during the session.

Pepper 0708(NCPEQ7)2007/07/03 - Daily B:15613.00 A:15627.00
O 15757.00 H 15830.00 L 15539.00 C 15627.00 V 13,221 I 15,040 -123
EMA(9) 15509 (18) 15273



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	15053	15346	15627	16029	16267

TRADE RECOMMENDATION

Sell NCDEX August Pepper below Rs. 15700 with a target at Rs. 15580 and then Rs. 15540 with a strict stop loss at Rs. 15770. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qt	Arrival (Tonnes)
Kochi	Garbled	14800	7.5
	Ungarbled	14200	

SPOT MARKETS

Domestic jeera remained closed during the day due to heavy rains and flood in and around the trading centre, thereby hindering any trading activity. Increased export inquiries and higher demand from Singapore are providing support for the market. Traders are expecting further decline in arrivals that may result into some firmness in prices. Estimated decline in production in Syria and Turkey has resulted in firmness in global jeera prices. Long-term outlook on jeera continues to remain firm on domestic as well as global supply shortage.

FUTURES MARKETS

NCDEX Jeera contracts traded bullish during the day with the most active August contract opening higher at Rs. 12703. The contract traded down initially to test an intraday low of Rs. 12642. Prices improved later on increased buying support at lower levels and the contract traded up to test an intraday high of Rs. 12922. Further, sellers emerging at the higher levels pushed the prices down and the contract settled at Rs. 12831.

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 a few places over East Rajasthan and Gujarat state during next 48 hours and increase thereafter. Isolated rain/thundershowers are likely over West Rajasthan. Weather is not crucial at present as the harvesting season is over.

TECHNICALS

A bullish candlestick is formed with the prices closing below the EMAs. MACD is flat in the negative zone, indicating probable movement in either direction, while Stochastic has made a bearish crossover in the neutral region. These indicate a probability of the market to trade down in the short term. RSI is rising in the neutral region, giving some firmness to the prices. The market is expected to be range-bound in the short term.

JEERA 0708(NCJEE07)2007/07/03 - Daily B:12832.00 A:12839.00
O 12703.00 H 12922.00 L 12642.00 C 12831.00 V 14,136 I 12,315 +116
EMA(9) 12902 (18) 12969



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12551	12669	12831	13145	13264

TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12825-12830 with a target of Rs. 12894 and then Rs. 12945 with a strict stop loss of Rs. 12780. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	Closed	
	Ganesh	Closed	—
	Machine Cleaned	Closed	

SPOT MARKETS

Chilli spot price quotes remained unchanged on Tuesday. The arrivals and offtake remained unchanged at 20000-25000 bags at the Guntur market. Traders are reporting weak overseas demand from Sri Lanka, Bangladesh and Malaysia. There are stocks to the tune of 7-8.5 million bags of 40-45 kg each in the cold storages of Andhra Pradesh. Chilli prices are anticipated to fall in the medium term supported by the fundamentals of higher production this year.

FUTURES MARKETS

Red chillies most active August futures at NCDEX opened slightly firm by Rs.3 at Rs.4539. The contract after initial firmness at Rs.4574 made an intraday low at Rs.4468 on selling pressure. The open interest gained slightly amidst low volumes. The change in the close price and open interest is indicating creation of fresh short positions. The contract then closed slightly weak by Rs.3 at Rs.4530 as compared to previous close price.

PRICE DRIVERS

Bullish:

1. Moderate demand in the market
2. Export up to 132 percent to 40000 tonnes in April-May 2007

Bearish:

1. Domestic production is estimated higher by 20 percent

WEATHER

Rain/thundershowers are likely at most places over the region outside south Tamil Nadu where it is likely at many places. Weather is not a crucial factor at present.

TECHNICALS

Candlestick is indicating indecisive trend in the market. The low volumes did not support the price movement. Prices closed below the 9-day EMA, indicating short-term weak trend in the market leaving scope for further fall in prices. MACD is moving indecisively in negative territory and likely to witness a bearish crossover. 14-day RSI is neutral and moving downwards. Stochastic oscillator is also in the oversold region. Red chillies futures are likely to trade weak in next trading session with a slight spurt in the prices.

