

■ BLACK PEPPER

■ July 30, 2007

SPOT MARKETS

Black pepper markets remain bearish at the weekend. It was quoted lower by Rs. 200 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Demand continues to remain weak. However, traders expect demand to emerge at present lower price levels and consequently some recovery in prices next week. Overseas buyers are on the sideline awaiting the new crop from Indonesia and Brazil. Pepper export from India continues the success story of previous fiscal year during the first quarter of current fiscal year. During the first quarter (April-June 2007) of current fiscal year pepper export from India increased by 40 per cent to 7,000 tonnes. In value terms, it was higher by 137 per cent at Rs. 97.26 crore.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and the most active September contract tested an intraday high of Rs. 14706 at the opening session of trade. The futures traded sharply downwards thereafter to test an intraday low of Rs. 14070. The futures finished lower by Rs. 484 or 3.31 per cent as against previous settlement. Most active September contract traded in the range of Rs. 14070-14706 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 47,500 tonnes in 2007
2. Export up 40% in quantity and 137 percent in value during April-June 2007

Bearish:

1. Weak domestic and overseas demand

WEATHER

Rain/thundershowers are likely over many places in pepper growing region. It would be beneficial for the growth of newly planted as well as old vines.

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating that the short-term as well as intermediate-term trend is bearish. MACD is moving downwards in negative territory, supporting the weakness in the market. 14-day RSI is neutral and moving downwards, leaving scope for further downtrend. Volume as well as open interest has declined as compared to previous settlement. Pepper futures are likely to trade downwards following a weak opening with possibility of upward movements later in the session.

Pepper 0709(NCPEPU7)2007/07/28 - Daily B:14140.00 A:14146.00
O 14601.00 H 14700.00 L 14075.00 C 14140.00 V 12,899 112,996 -484



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	13626	13858	14140	14472	14655

TRADE RECOMMENDATION

Sell NCDEX September Pepper near Rs. 14185-14200 with a target at Rs. 14110 and then Rs. 14075 with a strict stop loss at Rs. 14260. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14200	-
	Ungarbled	13600	

SPOT MARKETS

Domestic jeera markets remain on an average stable during Saturday's trade. It was offered in an unchanged price range in benchmark Unjha market owing to reduced arrivals as well as offtake. Presence of some export demand at lower price levels is providing the underlying support to the market. Domestic demand remained subdued at present. Weakness in jeera futures counter has also pressurised the physical market trend. Long-term outlook on jeera remains positive owing to global production shortfall this year. However, prices may remain slightly weak in short-term owing to lacklustre demand, both domestic as well as overseas at present.

FUTURES MARKETS

Jeera futures at NCDEX opened higher than previous settlement and most active September contract tested an intraday high of Rs. 12638 at the opening session of trade. The futures traded sharply downwards thereafter and tested an intraday low of Rs. 12151 during late hours of trading. The futures finished lower in final action. Most active September contract traded in the range of Rs. 12151-12638 on Saturday.

PRICE DRIVERS

Bullish:

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

Bearish:

1. Lacklustre trading activity
2. Subdued physical market demand

WEATHER

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

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is neutral and moving downwards, leaving scope for further downtrend. MACD is moving downwards in negative territory, supporting the weakness in the market. Volume as well as open interest has increased as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

JEERA 0709(NCJEEU7)2007/07/28 - Daily B:12225.00 A:12230.00
O 12604.00 H 12638.00 L 12151.00 C 12229.00 V 10,419 I 12,951 -335
EMA(9) 12612 (18) 12704



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11852	12000	12229	12450	12591

TRADE RECOMMENDATION

Sell NCDEX September Jeera near 12250-12270 with a target of Rs. 12175 and then Rs. 12150 with a strict stop loss of Rs. 12330. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2460-2540	
	Ganesh	2600-2660	2500
	Machine Cleaned	2760-2860	

SPOT MARKETS

Chilli domestic market at Guntur remained closed on Saturday due to weekly off. Local demand through out the week lacked luster and did not support any up move in the prices. Export demand from Bangladesh as well as other countries remained subdued and likely to pick up in coming days. NCDEX has reduced the total margin for chilli contract by 5 percent to 25 percent from earlier 30 percent and this would have positive impact trade and active participation. Prices for chilli are likely to remain range bound to slightly weak for short term.

