

■ BLACK PEPPER

■ Aug 08, 2007

SPOT MARKETS

Black pepper markets remain highly bearish during Tuesday's trade. It was quoted lower by Rs. 300 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Weak demand, both domestic as well as overseas has kept the market under pressure. Moreover, sharp fall in pepper futures prices has also weighed down on the markets. 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 in the recent past. 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 high of Rs. 13625 at the opening session of trade. Increased selling interest has pressurised the futures thereafter and the futures slide to test a fresh contract month low at Rs. 13080. The futures finished lower by Rs. 476 or 3.51 per cent as compared to previous settlement. Most active September contract traded in the range of Rs. 13080-13625 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. 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 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 downwards in the negative territory, supporting the weakness in the market. 14-day RSI is moving downwards in oversold region, leaving scope for further downtrend. Volume as well as open interest has increased as compared to previous settlement. Pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0709(NCPEPU7)2007/08/07 - Daily B:13102.00 A:13105.00
O 13625.00 H 13625.00 L 13085.00 C 13102.00 V 21,455 I 13,318 -476
EMA(9) 13818 (18) 14256



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12524	12761	13102	13543	13826

TRADE RECOMMENDATION

Sell NCDEX September Black Pepper at Rs. 13200-13250, with a target of Rs. 13050, then at Rs. 13000, with a strict stop loss of Rs. 13375. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13500	-
	Ungarbled	12900	

SPOT MARKETS

Domestic jeera markets remain on an average stable during Tuesday's trade. It was offered in an unchanged price range in benchmark Unjha market owing to reduced offtake amid steady arrivals. Traders are reporting presence of overseas demand as a major 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. However, the unit value realisation has increased significantly during the same period.

FUTURES MARKETS

Jeera futures at NCDEX opened lower than the previous settlement and most active September tested intraday high of Rs. 12434 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12210. The futures finished lower by Rs. 160 or 1.29 per cent in final action. Most active September contract traded in the range of Rs. 12210-12434 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 most places over Gujarat State and at many places over the rest region outside north Rajasthan where it may be at a few places. Heavy rainfall may 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 moving downwards in neutral region, 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 downwards following a steady to weak opening with possibility of some upward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/07 - Daily B:12287.00 A:12299.00
O 12422.00 H 12434.00 L 12211.00 C 12290.00 V 12,894 I 12,480 -160
EMA(9) 12360 (18) 12464



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11972	12119	12290	12510	12649

TRADE RECOMMENDATION

Sell NCDEX September Jeera at Rs. 12350-12375, with a target of Rs. 12260, then at Rs. 12225, with a strict stop loss at Rs. 12450. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2490-2570	
	Ganesh	2630-2690	2500-3000
	Machine Cleaned	2790-2890	

SPOT MARKETS

Domestic chilli prices at Guntur market traded steady after opening firm on the first day of the week. Arrivals gained as compared to previous trading session to 30000 bags for the offtake of 20000 bags. Chilli prices remained unchanged at Rs.4000-4500 per quintal. Good export demand from Bangladesh along with steady local demand and likely to support the prices at these levels during the week. As per IMD rainfall is likely to decline in next 24 hrs at coastal Andhra Pradesh and this would prevent further water logging at the fields. Chilli prices are likely to trade range bound to firm for the week ahead.

FUTURES MARKETS

Red chillies most active September futures closed at Rs.4576 up by 1.02 percent as against Monday's close price. The futures opened with a gap at Rs.4575 and during the initial trading session witnessed a weakness at Rs.4454 and there after the contract witnessed firmness at Rs. 4605 on fresh buying support during the later trading session. Open interest gained slightly amidst slightly weak volumes as against previous trading session. The change in close price and open interest indicates long accumulation.

PRICE DRIVERS

Bullish:

1. Good export orders from Bangladesh and Sri Lanka.
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 Andhra Pradesh. Heavy rainfall and water logging is likely to damage the crop at its initial stage at Andhra Pradesh.

