

## ■ BLACK PEPPER

■ Aug 09, 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 arrivals as well as offtake of 5 metric tonnes. Traders are reporting some demand at the lower price levels as a major supportive feature for the market. Moreover, sellers are not interested to sell at present lower price levels. Some recovery at the pepper futures counter has also supported the physical market trend. Indian pepper continues to remain highly competitive in global markets after the recent decline in prices. All eyes are on the new harvest from Indonesia and Brazil at present.

### FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract traded downwards to test an intraday low of Rs. 12810 at the early hours of trade. The futures retraced back on increased buying interest at lower price levels and tested an intraday high of Rs. 13220 during late hours of trading. The futures finished higher by Rs. 44 or 0.34 per cent over previous settlement. Most active September contract traded in the range of Rs. 12810-13220 during Wednesday's trade.

### 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. Moderate physical market demand

### WEATHER

Rain/thundershowers are likely over many places in pepper growing region. It would be beneficial for the growth of newly planted as well as old vines.

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and likely trend reversal. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving indecisively in the negative territory. 14-day RSI has started moving upwards in oversold region, leaving scope for further uptrend and possibility of an upward technical correction soon. Volume as well as open interest has declined as compared to previous settlement. Pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0709(NCPEPU7)2007/08/08 - Daily B:13155.00 A:13170.00  
O 13150.00 H 13219.00 L 12815.00 C 13165.00 V 19,054 I 12,812 +44  
EMA(9) 13690 (18) 14143



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12600	12815	13165	13430	13650

### TRADE RECOMMENDATION

Buy NCDEX September Black Pepper at Rs. 13075, with a target of Rs. 13225, then at Rs. 13275, with a strict stop loss of Rs. 12975. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13500	5
	Ungarbled	12900	

### SPOT MARKETS

Domestic jeera markets maintain previous steadiness during Wednesday's trade. It was offered in an unchanged price range in benchmark Unjha market owing to reduced offtake amid mostly steady arrivals. Activity was lower due to rainfall over major trading centres in Gujarat. Presence of some overseas demand continues to provide the underlying support to the market. Jeera exports remain gloomy with export declining by 51% in quantity and 24% in value. However, the unit value realisation has increased significantly during the same period. Export is likely to improve in near future given the lower supply situation globally.

### FUTURES MARKETS

Jeera futures at NCDEX opened lower than the previous settlement and most active September tested an intraday low of Rs. 12150 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 12399. The futures finished higher by Rs. 61 or 0.50 per cent in final action. Most active September contract traded in the range of Rs. 12150-12399 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. Subdued physical market demand

### WEATHER

Rain/thundershowers are likely at most places over Gujarat State and south Rajasthan during next 48 hrs. and decrease thereafter. Rain/thundershowers are likely at a few places over north Rajasthan. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is neutral, leaving scope for both way movements. MACD is moving indecisively in negative territory. Volume as well as open interest has increased as compared to previous settlement. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/08 - Daily B:12340.00 A:12350.00  
O 12260.00 H 12399.00 L 12153.00 C 12343.00 V 14,217 I 12,579 +61  
EMA(9) 12355 (18) 12450



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11972	12151	12343	12510	12687

### TRADE RECOMMENDATION

Buy NCDEX September Jeera at Rs. 12250-12275, with a target of Rs. 12395, then at Rs. 12450, with a strict stop loss at Rs. 12155. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2490-2570	
	Ganesh	2630-2690	2500
	Machine Cleaned	2790-2890	

## CHILLI

Aug 09, 2007

### SPOT MARKETS

Chilli prices at Guntur markets witnessed bearish trend in the market. The prices were quoted weak by Rs.50-100 and were quoted at Rs.3800-4450 per quintal. The arrivals gained up to 40000 bags and around 20000-25000 bags were sold. Domestic demand is reported to be steady for the commodity. Export demand lacked luster where as likely to increase in coming days. Rainfall is reduced at the chilli growing areas. Chilli prices are likely to trade range bound to slightly weak with slight firmness for the days ahead during the week.

### FUTURES MARKETS

Red chillies most active September futures closed at Rs.4360 down by 4.51 percent after breaching the lower circuit. The contract opened weak at Rs.4535 and the futures did not witness any spurt and made a steep fall to witness an intraday low at Rs.4341. Both the volumes and open interest was low and did not support the fall in prices. The change in close price and open interest indicates long liquidation.

### PRICE DRIVERS

#### Bullish:

1. Good export orders from Bangladesh and Sri Lanka.
2. Water logging at Andhra Pradesh growing areas

#### Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage at Andhra Pradesh is likely to go up.

### WEATHER

Rain / thunder shower is likely over coastal Karnataka, and north Andhra Pradesh. Anticipation of heavy rainfall and water logging is likely to damage the crop at its initial stage at Andhra Pradesh.

