

## ■ BLACK PEPPER

■ Aug 03, 2007

### SPOT MARKETS

Black pepper markets remain on an average stable during Thursday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Firmness in pepper futures counter has also supported physical market trend. Traders are reporting presence of some export demand at lower price level as a major supportive feature for the market. Competitiveness of Indian pepper over other exporting nations has helped to ship out more quantity of pepper from India during April-June 2007 with 40% increase in quantity and 137% increase in value. However, overseas buyers are on the sideline at present eyeing new crop from Indonesia and Brazil.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract tested an intraday low of Rs. 13802 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 14145. The futures finished higher after curbing some of the gains in final action. Most active September contract traded in the range of Rs. 13802-14145 during Thursday'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. Weak 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 indecision in the market. 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 about to make a bullish crossover in the negative territory. 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)2007/08/02 - Daily B:13970.00 A:13985.00  
O 13942.00 H 14145.00 L 13802.00 C 13981.00 V 15,134 I 13,151 +140  
EMA(9) 14377 (18) 14704



### SUPPORT / RESISTANCES

| Contract   | S2    | S1    | PCP   | R1    | R2    |
|------------|-------|-------|-------|-------|-------|
| NCDEX Sept | 13395 | 13631 | 13981 | 14346 | 14578 |

### TRADE RECOMMENDATION

Buy NCDEX September Pepper near Rs. 13875-13900 with a target at Rs. 14050 and then Rs. 14125 with a strict stop loss at Rs. 13750. Trade cautiously with intra day outlook.

| Centers | Variety   | Price/Qtl | Arrival (Tonnes) |
|---------|-----------|-----------|------------------|
| Kochi   | Garbled   | 14100     | -                |
|         | Ungarbled | 13500     |                  |

## CUMIN

Aug 03, 2007

### SPOT MARKETS

Domestic jeera markets witnessed some firmness during Thursday's trade. It was offered in a slightly higher price range owing higher offtake amid mostly steady arrivals. Traders reported presence of some export demand as a supportive feature for the market. Prices are moving in a narrow range for the past few days amid no significant developments in its fundamental aspects. Jeera exports remain gloomy with export declining by 51% in quantity and 24% in value term. However, the unit value realisation has increased significantly during the same period reflecting the high priced regime in the global market with an overall shortfall.

### FUTURES MARKETS

Jeera futures at NCDEX opened higher than previous settlement and most active September contract tested an intraday low of Rs. 12075 at the opening session of trade. The futures traded sharply upwards thereafter to test an intraday high of Rs. 12524. The futures finished with significant gains in final action. Most active September contract traded in the range of Rs. 12075-12524 during Thursday'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 many places over south Gujarat and East Rajasthan. Rain/thundershowers are likely at a few places over the rest region. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices closed above the 9-day EMA, indicating a short-term bullish trend in the market. However, the close below the 18-day EMA is somewhat bearish for the market. 14-day RSI is neutral and moving upwards, leaving scope for further uptrend. MACD is about to make a bullish crossover 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 firm opening with possibility of some downward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/02 - Daily B:12470.00 A:12472.00  
O 12100.00 H 12523.00 L 12075.00 C 12470.00 V 18,060 I 13,929 +380  
EMA(9) 12405 (18) 12541



### SUPPORT / RESISTANCES

| Contract   | S2    | S1    | PCP   | R1    | R2    |
|------------|-------|-------|-------|-------|-------|
| NCDEX Sept | 12075 | 12270 | 12470 | 12763 | 12940 |

### TRADE RECOMMENDATION

Buy NCDEX September Jeera near 12400-12425 with a target of Rs. 12550 and then Rs. 12600 with a strict stop loss of Rs. 12300. Trade cautiously with intraday outlook.

| Centers | Variety         | Prices/20 Kg | Arrival (Bags)<br>1 bag = 55 to 60 Kgs |
|---------|-----------------|--------------|--|
| Unjha   | F.A.Q           | 2470-2550    |  |
|         | Ganesh          | 2610-2670    | 2500-3000                              |
|         | Machine Cleaned | 2770-2870    |  |

## CHILLI

Aug 3, 2007

### SPOT MARKETS

Chilli domestic prices at Guntur spot market today traded firm by Rs.200 per quintal. The arrivals were low at around 25000 bags and offtake of 15000 bags. There are reports of heavy rainfall at Andhra Pradesh chilli growing areas water logging is likely; this may damage the crop to some extent. Export demand from Bangladesh and Srilanka is active at present. Chilli prices are likely to remain firm for a short term. However the overall trend for the commodity is bearish on ample of stocks and increase in acreage.

### FUTURES MARKETS

Red chillies most active August futures closed at Rs.4006 down by 5.12 percent as against Wednesday's close price. The futures opened firm at Rs.4210 and during the initial trading session witnessed a small spurt at Rs.4225 and thereafter witnessed a steep fall to Rs.3986 on selling pressure. The open interest fell down significantly amidst low volumes. The change in close price and open interest indicates, long liquidation.

### PRICE DRIVERS

#### Bullish:

1. Good export orders from Bangladesh and Srilanka.
2. Water logging at Andhra Pradesh growing areas

#### 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, and over north coastal Andhra Pradesh. Heavy rainfall and water logging is likely to damage the crop at its initial stage.

