

# C O F F E E

Agriwatch  
DAILY

## C O F F E E

Aug 14, 2007

### SPOT MARKETS

Coffee domestic spot market prices were down on Monday. According to Indian Coffee Board, total provisional coffee export was 150214 metric tonnes during January 1 to August 10, 2007 as against 160440 metric tonnes; exported during the corresponding period of last year. Total stocks of coffee at MCX accredited warehouses stood at 155.909 metric tonnes as on August 11, 2007. ICO forecast world's coffee production as 112 mln bags for crop year 2007/08, compared to 121.43 mln bags in the current crop year. This drop in total production is attributable mainly to the fall of nearly 25 pct in Brazilian production compared to crop year 2006/07.

### FUTURES MARKETS

MCX coffee August contract opened at Rs.7645/qty, Rs. 10 up by the previous close of Rs.7635/qty. The contract then traded up to a high of Rs.7645/qty, and then down to low of Rs. 7629/qty. The contract was trading at Rs.7645/qty at 19:07 hours. The volume of August contract traded so far was increased drastically, while the open interest increased marginally as compare to the previous trading session.

### PRICE DRIVERS

#### Bullish:

1. Most of Vietnam's 2006-07 harvest has been sold.
2. Rise in global coffee export.
3. Coffee quality problems in Vietnam.
4. Decline in Indonesia's coffee output.

#### Bearish:

1. Flow of fresh coffee supplies from Indonesia's coffee harvest.
2. Favorable weather for coffee Harvesting, in Brazil.
3. India's coffee output expected to rise.

### WEATHER

Rain/thundershowers are likely at most places over Kerala, north Telangana. Coastal Karnataka, Konkan & Goa, Lakshadweep, Andaman & Nicobar and other rubber growing areas. Isolated over the rest region outside Tamil. The weather is unfavorable for rubber tapping and latex production.

### TECHNICALS

Prices closed bellow 9-day and 18-day EMA, indicating that short-term trend as well as intermediate-term trend remains bearish. MACD decreasing in positive region. 9-day RSI is slightly rising in neutral region. Stochastic is declining in neutral region. The volume of August contract increased drastically, while open interest increased marginally, as compared to the previous trading session. Coffee futures are likely to trade upward, following a steady to firm opening.

### MCX Coffee Robusta August Contract

Coffee Robusta 0708(MXCOFQ7)2007/08/13 - Daily B:7645.00 A:7650.00  
O 7633.00 H 7645.00 L 7629.00 C 7645.00 V 34 T 2,596 I 95 +10



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	7596	7618	7645	7679	7704

### TRADE RECOMMENDATION

Buy MCX August Coffee near Rs. 7638 - 7654 with a target at Rs. 7660 and then Rs. 7675 with a strict stop loss at Rs.7632. Trade cautiously with intra day outlook.

### DOMESTIC RAW COFFEE PRICES

Centers	Variety	Price (Rs / 50kg)	
		07.08.2007	09.08.2007
Karnataka	Arabica Plantation	4125-4250	4125-4250
	Arabica Cherry	1975-2050	1950-2050
	Robusta Parchment	3550-3700	3600-3840
	Robusta Cherry	1800-1825	1760-1835

COMMODITIES RESEARCH

# COFFEE

**Agriwatch**  
DAILY

## COFFEE

Aug 14, 2007

### INTERNATIONAL FUTURES QUOTES (AS OF AUGUST 13, 2007)

#### NYBOT (Coffee 'C')

US Cents / lb

Contract Month	Open	High	Low	Settle	Change
September 2007	120.25	121.90	119.10	120.75	+0.15
December 2007	124.40	126.00	123.10	124.75	+0.10
March 2008	129.00	129.00	128.30	128.30	+0.10

#### LCE (London Coffee)

US \$ / tonne

Contract Month	Open	High	Low	Settle	Change
September 2007	1798.00	1809.00	1790.00	1807.00	+11.00
November 2007	1819.00	1831.00	1812.00	1829.00	+12.00
January 2008	1808.00	1822.00	1805.00	1822.00	+14.00

### ICO INDICATOR PRICES

US Cents / lb

Variety	Market	09.08.07	10.08.07	Change
Colombian Mild Arabicas	New York	130.50	131.25	+0.75
Other Mild Arabicas	New York	127.00	128.13	+1.13
Brazilian Natural Arabicas	New York	116.50	117.75	+1.25
Robusta	New York	92.25	91.25	-1.00

### INTERNATIONAL MARKET RECAP

#### LIFFE Coffee Futures Settle Up on Monday

At London International Financial Futures and Options Exchange (LIFFE), robusta coffee futures finished high on Monday. The most active September futures finished up at \$1807, up by \$11 per metric tonne from previous settlement. While November contract settle up at \$1829 per metric tonne, up by \$12 per metric tonne from previous settlement.

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2007 Indian Agribusiness Systems Pvt Ltd.

COMMODITIES RESEARCH