TECHNICALS

Candlestick is indicating firm opening, initial weak trend and there after steady closure. Volumes were slightly and did not support the price move. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 14-Day RSI is in the overbought regions and supportive to the firm trend. 14-day parabolic is moving below the prices and supportive to the firm trend. Red chillies futures are likely to trade rangebound to firm during the next trading session however a small correction in the prices is likely due to profit booking.

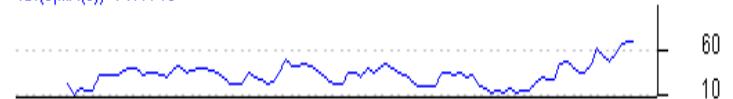
CHLL334GTR 0709(NCGTRU7)2007/08/07 - Daily B:4564.00 A:4580.00

O 4575.00 H 4605.00 L 4454.00 C 4576.00 V 18,560 I 10,465 +46

EMA(9) 4322.8 (14) 4261.8



RSI(9,MA(6)) 71.4149



MAV(9, 26, 12) 58.6953 MACD -88.8389



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4221	4325	4576	4775	4881

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4542-4553 with a target of Rs.4586 and then Rs.4598 with a strict stop loss of Rs. 4525. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	30000

TURMERIC

Aug 08, 2007

SPOT MARKETS

Turmeric prices at domestic spot markets were traded steady to slightly firm as against Monday's trading session. At Sangli, Warangal, Duggirala and Nizamabad the prices were traded firm by Rs10-30 per quintal. At Erode the prices remained unchanged amidst good arrivals and offtake. Active domestic buyers at the spot market supported the up move in the prices. Domestic demand for the commodity is likely to attract more buyers once the festive season starts. However, export demand from Gulf countries is likely to support the prices. However the long term trend for the commodity is likely to be range bound due to lower acreage amidst ample of stocks at the warehouse.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. up at Rs.2170. The futures during the initial trading session witnessed a low at Rs.2156 and there after the contract made an intraday high at Rs.2178. Open interest gained slightly amidst low volumes, not supporting the price movement. The contract then closed marginally up by Rs.3 at Rs.2172 as compared to Monday'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 north interior Karnataka, and north coastal Andhra Pradesh. Rains at Madhya Maharashtra are beneficial for the crop at its initial growing stage.

TECHNICALS

A doji candlestick is indicating indecisive trend in the market. Volumes were slightly weak amidst slight gain in open interest. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and supporting the bears. 14-day RSI is oversold and steady. Turmeric futures are likely to trade rangebound to weak with slight firmness in prices on profit booking.

Turmeric 0709(NCTMCU7)2007/08/07 - Daily B:2170.00 A:2173.00

O 2170.00 H 2178.00 L 2156.00 C 2172.00 V 12,430 I 29,680 +3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2119	2137	2172	2201	2224

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2173-2175 or above with a target of Rs. 2163 and then Rs. 2154 with a strict stop loss of Rs.2182. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2030-2060	1000
	Gattah	1925-1930	
Erode	Finger	2125-2175	5000
	Gattah	2050-2150	



■ CARDAMOM

■ Aug 08, 2007

SPOT MARKETS

Cardamom auctions at Nudukandam were cancelled due to low arrivals. Some parts of the plantations at Kerala has been infected by fungus and damage is likely incase the rainfall continues in the same pace as the crops cannot be cured due to continuous rains. 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 down by 2.45 percent at Rs.521.5 as compared Mondays close price. The futures opened weak at Rs.531.5. The contract after initial firmness at Rs.535 witnessed selling from higher levels to make an intraday low at Rs.521.5. Open interest gained slightly amidst slightly low volumes. Low volumes did not support the price movement.

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, north interior Karnataka and outside Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

TECHNICALS

Candlesticks are indicating weak opening and there after active bears 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 favours the bulls. 14-day RSI is in neutral region and moving downwards leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to weak in the next trading session with a small firmness in price on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/08/07 - Daily B:521.50 A:522.60
O 531.50 H 535.00 L 521.50 C 521.50 V 1,155 T 60,871 I 1,855 -13.1
EMA(9) 526.51 (18) 525.67



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	506.5	512.3	521.5	543.5	553.9

TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.520-521.5 or below level with a target of Rs.526.8 and then 532.1 with a strict stop loss of Rs. 514.3. Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nudukandam

Closed

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