

## ■ BLACK PEPPER

■ July 24, 2007

### SPOT MARKETS

Black pepper markets witnessed a stable trend during Monday's trade. It was offered in an unchanged price range in benchmark Kochi market amid arrivals as well as offtake of 30 metric tonnes. Slight firmness in pepper futures counter has supported the physical market trend. In a supportive move, the near month open position limit for Pepper has been revised upwards by the commodity exchanges from 300 MT to 500 MT at member level and from 100 MT to 170 MT at client level effective from the end of day as on July 23, 2007, as per FMC directives. This is likely to encourage wider participation in the futures market and would increase liquidity as well.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract tested an intraday low of Rs. 14940 at the early hours of trade. The futures traded upwards thereafter on increased buying support at lower price levels and tested an intraday high of Rs. 15300. The futures finished higher by Rs. 37 or 0.24 per cent in final action. Most active September contract traded in the range of Rs. 14940-15300 on Monday.

### PRICE DRIVERS

#### Bullish:

1. Near month open position limit revised upwards
2. Global supply shortage is estimated at 47,500 tonnes in 2007

#### Bearish:

1. Profit taking at higher price levels
2. Stocks with commodity exchanges at around 14,400 tonnes

### 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 firm opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving indecisively in negative territory. 14-day RSI is neutral, leaving scope for both way movements. Volume as well as open interest has increased as compared to previous settlement. Pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0709(NCPEPU7)2007/07/23 - Daily B:15165.00 A:15166.00  
O 15135.00 H 15275.00 L 14940.00 C 15166.00 V 9,675 I 11,232 +56  
EMA(9) 15213 (18) 15281



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	14604	14912	15166	15607	15890

### TRADE RECOMMENDATION

Buy NCDEX September Pepper near Rs. 15075-15100 with a target at Rs. 15225 and then Rs. 15275 with a strict stop loss at Rs. 14975. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14600	30
	Ungarbled	14000	

### SPOT MARKETS

Domestic jeera markets remain on an average quiet at the start of this week. It was offered in previous price range in benchmark Unjha market owing to steady arrivals amid slightly higher arrivals. Firmness in jeera futures prices has provided the underlying support. In a supportive move, the near month open position limit for Jeera has been revised upwards by the commodity exchanges from 120 MT to 200 MT at member level and from 40 MT to 70 MT at client level effective from the end of day as on July 23, 2007, as par FMC directives. This is likely to encourage wider participation in futures market and would increase liquidity as well.

### FUTURES MARKETS

Jeera futures at NCDEX opened lower than previous settlement and most active September contract tested an intraday low of Rs. 12572 at the early hours of trade. The futures traded upwards thereafter on increased buying support at lower price levels and tested an intraday high of Rs. 12749. The futures finished higher by Rs. 36 or 0.28 per cent as compared to previous settlement. Most active September contract traded in the range of Rs. 12572-12749 during Monday's trade.

### PRICE DRIVERS

#### Bullish:

1. Near month open position limit revised upwards
2. Lower domestic and global production

#### Bearish:

1. Lacklustre trading activity

### 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 firm opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is neutral, leaving scope for both way movements. MACD is moving indecisively in negative territory. Volume as well as open interest has increased 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 0709(NCJEEU7)2007/07/23 - Daily B:12700.00 A:12713.00  
O 12655.00 H 12748.00 L 12574.00 C 12710.00 V 6,384 I 13,050 +49  
EMA(9) 12713 (18) 12784



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12400	12538	12710	12875	13008

### TRADE RECOMMENDATION

Buy NCDEX September Jeera near 12650-12675 with a target of Rs. 12775 and then Rs. 12850 with a strict stop loss of Rs. 12550. 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	3500-4000
	Machine Cleaned	2780-2860	

## CHILLI

July 24, 2007

### SPOT MARKETS

Chilli spot prices at the Guntur market were traded slightly weak by Rs.100 per quintal as against Friday's trading session. The arrivals were low at around 18000 bags amidst offtake of 12000-13000 bags. Farmers are reluctant to sell their produce at such low prices hence the arrivals are likely to remain at lower levels for coming days. Export demand lacked luster at the spot market. However, export demand is likely to gain momentum next week onwards. Prices are likely to remain range bound to slightly subdued for short term.