### TECHNICALS

Candlestick is indicating weak opening and thereafter active bears in the market. Low volumes are not supportive to the fall in prices. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 9-Day RSI is neutral and moving downwards leaving scope for further fall in the prices. Red chillies futures are likely to trade weak with a slight firmness during the later trading session.

CHLL334GTR 0709(NCGTRU7)2007/08/08 - Daily B:4360.00 A:4370.00  
O 4535.00 H 4535.00 L 4341.00 C 4360.00 V 12,575 I 8,585 -206

EMA(9) 4330.6 (14) 4278.1



RSI(9,MA(6)) 55.4510



MAV(9,26,12) 50.2209 MACD -74.4552



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	3960	4108	4360	4809	4975

### TRADE RECOMMENDATION

Sell NCDEX September Chilli at Rs. 4360-4375 with a target of Rs.4301 and then Rs.4278 with a strict stop loss of Rs. 4398. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3800-4450	40000



## TURMERIC

Aug 09, 2007

### SPOT MARKETS

All the major Turmeric spot markets at Warangal, Erode and Nizamabad remained closed due to labour issues. Where as at Sangli and Duggirala markets the prices were quoted firm by Rs.30-40 underpinned by good demand. Domestic demand for the commodity is likely to attract more buyers once the festive season starts. However, export demand from Gulf countries is likely to support the prices. The prices for the commodity are likely to remain rangebound to slightly firm due to good domestic and export demand in the market.

### FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. up at Rs.2173. The futures during the initial trading session witnessed a low at Rs.2158 and there after the contract made an intraday high at Rs.2200. Both volumes and open interest gained and supported the upmove in prices. The change in close price and open interest is indicating long accumulation. The contract then closed marginally up by 0.87 percent at Rs.2191 as compared to Tuesday's trading session.

### 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/thundershowers are likely at north interior Karnataka, and north Andhra Pradesh. Rains at Madhya Maharashtra are beneficial for the crop at its initial growing stage.

### TECHNICALS

Candlestick is indicating firm opening initial weak trend and there after fresh buying coming in. Both volumes and open gained and supported the upmove in prices. Prices closed slightly above 9-day EMA, supporting firm trend. MACD is in negative territory and supporting the bears. 14-day RSI is neutral and moving upwards leaving scope for further gain in prices. Turmeric futures are likely to trade rangebound to firm with slight dip in prices on profit booking.

Turmeric 0709(NCTMCU7)2007/08/08 - Daily B:2190.00 A:2192.00  
O 2173.00 H 2200.00 L 2158.00 C 2191.00 V 24,120 I 30,160 +19

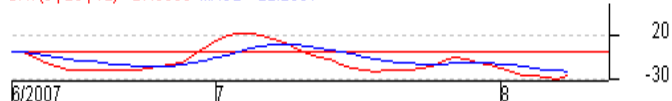
EMA(9) 2189.7 (14) 2199.5



RSI(9,MA(6)) 42.9557



MAV(9, 26, 12) -27.5388 MACD -22.2051



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2125	2139	2191	2220	2233

### TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2189-2191 or below with a target of Rs. 2202 and then Rs. 2214 with a strict stop loss of Rs.2182. 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 09, 2007

### SPOT MARKETS

Cardamom prices at the Kumily auctions were quoted at Rs.450 per kg for 7 mm variety. Arrivals of 30000 kg were sold completely. Local buyers were reported to be active in the market. Good export demand is anticipated once the fresh crop hits the market. Cardamom prices at the auction are likely to remain firm for a medium term due to lower production by 20-30 percent for the season as compared to last crop season.

### FUTURES MARKETS

MCX Cardamom most active August futures closed down by 1.40 percent at Rs.515.6 as compared Tuesday's close price. The futures opened weak at Rs.521.2. The contract after initial firmness at Rs.524.3 witnessed selling from higher levels to make an intraday low at Rs.507.7. Open interest was low where as volumes gained and supported the fall in prices.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic demand in market.

#### Bullish:

1. Domestic production estimated lower
2. Nearly 30-40 per cent of cardamom plants dried and dead

### WEATHER

Rain/thundershowers are likely at most places at Kerala, coastal Karnataka and outside Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

### TECHNICALS

Candlesticks are indicating weak opening and there after active bears in the market. Good volumes supported the price movement. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. MACD is positive and favours the bulls. 14-day RSI is in neutral region and moving down wards leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to firm in the next trading session with a small weakness in price on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/08/08 - Daily B:515.20 A:516.00  
O 521.20 H 524.30 L 507.70 C 515.60 V 1,845 T 95,040 I 1,528 -7.3  
EMA(9) 524.55 (18) 524.74



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	491.4	499.6	515.6	530.8	541.6

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.514-515 or below level with a target of Rs.522.8 and then 528.1 with a strict stop loss of Rs. 510.3. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Kumily	450	30000

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