

## ■ BLACK PEPPER

■ Aug 23, 2007

### SPOT MARKETS

Black pepper markets remain on an average stable during Wednesday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Demand continues to remain weak. However, sellers were not active at present lower price levels. Reported decline in pepper prices in Vietnam as well as Brazil has weighed down on the markets. Global pepper trade has slowed down eyeing the new harvest of Indonesia and Brazil. In Lampung the new crop is being harvested and consequently farm gate prices are on a declining trend. Indian pepper prices remain highly competitive at present and traders are expecting the overseas demand to improve particularly from the European countries at present lower price levels.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract tested an intraday high of Rs. 12955 at the early hours of trade. The futures traded sharply downwards thereafter and October contract slide to test an intraday low of Rs. 12645. Most active October contract finished lower by Rs. 67 or 0.50 per cent after paring some of the losses in final action.

### 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. Sellers active at higher price levels
2. Reported decline in global prices

### 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 weak opening and initial downtrend. 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 is moving downwards in oversold 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 downwards following a steady to weak opening with possibility of some late recovery.

Pepper 0710(NCPEPV7)2007/08/22 - Daily B:12813.00 A:12825.00  
O 12930.00 H 12955.00 L 12645.00 C 12825.00 V 11,314 I 9,975 -85  
EMA(9) 13262 (18) 13598



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12498	12661	12825	13079	13250

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12900, with a target of Rs. 12750, then at Rs. 12700, with a strict stop loss of Rs. 13000. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13100	-
	Ungarbled	12500	

### SPOT MARKETS

Domestic jeera markets witnessed a stable trend during Wednesday's trade. It was quoted unchanged in benchmark Unjha market owing to higher offtake amid mostly steady arrivals. Activity was limited in major trading centres of Gujarat. Traders reported lack of buying support amid lacklustre demand as the major reason behind the recent softness in jeera prices. Sharp decline in jeera futures prices has also weighed down on the market. Jeera exports were gloomy in the recent past. However, the situation is expected to improve given the lower supply situation globally and competitiveness of Indian jeera prices.

### FUTURES MARKETS

Jeera futures at NCDEX opened marginally higher as compared to previous settlement and most active October contract tested an intraday high of Rs. 11947 at the early hours of trade. The futures traded sharply downwards thereafter on increased selling interest and October contract tested a low of Rs. 11690. Most active October contract finished lower by Rs. 157 or 1.26 per cent after trading in the range of Rs. 11690-11947 during Wednesday'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 many places over north Gujarat and south Rajasthan during next 24 hrs. and decrease thereafter. Rain/thundershowers are likely at a few places over the rest region. 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 moving downwards in oversold region, leaving scope for further uptrend. MACD is moving downwards in negative territory, supporting the weakness. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

JEERA 0710(NCJEEV7)2007/08/22 - Daily B:11730.00 A:11740.00  
O 11900.00 H 11947.00 L 11690.00 C 11740.00 V 9,114 I 9,804 -170  
EMA(9) 12124 (18) 12303



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11535	11637	11740	11894	12000

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 11775-11800, with a target of Rs. 11660, then at Rs. 11640, with a strict stop loss at Rs. 11880. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2360-2440	
	Ganesh	2500-2560	2500
	Machine Cleaned	2660-2760	

### SPOT MARKETS

Chilli prices at the benchmark Guntur markets were traded steady as compared to previous close price. The prices for the commodity remained unchanged at Rs.4000-4500 per quintal. Out of total arrivals of 40000-50,000 bags around 25000 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, higher stocks 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 marginally weak by 0.14 percent at Rs.4410 as compared to Tuesday's close price. The contract opened weak at Rs.4401 and during the initial trading session the contract witnessed an intraday high at Rs.4487. The futures, during the later trading session made a steep fall at Rs.4376. The open interest was marginally low amidst slight gain in volumes as against previous trading session. The fall in close price and open interest indicates, long 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 Andhra Pradesh and Coastal Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

### TECHNICALS

Candlestick pattern indicates an initial uptrend and thereafter slump in prices during the closure. 14-day RSI is neutral and moving slightly downwards leaving scope for further fall 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 weak during the next trading session and fall further up to Rs4265 if the contract closes below the 4342 support level.

