

■ BLACK PEPPER

■ Aug 01, 2007

SPOT MARKETS

Black pepper markets remain quiet during Tuesday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Traders reporting presence of some export demand at present price levels as a major supportive feature for the market. Indian pepper continues to remain highly competitive in global markets. Competitiveness of Indian pepper over other exporting nations has helped to ship out more quantity of pepper from India 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 higher than previous settlement and the most active September contract tested an intraday low of Rs. 13945 during mid-session. Increased buying interest at the lower price levels has supported the futures thereafter and the futures traded upwards to test an intraday high of Rs. 14290 during late hours of trading. Most active September contract traded in the range of Rs. 13945-14290 during Tuesday'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% in value during April-June 2007

Bearish:

1. Moderate physical market 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 steady to firm opening and initial uptrend. 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 upwards, leaving scope for further uptrend. Volume has declined, while 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)2007/07/31 - Daily B:14165.00 A:14170.00
O 14148.00 H 14290.00 L 13945.00 C 14166.00 V 17,181 I 12,876 +41
EMA(9) 14635 (18) 14901



SUPPORT / RESISTANCES

| Contract | S2 | S1 | PCP | R1 | R2 |
|------------|-------|-------|-------|-------|-------|
| NCDEX Sept | 13631 | 13900 | 14166 | 14525 | 14800 |

TRADE RECOMMENDATION

Buy NCDEX September Pepper near Rs. 14050 with a target at Rs. 14250 and then Rs. 14325 with a strict stop loss at Rs. 13915. Trade cautiously with intra day outlook.

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

CUMIN

Aug 01, 2007

SPOT MARKETS

Domestic jeera markets remain on an average stable. It was quoted unchanged in benchmark Unjha market owing reduced offtake amid higher arrivals. Some recovery at the jeera futures counter has also supported the physical market trend. During April-June 2007, jeera export from India declined by over 51 per cent to 4,000 tonnes. In value terms, it was lower by around 24 per cent at Rs. 40.9 crore. However, the unit value realisation from jeera export has increased to Rs. 102.25 per kg during April-June 2007 from Rs 65.54 per kg during the corresponding period of previous year.

FUTURES MARKETS

Jeera futures at NCDEX opened higher than previous settlement and most active September contract tested an intraday high of Rs. 12311 at the early hours of trade. The futures traded downwards to test an intraday low of Rs. 12081. The futures pared the losses and finished with some gains in final action. Most active September contract traded in the range of Rs. 12081-12311 during Tuesday's trade.

PRICE DRIVERS

Bullish:

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

Bearish:

1. Export down 51% in quantity and 24% in value during April-June 2007
2. Subdued physical market demand

WEATHER

Rain/thundershowers are likely at a few places over Gujarat state during next 48 hours and increase thereafter. Rain/thundershowers are likely at a few places over East Rajasthan and isolated over the rest region. Heavy rainfall may 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 and moving flat, leaving scope for both way movements. MACD is moving downwards in negative territory, supporting the weakness in the market. Volume has declined, while 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)2007/07/31 - Daily B:12180.00 A:12225.00
O 12216.00 H 12311.00 L 12081.00 C 12210.00 V 11,832 I 13,128 +20
EMA(9) 12464 (18) 12603



SUPPORT / RESISTANCES

| Contract | S2 | S1 | PCP | R1 | R2 |
|------------|-------|-------|-------|-------|-------|
| NCDEX Sept | 11892 | 12050 | 12210 | 12450 | 12600 |

TRADE RECOMMENDATION

Buy NCDEX September Jeera near 12150 with a target of Rs. 12300 and then Rs. 12350 with a strict stop loss of Rs. 12055. 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 | 3500 |
| | Machine Cleaned | 2760-2860 | |

SPOT MARKETS

Domestic prices for chillies at Guntur spot market were quoted at Rs.4200-4300 per quintal. Out of 40000 bags arrivals around 15000 bags were sold. Export demand from Bangladesh and Srilanka is active at present. On unconfirmed reports of flood at China and Bangladesh along with good export demand Chilli prices are likely to trade firm for a short term. 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.

FUTURES MARKETS

Red chillies most active August futures closed at Rs.4194 after breaching 6 % circuit filter. The futures opened firm at Rs.3968 and during the initial trading session slipped slightly down at Rs.3966. The contract there after surged and made an intraday high at Rs.4194 on fresh buying support. Both the volumes and open interest were recorded to be at the highest since the contract inception. The change in close price and open interest is indicating long accumulation.

