

■ BLACK PEPPER

■ July 25, 2007

SPOT MARKETS

Black pepper markets remain firm during Tuesday's trade. It was quoted higher by Rs. 100 per quintal in Kochi markets amid arrivals as well as offtake of 35 metric tonnes. Spillover strength from pepper futures market has also supported the firmness in physical market. Upward revision in near month open position limit by the Forward Markets Commission is seen supportive for the futures market. This is likely to encourage wider participation in the futures market and would increase liquidity as well. Demand, both domestic as well as overseas remain subdued at present. Traders are expecting demand to improve in near future.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract tested an intraday low of Rs. 15200 at the opening session of trade. The futures traded upwards thereafter on increased buying support and tested an intraday high of Rs. 15409. The futures finished higher by Rs. 233 or 1.54 per cent in final action. Most active September contract traded in the range of Rs. 15200-15409 during Tuesday's trade.

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 14,200 tonnes

WEATHER

Rain/thundershowers are likely over most of the pepper growing regions. It would be beneficial for the growth of newly planted as well as old vines.

TECHNICALS

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

Pepper 0709(NCPEPU7)2007/07/24 - Daily B:15397.00 A:15399.00
O 15200.00 H 15408.00 L 15200.00 C 15399.00 V 11,586 I 12,193 +233
EMA(9) 15250 (18) 15293



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	14964	15144	15399	15632	15787

TRADE RECOMMENDATION

Buy NCDEX September Pepper near Rs. 15325-15350 with a target at Rs. 15450 and then Rs. 15525 with a strict stop loss at Rs. 15225. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	35
	Ungarbled	14100	

SPOT MARKETS

Domestic jeera markets witnessed some firmness during Tuesday's trade. It was offered in a higher price range in benchmark Unjha market owing to higher offtake amid slightly lower arrivals. Traders reported presence of some export demand as the major reason behind the firmness. Firmness in jeera futures counter has also provided some element of firmness to the physical market. Upward revision of near month position limit for jeera futures remains supportive for the market. 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. 12670 at the opening session of trade. The futures traded upwards thereafter on increased buying support and tested an intraday high of Rs. 12839 during late hours of trading. The futures finished higher by Rs. 102 or 0.80 per cent as compared to previous settlement. Most active September contract traded in the range of Rs. 12670-12839 during Tuesday'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 a few places over Konkan & Goa 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 above the 9-day as well as 18-day EMA, indicating a bullish trend in the market. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. 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)2007/07/24 - Daily B:12793.00 A:12817.00
O 12681.00 H 12838.00 L 12670.00 C 12806.00 V 7,515 I 13,029 +102
EMA(9) 12731 (18) 12786



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12528	12645	12806	12988	13106

TRADE RECOMMENDATION

Buy NCDEX September Jeera near 12750-12775 with a target of Rs. 12875 and then Rs. 12925 with a strict stop loss of Rs. 12680. 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	3000-3500
	Machine Cleaned	2800-2880	

SPOT MARKETS

Chilli spot prices at the Guntur market were traded firm by Rs.300 per quintal as against previous trading session. Domestic as well as export demand from Bangladesh was reported to be good and this kept the prices at higher levels. Currently the stock level at Guntur warehouse is around 37-38 lakh bags. Sowing report is likely to be out by mid August. Prices are likely to remain range bound to slightly firm for short term.

FUTURES MARKETS

Red chillies most active August futures closed in a positive territory after hitting 4 percent upper circuit on short covering. The futures opened firm at Rs.3247 and there after without making any lows for the day surged and made an intraday high at Rs.3980 on buying support. Open interest was low amidst very good volumes supporting the positive move in the prices. The contract then closed firm by 3.60 percent at Rs.3968 as against previous 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 Karnataka, Tamil Nadu and over coastal Andhra Pradesh. Rainfall during the time of initial sowing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating firm opening and active bull trend in the market. Volumes gained significantly against the previous trading session and supported the price movement. Prices closed above the 9-day EMA, indicating firm trend in the market. MACD has witnessed a bullish crossover in negative territory. 14-day RSI is in neutral zone and moving upwards. Red chillies futures are likely to trade firm for the next trading session with a small consolidation in prices.

