

■ BLACK PEPPER

■ Sep 01, 2007

SPOT MARKETS

Black pepper markets remain firm during Friday's trade. It was quoted higher by Rs. 200 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Traders are reporting presence of some demand at lower price levels as a major supportive feature for the market. Moreover, talks that the Forward Markets Commission is mulling in hiking the near-month open position limit in order to overcome the hurdles faced by the exporters and hedgers also seen supportive. Sharp rise in pepper futures prices also added to the firmness in physical market. Some unconfirmed reports also indicate recovery in global pepper prices after the recent decline. Despite a global supply shortage, pepper prices have declined considerably eyeing the new harvest of Indonesia and Brazil.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract tested an intraday low of Rs. 12028 at open. Increased buying interest has supported the futures and the futures traded sharply upwards thereafter. The October contract hit 6 per cent upper circuit level to test an intraday high of Rs. 12683 at close. Most active October contract traded in the range of Rs. 12028-12683 during Friday'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

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 firm opening and initial uptrend. The close above 9-day EMA suggests that the short-term trend has turned firm again. However, the close below the 18-day EMA is somewhat bearish. MACD has started moving upwards in negative territory. 14-day RSI is moving upwards in the neutral regions, leaving scope for further uptrend. Volume has increased, while open interest has declined as compared to previous settlement. Pepper futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.

Pepper 0710(NCPEPV7)2007/08/31 - Daily B:12683.00 A:12683.00
O 12028.00 H 12683.00 L 12028.00 C 12683.00 V 18,884 I 10,571 +664
EMA(9) 12380 (18) 12776



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12000	12246	12683	12990	13269

TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 12650-12675, with a target of Rs. 12825, then at Rs. 12900, with a strict stop loss of Rs. 12525. Trade with intraday outlook.

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

SPOT MARKETS

Domestic jeera markets witness some firmness during Friday's trade. It was offered in a higher price range in benchmark Unjha market owing to much higher offtake amid slightly higher arrivals. Presence of some buying interest at lower price levels has provided the underlying support to the market. Some recovery at jeera futures counter has also added to the firmness. Though the long-term fundamentals for jeera remain firm with the supply shortage, both domestically as well as globally, the near-term outlook seems gloomy until demand improves considerably. Domestic demand is likely to improve ahead of the festive season.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active October contract tested an intraday low of Rs. 10720 at the opening session of trade. The futures traded sharply upwards thereafter and the October contract breached the 4 per cent upper circuit level to test an intraday high of Rs. 11155. Most active October contract finished higher by Rs. 444 after trading in the range of Rs. 10720-11155 during Friday'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. Weak domestic as well as overseas demand

WEATHER

Rain/thundershowers are likely at many places over south Gujarat, East Rajasthan and at a few places over the rest region. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices closed above the 9-day EMA, suggesting that the short-term trend is turning firm again. However, the close below the 18-day EMA is somewhat bearish for the market. 14-day RSI is moving upwards and has entered the neutral region from below, signalling a likely upward technical correction. Volume as well as open interest has increased along with prices, supporting the upmove. Jeera futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10642	10863	11150	11374	11578

TRADE RECOMMENDATION

Buy NCDEX October Jeera at Rs. 11100-11125, with a target of Rs. 11225, then at Rs. 11270, with a strict stop loss at Rs. 11015. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2140-2200	
	Ganesh	2320-2360	3000
	Machine Cleaned	2400-2540	

SPOT MARKETS

Domestic red chilli trend at the Guntur spot market continued to remain steady. The prices remained unchanged at Rs.4000-4500 range. The arrivals were marginally low at 25,000-30,000 bags amidst steady offtake at 15,000 bags as that of previous trade. Local buyers were inactive and lacked buying interest. The export demand from Bangladesh was active and demand from Sri Lanka and Malaysia was also felt. Good stock position at the warehouse 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 to slightly firm for a medium term outlook.

FUTURES MARKETS

Red chillies most active September futures settled firm by 1.08 percent at Rs.4690 as compared to Thursday's close price. The contract opened slightly firm at Rs.4649 and thereafter the contract did not witness any low for the day and surged to make an intraday high at Rs.4724. The open interest was low amidst slightly good volumes supportive to the upmove in the price as against previous trading session. The gain the close price and fall in open interest indicates short liquidation.

