

■ BLACK PEPPER

■ Aug 17, 2007

SPOT MARKETS

Black pepper markets extended previous weakness further during Thursday's trade. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid arrivals as well as offtake of 10 metric tonnes. Sellers remain active at the markets. Physical market demand also remains subdued. Moreover, weakness in pepper futures counter has also pressurised the physical market sentiments. However, fundamentals remain supportive for a long-term 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 lower than previous settlement and the most active September contract tested an intraday high of Rs. 13384 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and September contract tested an intraday low of Rs. 13082 during late hours of trading. Most active September contract finished lower by Rs. 169 or 1.3 per cent after trading in the range of Rs. 13082-13384 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
3. Moderate overseas demand

Bearish:

1. Sellers active at physical markets

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 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. 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 as well as open interest has declined as compared to previous settlement. Pepper futures are likely to trade upwards following a steady to weak opening with possibility of some downward movements early in the session.

Pepper 0709(NCPEPU7)2007/08/16 - Daily B:13211.00 A:13218.00
O 13320.00 H 13380.00 L 13087.00 C 13211.00 V 15,554 I 12,346 -149
EMA(9) 13384 (18) 13681



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12680	12962	13211	13631	13950

TRADE RECOMMENDATION

Buy NCDEX September Black Pepper near Rs. 13100-13125, with a target of Rs. 13300, then at Rs. 13350, with a strict stop loss of Rs. 12975. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13400	10
	Ungarbled	12800	

SPOT MARKETS

Domestic jeera markets remain on an average stable during Thursday's trade. It was offered in an unchanged price range in benchmark Unjha market amid improved arrivals as well as offtake. Activity has increased after remaining lacklustre during past few days due to rainfall over 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 impetus.

FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active September contract tested an intraday high of Rs. 12158 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 11985. Most active September contract finished lower by Rs. 168 or 1.38 per cent after trading in the range of Rs. 11985-12158 during Thursday'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

Isolated rain/thundershowers are likely over the rest region outside Rajasthan, where weather may be mainly dry. 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 downwards in negative territory, supporting the weakness. 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)2007/08/16 - Daily B:12024.00 A:12033.00
O 12150.00 H 12158.00 L 11986.00 C 12024.00 V 9,336 I 11,364 -158
EMA(9) 12191 (18) 12293



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11750	11892	12024	12157	12308

TRADE RECOMMENDATION

Sell NCDEX September Jeera at Rs. 12090-12100, with a target of Rs. 11985, then at Rs. 11950, with a strict stop loss at Rs. 12175. 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	4000
	Machine Cleaned	2760-2860	

■ CHILLI

■ Aug 17, 2007

SPOT MARKETS

Domestic Chilli prices at the benchmark Guntur were witnessed a stable trade. The prices for the commodity remained unchanged and were quoted at Rs.4000-4600 per quintal. Arrivals and offtake were reported around 22000-25000 bags and 18000-20000 bags respectively. Domestic demand is sluggish in the market. Export demand from Bangladesh is reported to be good and supporting the firm trend in the market. 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.4488 firm by 0.96 percent as compared to Tuesday's close price. The contract opened weak at Rs.4425 and did not slip further to make any low and the futures during the early hours surged up to Rs.4525. Open interest gained amidst low volumes not supportive to the price movement. The gain in price and gain in open interest indicates long accumulation.

PRICE DRIVERS

Bullish:

1. Good export orders from Bangladesh.

Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage at Andhra Pradesh is likely to go up.

WEATHER

Weather at Andhra Pradesh is reported to be mainly dry during the initial growing stage of the crop. Rainfall during the initial growing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating weak opening and thereafter active bulls in the market. Low volumes did not support the gain in price. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 9-Day RSI is neutral and moving upwards leaving scope for further gain 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 firm with a slight dip in the prices during the intraday trading session.

CHLL334GTR 0709(NCGTRU7)2007/08/16 - Daily B:4467.00 A:4496.00
O 4425.00 H 4525.00 L 4425.00 C 4488.00 V 4,640 I 8,840 +42



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4219	4308	4488	4685	4795

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4468-4485 or below with a target of Rs.4525 and then Rs.4549 with a strict stop loss of Rs. 4428. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4600	22000-25000

TURMERIC

Aug 17, 2007

SPOT MARKETS

Domestic Turmeric at all the major markets was traded steady to slightly weak. The prices for the commodity remained unchanged at all the markets amidst low arrivals. At Nizamabad the prices were quoted low by Rs.25 per quintal as that of previous trade amidst slight gain in arrivals. The fall in the price was mainly due to weak advices from the futures. Erode markets remained closed. 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 weak at Rs.2182. The futures during the initial trading session witnessed an intraday high at Rs.2186 and there after during the later hours witnessed a low at Rs.2150 on selling pressure. The open interest gained slightly amidst good volumes supporting the price movement. The change in close price and open interest indicates short accumulation. The contract then closed at Rs.2157 down by 1.28 percent as against Tuesday'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

Isolated light rain and thunder shower is likely outside Tamilnadu and rainfall at Madhya Maharashtra. Rains at present are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlestick is indicating weak opening 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)2007/08/16 - Daily B:2155.00 A:2158.00

O 2182.00 H 2186.00 L 2150.00 C 2157.00 V 20,750 I 30,980 -29



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2117	2134	2157	2218	2234

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2157-2159 or above with a target of Rs. 2146 and then Rs. 2137 with a strict stop loss of Rs.2165. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2025-2050	1200-1300
	Gattah	1925-1950	
Erode	Finger	Closed	
	Gattah		



■ CARDAMOM

■ Aug 17, 2007

SPOT MARKETS

Domestic cardamom prices at Kumily auction were quoted at Rs.490 per kg. Out of the total arrivals of 28500 kg all the capsules 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. Prices for the commodity are likely to remain firm for short term.

FUTURES MARKETS

MCX Cardamom September futures closed weak by 0.99 percent at Rs.551.5 as compared Tuesday's close price. The futures opened a Re up at Rs.558. The contract after an initial firmness at Rs.561 made an intraday low at Rs.549. profit booking was witnessed at higher levels. Open interest gained amidst marginally low volumes. The change in close price and open interest indicates short accumulation.

PRICE DRIVERS

Bearish:

1. Negligible export demand

Bullish:

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

WEATHER

Dry weather likely at most places at Kerala, coastal Karnataka and rainfall outside Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

TECHNICALS

Candlesticks are indicating initial firmness and thereafter active bears in the market. Low volumes did not support 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. 14- day parabolic is trading below the prices indicating firm trend Cardamom futures are likely to trade range bound to firm in the next trading session with a small weakness during initial trading session.

CARDAMOM 0709(MXCAMU7)2007/08/16 - Daily B:551.00 A:551.50
O 558.00 H 561.00 L 549.00 C 551.50 V 582 T 149,778 I 683 -5.5
EMA(9) 549.05 (18) 546.34



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	528.9	536.8	551.5	574.6	582.3

TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.550-551 or below level with a target of Rs.558.8 and then 564.6 with a strict stop loss of Rs. 544.4. Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Kumily

490

28500

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