CHLL334GTR 0708(NCGTRQ7)2007/07/24 - Daily B:3965.00 A:3969.00
O 3847.00 H 3980.00 L 3847.00 C 3968.00 V 9,125 I 8,980 +138



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3644	3728	3968	4169	4249

TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 3960-3970 with a target of Rs. 4001 and then Rs.4028 with a strict stop loss of Rs. 3915. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3700-4300	20000-25000

TURMERIC

July 25, 2007

SPOT MARKETS

Turmeric prices were traded stable to slightly firm by Rs.30-40 per quintal at Sangli and Duggirala market. At Erode and Nizamabad the arrivals as well as offtake were steady and the prices also remained unchanged. Domestic as well as the export demand was reported to be good. Currently there are reports that around 1 lakh bags of Erode and Sangli variety turmeric is likely to be exported to China in coming days. Turmeric prices are likely to remain rangebound to firm for a medium term.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. up at Rs.2226. The contract after initial weakness at Rs.2223 made an intraday high at Rs.2253 on fresh buying support. Open interest gained amidst very good volumes. The change in close and open interest is indicating long accumulation. The contract then closed firm by 0.99 at Rs.2247 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 coastal Andhra Pradesh where as isolated rains at Maharashtra are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlesticks are indicating steady to firm opening and there after active bulls in the market. Volumes were good and supported the price movement. Prices closed above the 18-day EMA, indicating that the trend favours the bears for the short term. MACD is in negative territory and likely to witness bullish crossover. 14-day RSI is neutral and moving upwards. Turmeric futures are likely to trade firm with profit booking coming in.

Turmeric 0709(NCTMCU7)2007/07/24 - Daily B:2245.00 A:2249.00
O 2226.00 H 2253.00 L 2223.00 C 2247.00 V 11,190 I 27,310 +22

EMA(9) 2234.3 (14) 2239.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2198	2208	2247	2269	2282

TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2245-2247 or below with a target of Rs. 2256 and then Rs. 2262 with a strict stop loss of Rs. 2239. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1980-2000	600
	Gattah	1880-1910	
Erode	Finger	2200-2250	5000
	Gattah	2050-2150	



■ CARDAMOM

■ July 25 2007

SPOT MARKETS

Cardamom prices at weekly auction at Nedukandam were traded weak at Rs.435 for 7 mm variety as against previous trading session. Domestic demand for the commodity was reported to be weak amidst low offtake of 5000kg of total arrivals of 14000kg. 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 after hitting 4 percent lower circuit closed down by 3.97 percent at Rs.525.3 as against Monday's close price. The contract opened weak at Rs.545. The futures after moving slightly up by Rs.546.2 made an intraday low at Rs.525.10 on selling pressure. Open interest was low amidst significant gain in volumes. The change in close price and open interest is indicating long liquidation

PRICE DRIVERS

Bearish:

1. Lack of buying interest at auctions.

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 there after selling pressure in the market. Volumes gained significantly and supported the price movement. Prices closed below the 9-day EMA, indicating that the trend favours the bears for the short term. MACD is positive leaving scope for further uptrend. 14-day RSI is in neutral region and moving downwards. Cardamom futures are likely to trade range bound to weak in the next trading session with a small spurt in price.

CARDAMOM 0708(MXCAMQ7)2007/07/24 - Daily B:525.10 A:525.50
O 545.00 H 545.70 L 525.10 C 525.30 V 2,210 T 107,334 I 1,738 -21.7

EMA(9) 535.64 (18) 526.00



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	500.1	508.6	525.3	565	575.6

TRADE RECOMMENDATION

Sell MCX August Cardamom near Rs.529 or above level with a target of Rs. 520.08 and then 517.6 with a strict stop loss of Rs. 535.8. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Nedukandam	435	14000

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