

## ■ BLACK PEPPER

■ Aug 29, 2007

### SPOT MARKETS

Black pepper markets witnessed a bearish trend after extended weekend holidays. It was offered in lower price range in benchmark Kochi market as compared to Saturday's close. There was no arrival as well as offtake in the market. Demand, both domestic as well as overseas, continues to remain weak. Sharp decline in pepper futures prices in recent past is also weighing down on the market with the futures prices ruling below the physical market prices. In a recent report the International Pepper Community mentioned that the continuous price decline in India seemed to have influenced prices at other origins. Due to quantity limitations, Indian exporters were uncommitted, according to the report.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract tested an intraday high of Rs. 12248 at the early hours of trade. Increased selling interest has pressurised the futures thereafter and the October contract slide to test a fresh contract month low of Rs. 11821. Most active October contract finished lower by Rs. 195 or 1.62 per cent after trading in the range of Rs. 11821-12248 during Tuesday'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

### 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 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 increased as compared to previous settlement, strengthening the current downtrend. Pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0710(NCPEPV7)2007/08/28 - Daily B:11870.00 A:11871.00  
O 12120.00 H 12246.00 L 11825.00 C 11870.00 V 13,702 I 10,393 -195  
EMA(9) 12546 (18) 13016



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11500	11680	11870	12135	12300

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12000, with a target of Rs. 11850, then at Rs. 11800, with a strict stop loss of Rs. 12100. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12700	-
	Ungarbled	12100	

### SPOT MARKETS

Domestic jeera markets remained closed on Tuesday on celebration of *Raksha Bandhan* festival. Jeera prices in benchmark Unjha market have declined considerably in the recent past owing to lack of buying support along with steady arrivals in the market. Moreover, talks of arrivals in international market from other producing nations have also cast a bearish shadow over the domestic market. Moreover, sharp decline in jeera futures counter has also added to the bearish trend. 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 considerably.

### FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active October contract tested an intraday high of Rs. 11054. The futures traded downwards thereafter and the October contract tested a fresh low of Rs. 10725. The futures pared some of the losses in final action. Most active October contract finished lower by Rs. 57 or 0.52 per cent after trading in the range of Rs. 10725-11054 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. Lack of buying support in the market

### WEATHER

Rain/thundershowers are likely at most places over Gujarat Region. Rain/thundershowers are likely at a few places over East Rajasthan and isolated over West Rajasthan. 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 highly oversold, 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 as well as 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 some upward movements later in the session.

JEERA 0710(NCJEEV7)2007/08/28 - Daily B:10815.00 A:10829.00  
O 10853.00 H 11050.00 L 10726.00 C 10826.00 V 12,243 I 9,828 -57  
EMA(9) 11352 (18) 11747



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10500	10650	10826	11040	11160

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 10900-10925, with a target of Rs. 10775, then at Rs. 10750, with a strict stop loss at Rs. 11030. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	Closed	
	Ganesh	Closed	-
	Machine Cleaned	Closed	

## CHILLI

Aug 29, 2007

### SPOT MARKETS

Domestic chilli trade at Guntur traded steady. The prices remained unchanged as that of Monday's trading session. Chillies were traded at Rs.4000-4600 per quintal. The arrivals were low at 2500 bags and offtake of 15000 bags was witnessed. Subdued domestic demand did not support the price move on either side. Export orders were steady from Bangladesh. Moreover, good stock levels at the cold storages are also keeping the price suppressed at these levels. However, the prices for chilli are likely to remain rangebound to weak during the week ahead due to lackluster buying interest in the market.

### FUTURES MARKETS

Red chillies most active September futures closed weak by 0.67 percent at Rs.4611 as compared to Monday's close price. The contract opened slightly weak at Rs.4630 and during the early trading hours the contract witnessed a low at Rs.4575. The contract during the later trading session witnessed an intraday high at Rs.4632. The open interest dropped amidst very low volumes. The fall in close price and fall in open interest is indicating 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 indecisive trend in the market. Low volumes did not support the price movement. 9-day RSI is neutral and weak leaving scope for fall in prices. Prices closed above 14- day parabolic supporting the firm trend for medium term. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to open weak and trade weak during initial trading session and there after upmove during the later session.

