

■ BLACK PEPPER

■ Aug 16, 2007

SPOT MARKETS

Black pepper markets remain on an average weak during Tuesday's trade. It was quoted lower by Rs. 200 per quintal in benchmark Kochi markets amid arrivals as well as offtake of 30 tonnes. Sellers were active at the physical market at higher price levels after remaining on the sideline for past few days. Moreover, spillover weakness from futures market has also weighed down on physical markets. However, fundamentals remain supportive for a firm outlook on pepper with demand outpacing supplies. All eyes are on the new crop from Indonesia and Brazil, which will determine the global pepper trade dynamics in the coming 2-3 months.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract tested an intraday high of Rs. 13766 at the opening session of trade. Profit taking capped further advances and the futures traded sharply downwards thereafter to test an intraday low of Rs. 13325 during late hours of trading. Most active September contract finished lower by Rs. 342 or 2.64 per cent after trading in the range of Rs. 13325-13766 on 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
3. Improved overseas demand

Bearish:

1. Sellers active at higher price levels

WEATHER

Rain/thundershowers are likely over many places in growing region. It would be beneficial for the growth of newly planted and 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 after a bullish crossover started moving upwards in negative territory. 14-day RSI is moving downwards in the neutral region, leaving scope for further downtrend. Volume has declined, while open interest has increased as compared to previous settlement. Pepper futures are likely to trade downwards following a weak opening with possibility of upward movements later in the session.

Pepper 0709(NCPEPU7)2007/08/14 - Daily B:13352.00 A:13374.00
O 13735.00 H 13766.00 L 13350.00 C 13360.00 V 17,865 I 12,601 -378
EMA(9) 13444 (18) 13781



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12680	13000	13360	13945	14289

TRADE RECOMMENDATION

Buy NCDEX September Black Pepper near Rs. 13225-13250, with a target of Rs. 13400, then at Rs. 13475, with a strict stop loss of Rs. 13100. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13500	30
	Ungarbled	12900	

SPOT MARKETS

Domestic jeera markets witness some weakness during Tuesday's trade. It was offered in a lower price range in benchmark Unjha market owing to reduced offtake amid steady arrivals. Activity continues to remain lacklustre in major trading centres in Gujarat. Presence of some overseas demand is providing the underlying support to the market. Jeera exports remain gloomy with export declining by 51% in quantity and 24% in value in April-June quarter of current fiscal year. However, the unit value realisation has increased significantly during the same period. Export is likely to improve in near future given the lower supply situation globally. At present, market is eyeing for fresh cues to act on.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active September contract tested an intraday high of Rs. 12336 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 12154. The futures finished with some losses in final action. Most active September contract traded in the range of Rs. 12154-12336 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Lower domestic and global production

Bearish:

1. Export down 51% in quantity and 24% in value during April-June 2007
2. Limited trading activity due to rain

WEATHER

Rain/thundershowers are likely at a few places over the rest region outside West Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

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. 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 downwards following a weak opening with possibility of upward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/14 - Daily B:12181.00 A:12190.00
O 12250.00 H 12336.00 L 12176.00 C 12182.00 V 10,914 I 12,027 -35
EMA(9) 12246 (18) 12341



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11892	12050	12182	12422	12573

TRADE RECOMMENDATION

Sell NCDEX September Jeera at Rs. 12200-12225, with a target of Rs. 12125, then at Rs. 12075, with a strict stop loss at Rs. 12300. Trade 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	2500
	Machine Cleaned	2760-2860	

SPOT MARKETS

Chilli prices at the benchmark Guntur were witnessed a sluggish trade. The prices at the domestic market remained unchanged and were quoted at Rs.4100-4600 per quintal. Arrivals and offtake were reported around 25000 bags and 15000 bags respectively. Domestic buyers are unwilling to buy the commodity at the prevailing rates. Export demand from Bangladesh is reported to be steady. Demand from Malaysia and Sri Lanka failed to support any upmove in prices as these buyers are eyeing the Chinese crop which is likely to hit the market from mid or last week of September. Chilli prices are likely to trade rangebound to firm during the week on anticipation of good export demand.

FUTURES MARKETS

Red chillies most active September futures closed at Rs.4446 down by 1.80 percent as compared to Monday's close price. The contract opened firm at Rs.4549 and the futures during the early hours surged up to Rs.4574 and there after witnessed an intraday low at Rs.4430. Open interest was marginally low amidst low volumes not supportive to the price movement. The fall in price and fall in open interest indicates long liquidation.

PRICE DRIVERS

Bullish:

1. Good export orders from Bangladesh and Sri Lanka.

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 Andhra Pradesh and coastal Karnataka. Heavy rainfall and water logging is likely to damage the crop at its initial stage at Andhra Pradesh.