### TECHNICALS

Long dark candlestick is indicating active bears and selling pressure in the market. Volumes were slightly low and did not support the fall in prices. 9-day and 18 day EMA is indecisive. 14-day parabolic is moving below the prices and supportive to the firm trend. 14-day RSI is in neutral zone and moving downwards. Red chillies futures are likely to trade weak during the initial trading session with a small spurt in prices.

CHLL334GTR 0708(NCGTRQ7)2007/08/02 - Daily B:4006.00 A:4030.00  
O 4210.00 H 4225.00 L 3986.00 C 4006.00 V 16,140 I 6,700 -194



### SUPPORT / RESISTANCES

| Contract     | S2   | S1   | PCP  | R1   | R2   |
|--------------|------|------|------|------|------|
| NCDEX August | 3695 | 3828 | 4006 | 4374 | 4501 |

### TRADE RECOMMENDATION

Sell NCDEX August Chilli at Rs. 4055-4075 with a target of Rs.4003 and then Rs.3975 with a strict stop loss of Rs. 4110. Trade cautiously with intraday outlook.

| Centers | Variety                | Price/Qtl | Arrival (Bags)<br>1 bag = 40 to 45 Kgs |
|---------|------------------------|-----------|--|
| Guntur  | LCA 334 (Cold Storage) | 4300-4500 | 25000                                  |



## TURMERIC

Aug 3, 2007

### SPOT MARKETS

Turmeric prices in the domestic spot market were reported to be traded steady to firm at all the centers. At Duggirala, Warangal and Sangli the prices remained unchanged where as at Nizamabad the prices for the commodity were quoted firm by Rs.125 amidst increased arrivals per quintal underpinned by good domestic demand. At Erode the prices for commodity were traded steady amidst fall in arrivals and offtake. Export demand for Nizamabad variety is likely to remain good at Nizamabad from Gulf countries. 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 steady at Rs.2189. The futures after opening steady witnessed an initial weakness at Rs.2187 and there after surged up to Rs.2204 on fresh buying support. The open interest was slightly weak amidst subdued volumes as compared to previous trading session. The contract then closed at Rs.2191 marginally up by Rs.2 as against Wednesday's trading session.

### 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, and north coastal Andhra Pradesh. Rains at Madhya Maharashtra are beneficial for the crop at its initial growing stage.

### TECHNICALS

Candlestick is indicating steady opening and there after initial uptrend in the market. Volumes were subdued and not supportive. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and bearish. 14-day RSI is neutral and moving upwards leaving scope for further upmove in the prices. Turmeric futures are likely to trade firm, with a small dip in prices.

Turmeric 0709(NCTMCU7)2007/08/02 - Daily B:2190.00 A:2192.00  
O 2189.00 H 2204.00 L 2187.00 C 2191.00 V 8,460 I 29,090 +5



### SUPPORT / RESISTANCES

| Contract           | S2   | S1   | PCP  | R1   | R2   |
|--------------------|------|------|------|------|------|
| NCDEX<br>September | 2139 | 2148 | 2191 | 2240 | 2253 |

### TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2189-2191 or below with a target of Rs. 2199 and then Rs. 2210 with a strict stop loss of Rs.2183. Trade cautiously with intraday outlook.

| Centers   | Variety | Price/Qtl | Arrival (Bags)<br>1 bag = 90 Kgs |
|-----------|---------|-----------|----------------------------------|
| Nizamabad | Finger  | 2075-2175 | 1000                             |
|           | Gattah  | 1925-1950 |                                  |
| Erode     | Finger  | 2125-2175 | 4500                             |
|           | Gattah  | 2050-2150 |                                  |



## ■ CARDAMOM

■ Aug 3, 2007

### SPOT MARKETS

Domestic cardamom prices at Bodinayakanur auctions were quoted at Rs.450-470 for 7 mm variety. Out of total arrivals of around 8800 kg 8000kg were sold. Cardamom capsules at the auctions were of inferior quality. 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 slightly firm by 0.31 percent at Rs.520.7 as compared Wednesdays close price. The futures opened weak at Rs.517.20. The futures after initial slight weakness at Rs.517 witnessed an intraday high at Rs.523.5 on buying support. Both the volumes and open interest were low. The change in close price and open interest indicates, short 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, coastal Karnataka and Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

### TECHNICALS

Candlesticks are indicating weak opening and thereafter slight buying coming in. Volumes were low and did not support the gain in prices. Prices closed below 18-day EMA, indicating that the trend favours the bears for the short term. MACD is positive and favours the bulls. 14-day RSI is in neutral region and moving steady. Cardamom futures are likely to trade range bound to firm in the next trading session with a small dip in price.

CARDAMOM 0708(MXCAMQ7)2007/08/02 - Daily B:520.20 A:521.00  
O 517.20 H 523.50 L 517.00 C 520.70 V 690 T 21,461 I 1,753 -2.9

EMA(9) 529.93 (18) 526.46



### SUPPORT / RESISTANCES

| Contract   | S2    | S1    | PCP   | R1    | R2    |
|------------|-------|-------|-------|-------|-------|
| MCX August | 501.8 | 506.9 | 520.7 | 539.8 | 552.3 |

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.519-520 or below level with a target of Rs.526.7 and then 532.1 with a strict stop loss of Rs. 513.3 Trade with intraday outlook.

| Auction Centre | Prices/Kg (7mm ) | Arrivals (Kg ) |
|----------------|------------------|----------------|
| Bodinayakanur  | 450-470          | 8800           |

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