

## ■ BLACK PEPPER

■ Aug 30, 2007

### SPOT MARKETS

Black pepper markets extended previous weakness further during Wednesday's trade. It was quoted lower by Rs. 200 per quintal in benchmark Kochi market amid no arrivals as well as offtake. The market remains under pressure on weak demand, both domestic as well as overseas. Continuous decline in pepper futures prices has also cast a bearish shadow over the market. The futures prices are ruling far below physical market prices at present. Moreover, traders alleged that due to quantity restrictions exporters are not in a position to cover from the exchanges. In a recent report the International Pepper Community mentioned that the continuous price decline in India seemed to have influenced prices at other origins.

### FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract tested an intraday high of Rs. 11989 after some rangebound trade. However, the futures failed to extend the gains and October contract slide to test a fresh contract month low of Rs. 11701 at close. Most active October contract finished lower by Rs. 160 or 1.35 per cent after trading in the range of Rs. 11701-11989 during Wednesday'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 few 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 has declined, while open interest has increased as compared to previous settlement. Pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0710(NCPEPV7)2007/08/29 - Daily B:11701.00 A:11710.00  
O 11812.00 H 11987.00 L 11701.00 C 11701.00 V 12,379 I 10,346 -160  
EMA(9) 12375 (18) 12877



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11200	11500	11701	11970	12324

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 11750-11800, with a target of Rs. 11650, then at Rs. 11600, with a strict stop loss of Rs. 11900. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12500	
	Ungarbled	11900	-

### SPOT MARKETS

Domestic jeera markets remain weak during Wednesday's trade. It was offered in a lower price range amid steady arrivals as well as offtake as compared to previous trading day. Traders are reporting lack of buying support as the major reason behind the sharp fall in prices in recent time. Moreover, talks of arrivals in international market from other producing nations have also cast a bearish shadow over the domestic market. Spillover weakness from jeera futures counter has also weighed down on the market. 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 higher as compared to previous settlement and most active October contract tested an intraday high of Rs. 10910. The futures traded downwards thereafter and the October contract tested a fresh contract month low of Rs. 10640 during late hours of trading. Most active October contract finished lower by Rs. 135 or 1.25 per cent after trading in the range of Rs. 10640-10910 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 most places over Gujarat Region. Rain/thundershowers are likely at many places over East Rajasthan. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates 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, strengthening the downtrend. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

JEERA 0710(NCJEEV7)2007/08/29 - Daily B:10662.00 A:10690.00  
O 10830.00 H 10910.00 L 10642.00 C 10680.00 V 14,844 I 9,981 -135  
EMA(9) 11216 (18) 11633



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10400	10525	10680	10846	10961

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 10750, with a target of Rs. 10620, then at Rs. 10580, with a strict stop loss at Rs. 10840. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2180-2260	
	Ganesh	2340-2380	2500
	Machine Cleaned	2450-2580	

## ■ CHILLI

■ Aug 30, 2007

### SPOT MARKETS

Red chilli prices at the benchmark Guntur market maintained the steady trend as that of previous day's trade. Out of the total arrivals of 30,000 bags around 15,000 - 20,000 bags were sold. Domestic demand for the commodity remained subdued where as export demand from Bangladesh is supportive factor for the prices to remain steady. Steady export advices from Malaysia and Singapore are going slowly. Ample of stocks at the warehouse at around 38-40 lakh bags as well as rise in the acreage at Andhra Pradesh and Madhya Pradesh, are likely to keep the prices at lower levels for long term perspective. However, good export demand is likely to support the prices to remain rangebound for a medium term outlook.