FUTURES MARKETS

Red chillies most active August futures closed in negative territory on 4th consecutive day marginally down by 0.21 percent at Rs.3823. The contract opened weak with a gap at Rs.3817 and breached the opening gap and made an intraday high at Rs.3871. The futures witnessed selling pressure and made an intraday low at Rs.3781. Both volumes as well as open interest were marginally low as compared to Friday's trading session.

PRICE DRIVERS

Bullish:

1. Technical correction is likely as futures market is oversold
2. Anticipation of good export orders from Bangladesh.

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 Karnataka, Tamil Nadu and Andhra Pradesh. Rainfall during the time of initial sowing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating weak opening, initial uptrend and there after selling pressure in the market. Volumes were slightly weak and did not support the price movement. Prices closed below the 9-day and 18-day EMA, indicating weak trend in the market. MACD is neutral in negative territory. 14-day RSI is in neutral zone and moving downwards. Red chillies futures are likely to trade weak and test fresh lows for the next trading session with a small technical correction.

CHLL334GTR 0708(NCGTRQ7)2007/07/28 - Daily B:3819.00 A:3823.00
O 3817.00 H 3871.00 L 3781.00 C 3823.00 V 4,450 I 7,995 -8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3612	3687	3823	4092	4183

TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3834-3845 with a target of Rs.3791 and then Rs.3773 with a strict stop loss of Rs. 3887. Trade cautiously with intraday outlook.

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

TURMERIC

July 30, 2007

SPOT MARKETS

All major domestic market for Turmeric at Nizamabad, Erode, Warangal and Duggirala remained closed due to weekly off. At Sangli market around 750 bags arrived and prices were unchanged. Domestic demand is likely to remain stable and good for coming days. Export inquiries for Nizamabad variety of turmeric is likely during mid August where as there is good demand from Japan for Desi Cudappa variety. Turmeric prices are likely to remain rangebound to firm with a small consolidation for a medium term.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened weak by a gap Rs.5 at Rs.2233. The futures during the initial trading session gained slightly to Rs.2243 and covered the gap. There after the prices made a steep fall and made an intraday low at Rs.2210. Open interest made a steep fall amidst subdued volumes. The change in close and open interest is indicating long liquidation. The contract then closed weak by 0.76 percent at Rs.2221 as against previous 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. Rains at Maharashtra are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlesticks are indicating weak opening, initial uptrend and there after active bears in the market. Volumes were slightly weak and did not support the price movement. Prices closed above the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and steady. 14-day RSI is neutral and moving down wards. Turmeric futures are likely to trade weak with small spurt in the prices.

Turmeric 0709(NCTMCU7)2007/07/28 - Daily B:2219.00 A:2221.00
O 2233.00 H 2243.00 L 2210.00 C 2221.00 V 11,440 I 27,220 -17



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2179	2192	2221	2304	2324

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2221-2225 or above with a target of Rs. 2214 and then Rs. 2206 with a strict stop loss of Rs.2232. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah		
Erode	Finger	Closed	-
	Gattah		



■ CARDAMOM

■ July 30 2007

SPOT MARKETS

Cardamom weekly auction at Pulianmalai remained closed due weak arrivals. The auctions are likely to commence from 18th August onwards. Domestic as well as export demand for the commodity is likely to gain its pace once the fresh crop hits the market. 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 on a positive note up by 0.60 percent at Rs.532.5 as against Friday's close price. The futures opened weak at Rs.526.5 and there after a slight weakness to Rs.524.20 made an intraday high at Rs.535 on buying support. Open interest gained slightly amidst slightly low volumes and not supportive to the prices. The change in close price and open interest is indicating long accumulation.

PRICE DRIVERS

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 weak opening, initial uptrend and there after active bulls in the market. Volumes were slightly weak and did not support the price movement. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. MACD is positive and has witnessed a bullish crossover. 14-day RSI is in neutral region and moving upwards. Cardamom futures are likely to trade range bound to firm in the next trading session with a small consolidation in price.

CARDAMOM 0708(MXCAMQ7)2007/07/28 - Daily B:535.10 A:535.30
O 526.50 H 535.00 L 524.20 C 532.50 V 883 T 771 I 1,944 +3.2

EMA(9) 535.48 (18) 529.54



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	509.9	517.1	532.5	561.2	571.3

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.530 or below level with a target of Rs.539 and then 545.6 with a strict stop loss of Rs. 523.9 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Pulianmalai	-	-

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.