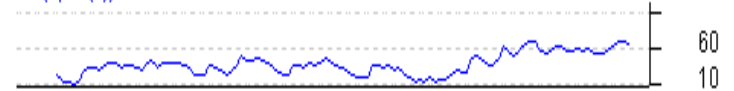
CHLL334GTR 0709(NCGTRU7)2007/08/28 - Daily B:4607.00 A:4618.00

O 4630.00 H 4632.00 L 4575.00 C 4611.00 V 2,395 I 6,960 -31

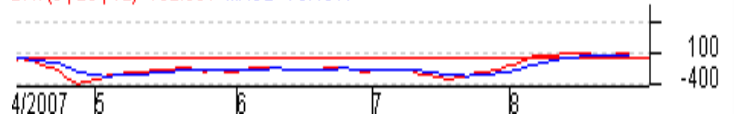
EMA(9) 4548.4 (14) 4508.3



RSI(9,MA(6)) 63.6160



DAV(9,26,12) 102.991 MACD 73.4317



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4348	4442	4611	4913	4985

### TRADE RECOMMENDATION

Sell NCDEX September Chilli at Rs. 4611- 4615 or above with a target of Rs. 4568 and then Rs.4525 with a strict stop loss of Rs. 4648. Trade cautiously with intraday outlook.

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



## ■ TURMERIC

■ Aug 29, 2007

### SPOT MARKETS

All turmeric major spot markets remained closed due to celebration of *Raksha Bandhan* festival. Domestic demand for the commodity is likely to gain its momentum during the days ahead due to anticipation of buying coming in as the acreage is low for the current season. This may bring down the production for the turmeric. Where as the export order from Gulf and Japan is reported to be active. Prices are likely to trade range bound to weak for the days ahead during the week due to lack of buying interest among local buyers.

### FUTURES MARKETS

Turmeric most active September futures at NCDEX opened marginally down at Rs.2006 as compared to previous close price. The futures after opening weak slipped slightly down at Rs.2005. And thereafter the contract witnessed profit booking in and an intraday high at Rs.2030. The open interest dropped amidst low volumes not supportive to the upmove in price. The gain in close price and fall in open interest indicates short liquidation. The futures then closed at Rs.2026 up by 0.90 percent as against Mondays close price.

### PRICE DRIVERS

#### Bearish:

1. Good stock level for the season.
2. Weak domestic demand

#### 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, Telangana, Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

### TECHNICALS

Medium sized candle is indicating active bulls in the market. Low volumes and falling open interest did not support the price movement. 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 moving slightly up in the oversold zone. Turmeric is expected to trade slightly firm on fresh buying coming in during the early hours and then a dip in price is expected.

Turmeric 0709(NCTMCU7)2007/08/28 - Daily B:2023.00 A:2027.00  
O 2006.00 H 2030.00 L 2005.00 C 2026.00 V 9,350 I 25,070 +18



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	1948	1972	2026	2097	2123

### TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2023-2026 or above with a target of Rs.2033 and then Rs. 2041 with a strict stop loss of Rs.2017. Trade cautiously with intraday outlook.

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



## ■ CARDAMOM

■ Aug 29, 2007

### SPOT MARKETS

Domestic cardamom prices at Nudukandam were quoted weak at Rs.440-480 per kg. Around 9000 kg of capsules were sold out of total arrivals of 10000 kg. Domestic demand for the commodity is likely to remain weak amidst lack of buying interest among the local buyers. The prices are likely to remain weak for a short term and firm for the long 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 at negative territory down by 1.27 percent at Rs.506 as against Monday's close price. The futures opened marginally firm at Rs.513, the futures did not surge further and during the early trading hours fell to make an intraday low at Rs.504.5. Open interest gained marginally amidst good volumes. The fall in close price and gain in open interest is indicating short accumulation.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic demand.

#### Bullish:

1. Domestic production estimated lower

### WEATHER

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

### TECHNICALS

Candlestick is indicating firm opening and thereafter 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. 9-day RSI is in oversold region leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to weak during initial and thereafter witness slight profit booking in the market.

CARDAMOM 0709(MXCAMU7)2007/08/28 - Daily B:506.00 A:508.00  
O 513.00 H 513.00 L 504.50 C 506.00 V 288 T 64,201 I 541 -6.5



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	490.5	495	506	524.5	530

### TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.506.5 or above level with a target of Rs.501 and then 498.5 with a strict stop loss of Rs. 509 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Nudukandam	440-480	10000

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