PRICE DRIVERS

Bullish:

1. Good export demand from Bangladesh

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 as well as outside north interior Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

TECHNICALS

Candlestick pattern indicates firm opening, initial uptrend and buying at lower levels. Good volumes supported the price movement. 9-day RSI is neutral and moving upwards leaving scope for upmove 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 firm and trade slightly up during initial trading session and there after a slight dip during the later session.

CHLL334GTR 0709(NCGTRU7)2007/08/31 - Daily B:4688.00 A:4699.00
O 4649.00 H 4719.00 L 4649.00 C 4690.00 V 4,310 16,720 +50



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4395	4442	4690	4893	4945

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4685- 4695 or above with a target of Rs. 4728 and then Rs.4749 with a strict stop loss of Rs. 4663. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	25000-30000

TURMERIC

Sept 01, 2007

SPOT MARKETS

Turmeric spot prices at the domestic markets were traded mixed as against previous trading session. The prices for the commodity at Nizamabad were traded weak by Rs.30 at the lower levels at Rs.1950-2000 per quintal amidst steady arrivals. The prices at Erode were quoted firm by Rs.25 per quintal at Rs.2050-2100 amidst marginal fall in arrivals as against previous day. Domestic demand remained subdued. Prices are likely to trade range bound to slightly firm in anticipation of some buying support in the market at the lower price range.

FUTURES MARKETS

Turmeric most active October futures at NCDEX opened firm at Rs.2109. The futures after opening slightly up during the initial trading session witnessed an intraday low at Rs.2108. However, during the later trading session surged up to Rs.2135 on short covering. The open interest dropped amidst very good volumes supportive to the gain in price. The gain in close price and fall open interest indicates short liquidation. The futures then closed at Rs.2127 up by 0.94 percent as against Thursday's 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 coastal as well as outside north interior Karnataka, Andhra Pradesh, south Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

TECHNICALS

Candlestick is indicating firm opening initial uptrend and thereafter buying activity at lower levels. Good volumes supported the upmove in the prices. 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 in the neutral zone and moving upwards leaving scope for further upmove in prices. Turmeric is expected to open slightly firm followed by a weakness in prices towards the close.

Turmeric 0710(NCTMCV7)2007/08/31 - Daily B:2123.00 A:2128.00
O 2109.00 H 2135.00 L 2108.00 C 2127.00 V 12,450 I 15,960 +21



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2071	2090	2127	2165	2180

TRADE RECOMMENDATION

Buy NCDEX October Turmeric at Rs.2125-2127 or above with a target of Rs.2136 and then Rs. 2142 with a strict stop loss of Rs.2119. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950-2000	1500
	Gattah	1975-1900	
Erode	Finger	2050-2100	3000
	Gattah	2000-2050	



■ CARDAMOM

■ Sept 01, 2007

SPOT MARKETS

Domestic cardamom prices at weekly auction at Vandanmedu quoted steady at Rs.485 per kg for 7 mm good colour variety as compared to previous day's auction at Bodinayakanur. The 77mm good variety was not available in sufficient quantity. The prices for the bulk variety were quoted at Rs.435 per kg and 7 mm old crop variety was traded at Rs.340-435 per kg. Arrivals of 14,000 kg were sold completely amidst good demand from the domestic buyers.

FUTURES MARKETS

MCX Cardamom most active September futures closed weak by 0.58 percent at Rs.514.5 as against Thursday's close price. The futures opened marginally weak at Rs.517 as compared to previous close price; the futures surged slightly up to Rs.517.5 and made an intraday low at Rs.513. Open interest gained marginally amidst very low volumes not supportive to the fall in prices. The contract actively traded between 513.5 and 515.5.

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 south Tamil Nadu. Heavy rains during the picking period may damage the crop.

TECHNICALS

Candlestick is steady opening and thereafter selling activity 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 neutral and moving downwards leaving scope for further fall in prices. MACD is in negative region and supportive to the bears. Cardamom futures are likely to open steady and followed by downward move with a slight upmove in prices during the close.

CARDAMOM 0709(MXCAMU7)2007/08/31 - Daily B:513.50 A:515.00
O 517.00 H 517.50 L 513.00 C 514.50 V 183 T 47,120 I 576 -3

EMA(9) 518.02 (18) 525.28



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	500.5	504.5	514.5	524.5	532.5

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.515 or above level with a target of Rs.511.5 and then 507 with a strict stop loss of Rs. 518.5 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	485	14000

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