

■ BLACK PEPPER

■ Aug 25, 2007

SPOT MARKETS

Black pepper markets remain on an average stable during Friday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Traders reported that the sellers were reluctant to sell at present lower price levels that have provided some element of stability to the market. Moreover, some recovery at the pepper futures counter has also supported the prices. However, demand continues to remain weak. Reported decline in pepper prices in Indonesia, Brazil as well as Vietnam is attributable to the decline in domestic prices. Global pepper prices have declined eyeing the new harvest of Indonesia and Brazil.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract tested an intraday low of Rs. 12250 at the early hours of trade. The futures retraced back on some buying support at lower price levels and October contract tested an intraday high of Rs. 12638. Most active October contract finished higher by Rs. 184 or 1.38 per cent after trading in the range of Rs. 12250-12638 during Friday's trade.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 47,500 tonnes in 2007
2. Vietnam pepper output estimated lower by 10-20 per cent in 2007

Bearish:

1. Sellers active at higher price levels
2. Reported decline in global prices eyeing new harvest of Indonesia and Brazil

WEATHER

Rain/thundershowers are likely over some places in growing region. It would be beneficial for the growth of newly planted and old vines.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend remains bearish in the market. MACD is moving downwards in negative territory, supporting the weakness in the market. 14-day RSI has entered the neutral region from below, signaling a likely upward technical correction. Volume has increased, while open interest has declined as compared to previous settlement. Pepper futures are likely to trade upwards following a firm opening with possibility of downward movements later in the session.

Pepper 0710(NCPEPV7)2007/08/24 - Daily B:12621.00 A:12630.00
O 12400.00 H 12638.00 L 12250.00 C 12625.00 V 16,596 I 10,451 +220
EMA(9) 12997 (18) 13383



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12000	12250	12625	12991	13232

TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 12550-12585, with a target of Rs. 12725, then at Rs. 12775, with a strict stop loss of Rs. 12440. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12900	-
	Ungarbled	12300	

SPOT MARKETS

Domestic jeera markets extended previous weakness further during Friday's trade. It was offered in a lower price range in benchmark Unjha market owing to higher arrivals and steady offtake. Arrivals are increasing as the weather situation has improved over major trading centres in Gujarat. Moreover, spillover weakness from jeera futures counter is also pressurising the market sentiments. Though the long-term fundamentals for jeera remain firm with the supply shortage, both domestically as well as globally, the near-term outlook seems bearish until demand improves. Traders are expecting domestic demand to improve only ahead of the festival season in October.

FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active October contract tested an intraday high of Rs. 11270 at the early hours of trade. The futures traded downwards thereafter and the October contract tested a fresh low at Rs. 10958, but pared some losses during late hours of trading. Most active October contract finished lower by Rs. 195 or 1.57 per cent after trading in the range of Rs. 10958-11270 during Friday'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. Lack of buying support in the market

WEATHER

Rain/thundershowers are likely at a few places over West Rajasthan, Gujarat Region and isolated over the rest region. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Prices closed far below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is moving downwards in oversold region, leaving scope for further downtrend. However, it warrants some caution for the jeera bears. MACD is moving downwards in negative territory, supporting the weakness. Volume has declined, while open interest has increased as compared to previous settlement. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of late recovery.

JEERA 0710(NCJEEV7)2007/08/24 - Daily B:11081.00 A:11085.00
O 11203.00 H 11270.00 L 10961.00 C 11090.00 V 14,511 I 9,600 -150
EMA(9) 11776 (18) 12075



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10775	10900	11090	11270	11416

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 11150-11175, with a target of Rs. 11050, then at Rs. 11025, with a strict stop loss at Rs. 11250. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2270-2350	
	Ganesh	2400-2470	2500-3000
	Machine Cleaned	2570-2670	

CHILLI

Aug 25, 2007

SPOT MARKETS

Chilli prices at the benchmark Guntur markets were traded steady as compared to previous trading session. The prices for the commodity remained unchanged at Rs.4000-4500 per quintal. Out of total arrivals of 20000 bags around 15000 bags were sold. Lack luster domestic demand and steady export demand from Bangladesh kept the prices steady at the failed to support the upmove in prices. Traders are expecting demand to improve from Malaysia as well as Sri Lanka in the days ahead. Moreover, good stock levels in the physical markets are also weighing on the market. Chilli prices are likely to remain on an average rangebound in the days ahead.

FUTURES MARKETS

Red chillies most active September futures closed firm by 0.91 percent at Rs.4550 as compared to Thursday's close price. The contract opened firm at Rs.4530 and during the early trading hours the contract witnessed a slump at Rs.4501 and there after witnessed buying coming in from lower levels. The contract during the later trading session witnessed a surge at Rs.4573. The open interest dropped amidst low volumes. The gain in close price and fall in open interest is indicating short liquidation.