### FUTURES MARKETS

Red chillies most active August futures closed in a rangebound trend without any major move in the prices. The contract opened firm at Rs.3844. The futures after initial firmness at Rs.3870 made an intraday low at Rs.3811 on selling pressure. The open interest was slightly weak amidst very low volumes. The contract then closed marginally weak by 0.24 percent at Rs.3821 as compared to Saturday'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 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 initial uptrend and there after weak closure in the market. Volumes were low as against previous trading session and did not support the prices. 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 steady. Red chillies futures are likely to trade weak for the next trading session.

CHLL334GTR 0708(NCGTRQ7)2007/07/23 - Daily B:3821.00 A:3835.00  
O 3844.00 H 3870.00 L 3811.00 C 3821.00 V 2,755 I 9,750 -12



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3634	3718	3821	4033	4112

### TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3825-3845 with a target of Rs. 3795 and then Rs.3780 with a strict stop loss of Rs. 3875. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3600-4000	15000-18000



## TURMERIC

July 24, 2007

### SPOT MARKETS

Turmeric prices at all the major markets on the first day of the week were traded steady amidst slightly weak arrivals as against Friday's trading session. Domestic as well as export demand is likely to remain firm and gain momentum for the coming days. Sowing activity at all the major growing centers are likely to be completed by July end. Acreage at Tamil Nadu, one of the major producing regions is likely to go down by 30 percent due to low price fetched at the auction. The prices for the commodity are likely to remain firm for the medium term on anticipation of low output as well as firm demand.

### FUTURES MARKETS

Turmeric most active August futures at NCDEX opened firm at Rs.2172. The contract after initial firmness at Rs.2179 made an intraday low at Rs.2161 on selling pressure from higher levels for the day. Open interest was very low along with very good volumes as against Saturday's trading session. The contract then closed marginally weak by 0.18 percent at Rs.2165 as against Saturday'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 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

Candlesticks are indicating initial uptrend and there after selling pressure in the market. Volumes were good and supported the price movement. 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 slightly down. Turmeric futures are likely to trade weak with slight firmness in the prices during intraday.

Turmeric 0708(NCTMCQ7)2007/07/23 - Daily B:2163.00 A:2165.00  
O 2172.00 H 2179.00 L 2161.00 C 2165.00 V 6,900 I 24,960 -2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2130	2141	2165	2203	2213

### TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs.2169-2174 or above with a target of Rs. 2159 and then Rs. 2152 with a strict stop loss of Rs. 2182. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1960-2000	700
	Gattah	1860-2000	
Erode	Finger	2200-2250	4500
	Gattah	2050-2150	

### SPOT MARKETS

Cardamom weekly auction at Bodinayakanur remained closed amidst thin arrivals at the centers. Next auction is likely to be held on Tuesday and Wednesday. 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 1.23 percent at Rs.546.4 as against Saturday's close price. The contract opened steady at Rs.553.7. The futures did not make any high after opening steady and made an intraday low at Rs.543.2 on selling pressure. Open interest was marginally low amidst slight gain in 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

Candlesticks are indicating steady opening and there after fall in the prices on selling pressure. Volumes gained slightly and supported the price movement. 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 neutral region and moving down wards. Cardamom futures are likely to trade range bound to firm in the next trading session with a small dip in prices on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/07/23 - Daily B:545.00 A:546.80  
O 553.70 H 553.70 L 543.20 C 546.40 V 972 T 53,310 I 1,962 -6.8  
EMA(9) 538.10 (18) 526.01



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	524.17	535.8	546.4	581.6	589.4

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.544.2-546.4 or market open price with a target of Rs. 556.8 and then 568.3 with a strict stop loss of Rs. 538.1 Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodinayakanur

Closed

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