### FUTURES MARKETS

Red chillies most active September futures closed weak by 0.54 percent at Rs.4584 as compared to Tuesday's close price. The contract opened slightly weak at Rs.4595 and during the early trading hours the contract witnessed an intraday high at Rs.4605. The contract during the later trading session witnessed a slump at Rs.4543. 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 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)2007/08/29 - Daily B:4586.00 A:4595.00  
O 4595.00 H 4605.00 L 4543.00 C 4584.00 V 2,225 16,820 -25



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4228	4372	4584	4819	4928

### TRADE RECOMMENDATION

Sell NCDEX September Chilli at Rs. 4580- 4585 or above with a target of Rs. 4538 and then Rs.4501 with a strict stop loss of Rs. 4602. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	30,000





## ■ TURMERIC

■ Aug 30, 2007

### SPOT MARKETS

Domestic turmeric spot prices witnessed a bearish trend at the major spot markets. The prices were quoted weak by Rs.25-50 per quintal. At Nizamabad the commodity was quoted at Rs.1980-2000 down by Rs.50 at the upper levels amidst steady arrivals. And at Erode the prices were down by Rs.25 at Rs.2025-2075 amidst slight gain in arrivals. Weak domestic demand due to off season as well as weak trend at the futures market failed to support any upmove in prices. Prices are likely to trade range bound to slightly weak in the absence of buying support in the market.

### FUTURES MARKETS

Turmeric most active September futures at NCDEX opened marginally down at Rs.2024. The futures after opening weak during the initial trading session made a fall at Rs.2007 and thereafter during the later trading hours surged and witnessed an intraday high at Rs.2029. The open interest dropped amidst slightly low volumes not supportive to the fall in price. The fall in close price and open interest indicates long liquidation. The futures then closed at Rs.2016 down by 0.49 percent as against Tuesdays close price.

### PRICE DRIVERS

#### Bearish:

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

#### Bullish

1. Good export demand in the market.

### WEATHER

Rain / Thundershower are likely at Karnataka, Andhra Pradesh, outside Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

### TECHNICALS

Candle stick is indicating initial weakness and there after upmove towards the closing session. 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 steady in the oversold zone. Turmeric is expected to open steady followed by a weak trend during the mid trading session with a small spurt towards the close.

Turmeric 0709(NCTMCU7)2007/08/29 - Daily B:2015.00 A:2017.00  
O 2024.00 H 2029.00 L 2007.00 C 2016.00 V 8,480 I 24,030 -10



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	1952	1964	2016	2086	2113

### TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2021-2026 or above with a target of Rs.2013 and then Rs. 2007 with a strict stop loss of Rs.2031. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1980-2000	1000
	Gattah	1900-1925	
Erode	Finger	2025-2075	5000
	Gattah	2000-2025	



## ■ CARDAMOM

■ Aug 30, 2007

### SPOT MARKETS

Domestic cardamom weekly auction at Kumily CPMC traded slightly firm by Rs.10 at Rs.480-490 per kg for 7 mm good colour variety as compared to previous day's auction at Nedukandam. The prices for the bulk variety and of low quality were quoted slightly weak by Rs.10-20 at a range of Rs.320-440 per kg and 7 mm discolored variety was traded at Rs.380-490 per kg. Arrivals of 23000 kg were sold completely amidst steady demand from the domestic buyers.

### FUTURES MARKETS

MCX Cardamom most active August futures closed at positive region slightly up by 0.59 percent at Rs.510 as against Tuesday's close price. The futures opened weak at Rs.505 as compared to previous close price; the futures did not fall after opening weak and surged up to Rs.513 on buying support. Open interest was marginally low good 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 outside Tamil Nadu. Heavy rains during the picking period may damage the crop.

### TECHNICALS

Candlestick is indicating weak opening and thereafter active buying 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 moving slightly above the oversold region leaving scope for slight upmove in price. Cardamom futures are likely to open slightly firm followed by slight dip in prices during the later session.

CARDAMOM 0709(MXCAMU7)2007/08/29 - Daily B:509.50 A:511.50  
O 505.00 H 513.00 L 505.00 C 510.00 V 206 T 52,539 I 539 +3

EMA(9) 519.15 (18) 527.56



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	494.5	500	510	523	529.5

### TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.509 or above level with a target of Rs.516.5 and then 519.5 with a strict stop loss of Rs. 504.5 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Kumily	480-490	23000

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