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 / thundershower are likely at coastal Andhra Pradesh and Coastal Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

TECHNICALS

Candlestick pattern indicates indecisive trend in the market. Low volumes did not support the upmove in prices. 14-day RSI is neutral and moving slightly upwards leaving scope for further upmove in prices. Prices closed below 14-day parabolic supporting the bears. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to trade firm during the next trading session with a slight dip in prices.

CHLL334GTR 0709(NCGTRU7)2007/08/24 - Daily B:4545.00 A:4550.00

O 4530.00 H 4573.00 L 4501.00 C 4550.00 V 6,840 | 6,975 +40

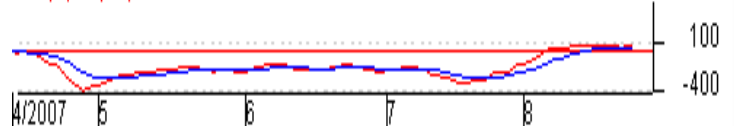
EMA(9) 4466.8 (14) 4440.8



RSI(9,MA(6)) 62.9846



DAV(9, 26, 12) 67.6832 MACD 52.2632



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4243	4344	4550	4715	4801

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4550 or above with a target of Rs. 4589 and then Rs.4602 with a strict stop loss of Rs. 4523. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	20000

TURMERIC

Aug 25, 2007

SPOT MARKETS

Domestic Turmeric prices remained steady to slightly weak at all the spot markets due to subdued domestic demand. Daily arrivals at Erode markets were slightly down amidst weak prices. The prices were quoted at Rs.2050-2100. At Nizamabad market the prices were quoted slightly weak at Rs.2000-2050 per quintal. Domestic demand from stockists is likely to gain pace as they anticipate better prices for the commodity in the long run due to lower acreage and likely damage in crop at Telangana belt due to lack of water supply. Prices are likely to be firm for long run due to anticipation of low output.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened firm at Rs.2126 as compared to previous close price. The futures after opening firm did not surge further and during the later trading session made a steep fall to test fresh lows at Rs.2081. The open interest gained amidst very good volumes. The fall in close price and gain open interest indicates short accumulation. The futures then closed at Rs.2081 down by 1.93 percent as against Thursdays 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 / Thundershower are likely at coastal Karnataka, coastal Andhra Pradesh, Telangana, Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

TECHNICALS

A bearish marubazu is indicating selling pressure in the market. Good volumes supported the fall in prices. Prices closed below the 9-day and 18-day EMAs supportive to bears in the market. MACD is falling slowly in the negative zone, while RSI is falling in the oversold zone leaving scope for further fall in prices. Turmeric is expected to trade slightly weak as well as witness some profit booking and technical correction in prices.

Turmeric 0709(NCTMCU7)2007/08/24 - Daily B:2081.00 A:2084.00
O 2126.00 H 2126.00 L 2081.00 C 2081.00 V 20,750 I 29,960 -40



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2019	2039	2081	2187	2218

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2084-2187 or above with a target of Rs. 2078 and then Rs. 2071 with a strict stop loss of Rs.2094. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2000-2050	1200
	Gattah	1950	
Erode	Finger	2050-2100	5000
	Gattah	2000-2050	



■ CARDAMOM

■ Aug 25, 2007

SPOT MARKETS

Domestic cardamom prices at weekly auction at Vandanmedu were traded unchanged at Rs.450-460 for the 7 mm variety due to steady arrivals and weak demand as compared to last week. Total arrivals of 15000 kg were sold completely. The prices are likely to remain firm for a medium term due to festive season ahead as well as fall in production by 20-30 percent for the season as compared to last crop season.

FUTURES MARKETS

MCX Cardamom most active August futures closed on a positive zone up by 0.58 percent at Rs.517.5 as against Thursday's close price. The futures opened firm at Rs.516; the futures during the early trading hours surged to make an intraday high at Rs.519.5 and thereafter made a steep fall to test a low at Rs.509.5. Open interest dropped amidst low volumes. The gain in close price and fall in open interest is indicating short liquidation.

PRICE DRIVERS

Bearish:

1. Weak domestic demand.

Bullish:

1. Domestic production estimated lower

WEATHER

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

TECHNICALS

Candlestick is indicating initial and there after an upmove in prices during the later trading session this may lead to slight firmness in prices during next trading session. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. 14-day RSI is in oversold region leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to firm on anticipation of technical correction.

CARDAMOM 0709(MXCAMU7)2007/08/24 - Daily B:517.00 A:519.00
O 516.00 H 519.50 L 509.50 C 517.50 V 339 T 87,065 I 495 +3

EMA(9) 530.45 (18) 536.45



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	496.2	503.6	517.5	540.2	551.3

TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.515.517 or above level with a target of Rs.521 and then 524.5 with a strict stop loss of Rs. 511.9 Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Vandanmedu

450-460

15000

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