CHLL334GTR 0708(NCGTRQ7)2007/07/03 - Daily B:4525.00 A:4534.00

O 4539.00 H 4574.00 L 4468.00 C 4530.00 V 5,725 I 6,675 -6

EMA(9) 4543.1 (14) 4593.9



RSI(9,MA(6)) 37.5423



DAV(9, 26, 12) -166.910 MACD -162.829



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	4293	4360	4530	4730	4788

TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 4530-4550 with a target of Rs. 4485 and then Rs. 4440 with a strict stop loss of Rs. 4589. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	40000

TURMERIC

July 04, 2007

SPOT MARKETS

Turmeric prices at the major auctions were quoted firm by Rs.25-50 per quintal. The prices at the Erode auctions for fingers were firm by Rs.50 per quintal amidst steady daily arrivals and offtake. It was offered firmness of around Rs.30 per quintal for gattah where as prices for fingers remained unchanged in Nizamabad market amid slight fall in arrivals as well as offtake. 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 firm by Rs.4 at Rs.2295. The contract after an initial firmness up to Rs.2313 made an intraday low at Rs.2277 on selling pressure. The fall in the prices as well as the open interest is indicating long liquidation. The volumes were at its highest for the contract life. The contract then closed weak at Rs.2277 down by 0.63% as against 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 pattern indicated active bears in the market. The volumes were at its highest for the contract and supported the price movement. Prices closed above the 9-day as well as 18-day EMA, indicating that the trend favours the bulls for short-term. MACD is moving upwards and supporting the uptrend in the market. 14-day RSI is in the neutral region. Turmeric futures are likely to trade weak and we can expect slight dip in prices.

Turmeric 0708(NCTMCQ7)2007/07/03 - Daily B:2278.00 A:2279.00
O 2295.00 H 2313.00 L 2277.00 C 2277.00 V 29,100 I 26,540 -14



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2240	2252	2277	2323	2340

TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs. 2277-2280 or at the market open price with a target of Rs. 2265 and then Rs. 2255 with a strict stop loss of Rs. 2791. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950-2000	1500
	Gattah	1850-1900	
Erode	Finger	2125-2175	4800
	Gattah	2000-2075	



■ CARDAMOM

■ July 04, 2007

SPOT MARKETS

Cardamom auction is likely to resume from 1st or 2nd week of July onwards. Cardamom production is likely to be short around 9000-11000 tonne. Mr. Devassia, executive secretary of Cardamom Growers Association said that Import of under-valued cardamom from Guatemala is depressing the Indian prices adding to this he also said that 20,000 kg of cardamom has already reached the Mumbai port and another consignment of the same quantity will arrive soon.

FUTURES MARKETS

Cardamom most active August futures contract opened weak by Re.0.7 at Rs.513.3. The contract after initial firmness at Rs.516 made an intraday low at Rs.509 on selling pressure. The volumes were very low. The change in the close price and open interest is indicating creation of fresh short positions. The contract then closed at Rs.510.6 down by 0.66 % as against 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 over the region outside south Tamil Nadu where it is likely at many places. This would be beneficial for the crop.

TECHNICALS

A spinning top candlestick has been formed indicating both active bears as well as bulls in the market. The volumes failed to breach previous high. Prices closed above the 9-day as well as 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 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)2007/07/03 - Daily B:510.10 A:511.50
O 513.30 H 516.00 L 509.00 C 510.60 V 198 T 10,131 I 840 -3.4
EMA(9) 504.77 (18) 501.93



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	497	500	510.6	522.1	526.5

TRADE RECOMMENDATION

Sell MCX August Cardamom near Rs. 510.6-511 or market open price with a target of Rs. 506.4 with a strict stop loss of Rs. 514.5 Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandam

Closed

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