CHLL334GTR 0709(NCGTRU7)2007/08/22 - Daily B:4410.00 A:4415.00  
C 4423.00 H 4475.00 L 4376.00 C 4410.00 V 5,615 I 7,555 -21



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4062	4162	4410	4569	4738

### TRADE RECOMMENDATION

Sell NCDEX September Chilli at Rs. 4410-4425 with a target of Rs. 4372 and then Rs.4352 with a strict stop loss of Rs. 4451. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	50000



## TURMERIC

Aug 23, 2007

### SPOT MARKETS

Domestic Turmeric prices remained steady to slightly weak at all the spot markets. Daily arrivals at Erode markets remained steady amidst fall in prices by Rs.50 per quintal. The prices were quoted at Rs.2100-2150. Domestic demand from stockists is gaining pace as they anticipate better prices for the commodity in the long run due to lower acreage. The overseas demand is reported to be from Gulf and Japan. Firm domestic demand as well as overseas demand is a supportive factor for the prices to remain steady to firm in the medium term. Strengthening dollar as compared to Indian Rupee is likely to boost the exports.

### FUTURES MARKETS

Turmeric most active September futures at NCDEX opened weak at Rs.2154 as compared to previous close price. The futures due to selling pressure during the early hours made a steep fall and tested fresh lows at Rs.2132. The open interest is marginally low amidst gain in volumes. The fall in close price as well as fall in open interest indicates long liquidation. The contract then closed at Rs.2134 down by 1.09 percent as against Tuesdays 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, Andhra Pradesh, Tamil Nadu and in Madhya Maharashtra. Rains at present are beneficial for the crop.

### TECHNICALS

Candlestick is indicating weak opening and active bears in the market. 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, which indicates short term weakness in the market. 14-day Parabolic is trading above the prices indicating bearish trend in the market. Turmeric is expected to trade weak during the early hours along with buying coming in due to profit booking during the later trading session.

Turmeric 0709(NCTMCU7)2007/08/22 - Daily B:2134.00 A:2135.00  
O 2154.00 H 2154.00 L 2132.00 C 2134.00 V 16,890 | 30,370 -23



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2096	2109	2134	2190	2201

### TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2134-2136 or above with a target of Rs. 2126 and then Rs. 2119 with a strict stop loss of Rs.2140. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	-	
Erode	Finger	2100-2150	6000
	Gattah	2000-2075	



## ■ CARDAMOM

■ Aug 23, 2007

### SPOT MARKETS

Domestic cardamom prices at weekly auction at Kumily were traded weak by Rs.20 at Rs.480-500 for the 7 mm variety due to increase in arrivals as compared to last week. The arrival of 40000 kg was sold completely. Domestic demand for the commodity was reported to be good. Cardamom prices at the auction are likely to remain rangebound to slightly weak due to weak domestic demand. However, the prices are likely to remain firm for the long term due to 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 negative note down by 2.07 percent at Rs.519.5 as against Tuesday's close price. The futures opened marginally weak at Rs.530, the futures did not surge further and made a steep fall to test a low at Rs.518.5. Open interest was low amidst marginally low volumes. The fall in close price and open interest is indicating long 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 selling pressure and active bears in the market. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. 14-day Parabolic is trading above the prices indicating bearish trend in the market. 14-day RSI is in oversold region 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 spurt in price on profit booking.

CARDAMOM 0709(MXCAMU7)2007/08/22 - Daily B:519.00 A:521.00  
O 530.00 H 530.00 L 518.50 C 519.50 V 420 T 107,232 I 494 -11

EMA(9) 538.38 (18) 541.47



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	501.2	508.9	519.5	544.2	551.3

### TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.519.521 or below level with a target of Rs.514 and then 511.6 with a strict stop loss of Rs. 524.9 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Kumily	480-500	40000

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