TECHNICALS

Candlestick is indicating firm opening and thereafter active bears in the market. Low volumes did not support the fall in price. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 9-Day RSI is neutral and moving downwards leaving scope for further fall in the prices for a short term. 14- Day parabolic is trading below the prices and indicates firm trend. Red chillies futures are likely to trade rangebound to weak with a slight spurt in the prices.

CHLL334GTR 0709(NCGTRU7)2007/08/14 - Daily B:4448.00 A:4450.00

O 4549.00 H 4574.00 L 4435.00 C 4446.00 V 5,875 18,370 -79

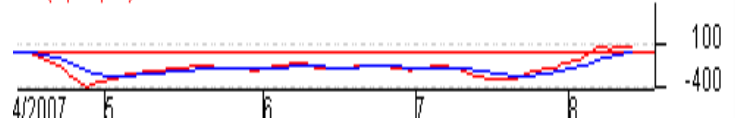
EMA(9) 4411.6 (14) 4362.7



RSI(9,MA(6)) 57.4203



DAV(9, 26, 12) 85.6824 MACD 13.6396



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4105	4224	4446	4677	4776

TRADE RECOMMENDATION

Sell NCDEX September Chilli at Rs. 4446-4475 or below with a target of Rs.4403 and then Rs.4386 with a strict stop loss of Rs. 4493. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4100-4600	25000

TURMERIC

Aug 16, 2007

SPOT MARKETS

Domestic Turmeric at all the major markets was traded steady to slightly firm. The prices from the commodity remained unchanged at all the markets amidst low arrivals. At Nizamabad the prices remained unchanged as that of previous trade with slight firmness. At Erode the arrivals were good amidst stable prices. At Sangli markets offtake of 900 bags was witnessed for the arrivals of merely 200 bags. Both domestic demands by the stockists as well as the overseas demand is stable and is a supportive factor for the prices to remain steady to firm for medium term.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. up at Rs.2205. The futures during the initial trading session witnessed an intraday high at Rs.2210 and there after made a low at Rs.2182 on selling pressure. The open interest was low amidst gain in volumes supportive to the price movement. The change in close price and open interest indicates long liquidation. The contract then closed at Rs.2186 down by 0.86 percent as against 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 outside Tamilnadu Andhra Pradesh, coastal Karnataka and Madhya Maharashtra. Rains at present are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlestick is indicating initial firmness and there after active bears. Gain in the volumes supported the fall in the prices. Prices closed below 9-day EMA, supporting weak trend for the short term. MACD is negative and supportive to the bears. 14-day RSI is neutral and moving downwards leaving scope for further fall in prices. Turmeric futures are likely to trade rangebound to weak with slight firmness in prices during the intraday.

Turmeric 0709(NCTMCU7)2007/08/14 - Daily B:2185.00 A:2188.00
O 2205.00 H 2210.00 L 2183.00 C 2186.00 V 15,940 I 30,660 -18



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2148	2162	2186	2228	2248

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2186-2189 or above with a target of Rs. 2178 and then Rs. 2170 with a strict stop loss of Rs.2196. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2050-2075	1000
	Gattah	1950-1975	
Erode	Finger	2100-2200	9000
	Gattah	2000-2050	



■ CARDAMOM

■ Aug 16, 2007

SPOT MARKETS

Domestic cardamom prices at Nudukandam auction were quoted at Rs.500 per kg for new capsules were as the old capsules were quoted at Rs.425 per kg. Out of the total arrivals of 13000 kg around 12000 kg were sold. Currently export quality variety is not available in the market. Local buyers are likely to be active in the market on the eve of Onam festival celebrated at Kerala and supporting the firmness in the prices.

FUTURES MARKETS

MCX Cardamom September futures closed firm by 1.09 percent at Rs.556.5 as compared Monday's close price. The futures opened marginally firm at Rs.552. The contract after an initial weakness at Rs.548.5 made an intraday high at Rs.559. Fresh buying was witnessed at lower levels. Open interest gained amidst volumes at its highest since the contract inception. The change in close price and open interest indicates long accumulation.

PRICE DRIVERS

Bearish:

1. Negligible export demand

Bullish:

1. Domestic production estimated lower
2. Good domestic demand due to festive season

WEATHER

Rain/thundershowers are likely at most places at Kerala, coastal Karnataka and outside Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

TECHNICALS

Candlesticks are indicating initial slump and thereafter active bulls in the market. Volumes were at its highest since the contract inception supported the price movement. Prices closed above the 9-day and 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 up wards leaving scope for further upmove in prices. Cardamom futures are likely to trade range bound to firm in the next trading session with a small weakness in price on profit booking.

CARDAMOM 0709(MXCAMU7)2007/08/14 - Daily B:555.00 A:557.00
O 552.00 H 559.00 L 548.50 C 556.50 V 677 T 187,647 1648 +6

EMA(9) 546.19 (18) 544.35



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	526.8	532.6	556.5	572.3	579.9

TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.556 or below level with a target of Rs.563.8 and then 568.6 with a strict stop loss of Rs. 551.4. Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nudukandam

500

13000

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