

## ■ BLACK PEPPER

■ July 23, 2007

### SPOT MARKETS

Black pepper markets remain quiet at the weekend. It was offered in previous price range in Kochi market amid arrivals as well as offtake of 15 metric tonnes. Weakness in pepper futures counter has pressurised the physical market trend. Indian ASTA grade pepper continues to remain highly competitive in global markets. Most of the overseas buyers are now eyeing the Indonesian crop, estimates of which vary widely at present. Preliminary estimates from the country indicate an increase of around 17 per cent at around 35,000 tonnes in 2007 due to large carry over stock. Brazil's new harvest that spreads during July to October is likely to peak up only during September.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher as compared to previous settlement and the near month August contract tested an intraday high of Rs. 14950 at the opening session of trade. The futures immediately slide to test an intraday low of Rs. 14750. The futures finished with some losses amid a rangebound trade. Near month August contract traded in the range of Rs. 14750-14950 during Saturday's trade.

### PRICE DRIVERS

#### Bullish:

1. Global supply shortage is estimated at 47,500 tonnes in 2007
2. Increased US import of Indian pepper

#### Bearish:

1. Profit taking at higher price levels
2. Lower open position limit for futures
3. 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 weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving slightly upwards in negative territory. 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 steady to weak opening initially with possibility of upward movements later in the session.

Pepper 0708(NCPEPQ7)2007/07/21 - Daily B:14780.00 A:14789.00  
O 14899.00 H 14950.00 L 14750.00 C 14788.00 V 3,993 I 8,489 -92



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	14421	14624	14788	15158	15361

### TRADE RECOMMENDATION

Buy NCDEX August Pepper near Rs. 14700 with a target at Rs. 14825 and then Rs. 14850 with a strict stop loss at Rs. 14625. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14600	15
	Ungarbled	14000	

### SPOT MARKETS

Domestic jeera markets remain stable during Saturday's trade. It was quoted in an unchanged price range in benchmark Unjha market owing to reduced offtake amid mostly steady arrivals. Traders reported presence of some export demand at the lower price levels as the major supportive feature for the market. Spillover weakness from jeera futures counter has also pressurised the physical market trend. Global supply of jeera is expected to fall short of demand as key producing nations like Syria and Turkey has estimated lower harvest. Moreover, domestic production is also estimated significantly lower this year.

### FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and near month August contract tested an intraday high of Rs. 12575 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12456 during late hours of trading. The futures finished marginally lower in final action. Near month August contract traded in the range of Rs. 12456-12575 during Saturday's trade.

### PRICE DRIVERS

#### Bullish:

1. Lower domestic production
2. Reports of decline in global production

#### Bearish:

1. Lower position limit for jeera futures
2. Moderate domestic demand

### 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 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 indecisively in negative territory. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade moderately downwards following a steady to weak opening initially with possibility of upward movements later in the session.

JEERA 0708(NCJEEQ7)2007/07/21 - Daily B:12492.00 A:12507.00  
O 12535.00 H 12575.00 L 12456.00 C 12506.00 V 2,454 I 6,411 -38  
EMA(9) 12561 (18) 12640



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	12240	12372	12506	12701	12825

### TRADE RECOMMENDATION

Buy NCDEX August Jeera near 12425-12450 with a target of Rs. 12550 and then Rs. 12600 with a strict stop loss of Rs. 12375. 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	3000
	Machine Cleaned	2780-2860	

### SPOT MARKETS

Chilli spot market at Guntur remained closed on Saturday due to weekly off. For the week ahead arrivals are likely to maintain the previous levels of 50000-60000 bags. Stock level at Guntur cold storage are likely to be around 45-46 lakh bags. The domestic demand is reported to be weak with weak export demand as well and no buyers from Bangladesh. 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 opened slightly weak at Rs3862. The contract during the initial trading witnessed a spurt at Rs.3870 and there after the contract made an intraday low at Rs.3801 on selling pressure. Open interest was slightly low along with very low volumes. The contract then closed in negative territory weak by 0.50 percent at Rs.3833 as compared to Friday'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 and south interior 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 steady opening and slightly bearish activity in the market. Volumes were very low and did not support the price move. 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 firm on technical correction with a slight dip in the prices.

CHLL334GTR 0708(NCGTRQ7)2007/07/21 - Daily B:3832.00 A:3835.00  
O 3862.00 H 3870.00 L 3805.00 C 3833.00 V 3,665 19,830 -32



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3640	3728	3833	4061	4142

### TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 3850-3875 with a target of Rs. 3809 and then Rs.3784 with a strict stop loss of Rs. 3925. 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 23, 2007

### SPOT MARKETS

All the major spot market at Nizamabad and Erode for turmeric remained closed due to weekly off. 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 a Re. down at Rs.2168. The contract after initial firmness at Rs.2176 made an intraday low at Rs.2162 on selling pressure from higher levels for the day. Open interest as well as the volumes remained low as against Friday's trading session. The contract then closed marginally firm by Rs.2 at Rs.2167 as against Friday'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 and south interior 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 range bound trend in the market with the formation of doji candlestick for the day. Volumes were very low and did not support 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 steady. Turmeric futures are likely to trade weak with slight firmness in the prices during intraday.

Turmeric 0708(NCTMCQ7)2007/07/21 - Daily B:2166.00 A:2169.00  
O 2168.00 H 2176.00 L 2162.00 C 2167.00 V 4,680 I 25,370 -2  
EMA(9) 2174.7 (14) 2184.4



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	2121	2132	2167	2208	2223

### TRADE RECOMMENDATION

Sell NCDEX August Turmeric at Rs.2175-2179 or above with a target of Rs. 2163 and then Rs. 2152 with a strict stop loss of Rs. 2186. 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 23 2007

### SPOT MARKETS

Cardamom weekly auction at Pulianmalai 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 0.52 percent at Rs.553.2 as against Friday's close price. The contract opened weak with a gap of Rs.6.1 at Rs.550. The futures did not make any low after opening weak and surged up to Rs.559.6 on fresh buying support. Open interest gained slightly amidst very low 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 weak opening and initial uptrend. Volumes were very low as against previous trading session. 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 overbought 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)2007/07/21 - Daily B:553.10 A:553.80  
O 550.00 H 559.60 L 550.00 C 553.20 V 955 T 781 I 2,018 -2.9

EMA(9) 536.03 (18) 523.62



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	528.9	539.4	553.2	579.8	590.2

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.551-553.2 or market open price with a target of Rs. 560.8 and then 568.3 with a strict stop loss of Rs. 544.1 Trade cautiously with intraday outlook.

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

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