PRICE DRIVERS

Bullish:

1. Flood at China and Bangladesh
2. Good export orders from Bangladesh and Srilanka.

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 North Interior Karnataka, and outside north Andhra Pradesh. Rainfall during the time of initial sowing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating firm opening and thereafter active bulls in the market. Both volumes as well as open interest were reported to be the highest since the contract inception. Prices closed above the 9-day and 18-day EMA, indicating firm trend in the market. 14-day parabolic is moving below the prices and supportive to the firm trend. 14-day RSI is in neutral zone and moving upwards. Red chillies futures are likely to trade firm during the initial trading session with a small consolidation in prices on profit booking.

CHLL334GTR 0708(NCGTRQ7)2007/07/31 - Daily B:4194.00 A:4194.00
O 3968.00 H 4194.00 L 3966.00 C 4194.00 V 15,795 I 10,720 +235



SUPPORT / RESISTANCES

| Contract | S2 | S1 | PCP | R1 | R2 |
|--------------|------|------|------|------|------|
| NCDEX August | 3723 | 3828 | 4194 | 4352 | 4481 |

TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 4185-4195 with a target of Rs.4238 and then Rs.4275 with a strict stop loss of Rs. 4143. Trade cautiously with intraday outlook.

| Centers | Variety | Price/Qtl | Arrival (Bags) 1 bag = 40 to 45 Kgs |
|---------|------------------------|-----------|--|
| Guntur | LCA 334 (Cold Storage) | 4200-4300 | 40000 |

TURMERIC

Aug 1, 2007

SPOT MARKETS

Turmeric prices in the domestic spot market were reported to be traded steady to firm at all the centers. At Warangal and Sangli the prices remained unchanged where as at Nizamabad the prices for the commodity were quoted firm by Rs.50 per quintal on selling pressure. At Erode the prices remained steady amidst slight gain in arrivals. Domestic demand is likely to remain stable and good for coming days. 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 firm by Rs.5 at Rs.2214. The futures during the initial trading session gained up to Rs.2219 and there after made a steep fall and tested fresh lows since the contract inception of the contract at Rs.2186. Volumes remained subdued amidst gain in open interest. The change in close price and open interest indicates short accumulation. The contract then closed slightly weak by 0.36 percent at Rs.2200 as compared to Monday'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 North interior Karnataka, and outside north Andhra Pradesh. Rains at Madhya Maharashtra are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlestick is indicating firm opening and there after selling pressure in the market. Volumes were low as compared to previous trading session. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and witnessed a bearish crossover. 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)2007/07/31 - Daily B:2199.00 A:2200.00
O 2214.00 H 2219.00 L 2186.00 C 2200.00 V 21,880 | 29,720 -9



SUPPORT / RESISTANCES

| Contract | S2 | S1 | PCP | R1 | R2 |
|-----------------|------|------|------|------|------|
| NCDEX September | 2135 | 2151 | 2200 | 2269 | 2282 |

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2203-2205 or above with a target of Rs. 2194 and then Rs. 2187 with a strict stop loss of Rs.2213. Trade cautiously with intraday outlook.

| Centers | Variety | Price/Qtl | Arrival (Bags) 1 bag = 90 Kgs |
|-----------|---------|-----------|----------------------------------|
| Nizamabad | Finger | 2075-2200 | 500 |
| | Gattah | 1970-1975 | |
| Erode | Finger | 2200-2250 | 5500 |
| | Gattah | 2000-2050 | |



■ CARDAMOM

■ Aug 1, 2007

SPOT MARKETS

Cardamom weekly auction at Nedukandam remained closed due weak arrivals. The next auctions would take place at Kumily on Wednesday. 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 in a red zone down by 1.95 percent at Rs.523 as compared Mondays close price. The futures opened steady at Rs.533. The futures thereafter did not witness any spurt and witnessed an intraday low at Rs.521.20. Open interest was low amidst good volumes. The change in close price and open interest is indicating long liquidation.

PRICE DRIVERS

Bearish:

1. Weak domestic demand in market.

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 thereafter selling pressure in the market. Volumes gained and supported the price movement. Prices closed above 18-day EMA, indicating that the trend favours the bulls for the short term. MACD is positive and favours the bulls. 14-day RSI is in neutral region and moving downwards. Cardamom futures are likely to trade range bound to firm in the next trading session with a small spurt in price.

CARDAMOM 0708(MXCAMQ7)2007/07/31 - Daily B:522.70 A:524.50
O 533.00 H 533.00 L 521.20 C 523.00 V 1,644 T 86,488 I 1,879 -10.4

EMA(9) 532.65 (18) 529.21



SUPPORT / RESISTANCES

| Contract | S2 | S1 | PCP | R1 | R2 |
|------------|-------|-------|-----|-------|-------|
| MCX August | 505.3 | 511.6 | 523 | 547.9 | 556.6 |

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.520-523 or below level with a target of Rs.531 and then 542 with a strict stop loss of Rs. 514.9 Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandam

Closed

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