

## ■ BLACK PEPPER

■ Aug 31, 2007

### SPOT MARKETS

Black pepper markets witnessed a stable trend during Thursday's trade. It was offered in an unchanged price range 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. Some recovery at the pepper futures counter after the recent sharp decline has provided the underlying support to the market. During January-July 2007, pepper export from Vietnam was lower by around 40 per cent at 53,637 tonnes against export of around 89,000 tonnes during the same period of previous year. The US was the major importer from Vietnam at 5,521 tonnes, while India also imported 4,000 tonnes during the same period.

### FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract traded downwards to test an intraday low of Rs. 11653 at the early hours of trade. Increased buying interest has supported the futures thereafter and the October contract surged up to test an intraday high of Rs. 12020. Most active October contract finished higher by Rs. 283 or 2.39 per cent after trading in the range of Rs. 11653-12020 on Thursday.

### 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 firm opening and initial uptrend. 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 upwards and has entered the neutral regions from below, hinting likely upward technical correction. Volume has declined, while open interest has increased 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)2007/08/30 - Daily B:12009.00 A:12015.00  
O 11680.00 H 12019.00 L 11654.00 C 12019.00 V 12,176 I 10,711 +318  
EMA(9) 12304 (18) 12787



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11500	11701	12019	12304	12500

### TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 11950-12000, with a target of Rs. 12100, then at Rs. 12175, with a strict stop loss of Rs. 11840. Trade with intraday outlook.

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

### SPOT MARKETS

Domestic jeera markets extended previous weakness further during Thursday's trade. It was offered in a lower price range amid mostly steady arrivals as well as offtake. Lack of buying support at physical markets continues to weigh down on the markets. Moreover, talks of arrivals in international market from other producing nations have also cast a bearish shadow over the domestic market. Weakness 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. Domestic demand is likely to improve only 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 high of Rs. 10760. The futures traded downwards thereafter and the October contract tested a fresh contract month low of Rs. 10582 only to retrace back again. Most active October contract managed to finish higher by Rs. 19 or 0.18 per cent after trading in the range of Rs. 10582-10760 during Thursday'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. Rain/thundershowers are likely at many places over East Rajasthan. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial uptrend. 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 has declined, while open interest has increased. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements early in the session.

JEERA 0710(NCJEEV7)2007/08/30 - Daily B:10696.00 A:10704.00  
O 10700.00 H 10760.00 L 10582.00 C 10696.00 V 10,551 I 10,161 +16  
EMA(9) 11112 (18) 11535



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10450	10575	10696	10875	11000

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 10760-10780, with a target of Rs. 10625, then at Rs. 10600, with a strict stop loss at Rs. 10870. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2120-2200	
	Ganesh	2300-2340	2000-2500
	Machine Cleaned	2400-2540	

## CHILLI

Aug 31, 2007

### 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 and offtake improved marginally and were around 30,000-35,000 bags and 15,000-20,000 bags respectively as against previous trade. Domestic buying interest lacked luster where as export advices from Bangladesh were active. Good stock position 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 to slightly firm for a medium term outlook.

### FUTURES MARKETS

Red chillies most active September futures settled firm by 1.24 percent at Rs.4640 as compared to Wednesday's close price. The contract opened slightly weak at Rs.4576 and during the early trading hours the contract witnessed an intraday low at Rs.4560. The contract during the later trading session surged up to Rs.4649 on fresh buying support. The open interest gained marginally amidst slightly low volumes as against previous trading session.

### 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 Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

### TECHNICALS

Candlestick pattern indicates weak opening and thereafter active buying in the market. Slightly low volumes did not support 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)2007/08/30 - Daily B:4625.00 A:4639.00  
O 4576.00 H 4649.00 L 4560.00 C 4640.00 V 2,080 16,825 +56



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4333	4442	4640	4845	4890

### TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4640- 4650 or above with a target of Rs. 4689 and then Rs.4738 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	30,000-35,000

## TURMERIC

Aug 31, 2007

### SPOT MARKETS

Turmeric spot prices at the domestic markets were traded steady as against previous trading session. The prices for the commodity remained unchanged at the major spot markets. At Erode the prices remained steady at Rs.2025-2075 amidst low arrivals. And at Nizamabad the price was quoted at Rs.1980-2000 amidst marginal gain in arrivals. Domestic demand remained subdued where as it is likely to gain its momentum during mid or last week of September. Prices are likely to trade range bound to slightly weak in the absence of buying support in the market.

### FUTURES MARKETS

Turmeric most active October futures at NCDEX opened a Re. up at Rs.2100. The futures after opening slightly up during the initial trading session witnessed an intraday low at Rs.2088. However, during the later trading session surged up to Rs.2114 on short covering. The open interest gained amidst slightly low volumes not supportive to the gain in price. The marginal gain in close price and open interest indicates long accumulation. The futures then closed at Rs.2106 up by 0.24 percent as against Wednesday'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 Karnataka, Andhra Pradesh, outside Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

### TECHNICALS

Doji candle stick is indicating indecisive trend in the market. Low volumes 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 in the oversold zone supporting the bears. Turmeric is expected to open slightly firm followed by a weakness in prices towards the close.

Turmeric 0710(NCTMCV7)2007/08/30 - Daily B:2106.00 A:2112.00  
O 2100.00 H 2114.00 L 2088.00 C 2106.00 V 6,760 I 16,010 +7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2046	2061	2106	2157	2170

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2111-2115 or above with a target of Rs.2103 and then Rs. 2091 with a strict stop loss of Rs.2122. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1980-2000	1500
	Gattah	1900-1925	
Erode	Finger	2025-2075	3500
	Gattah	2000-2025	



## ■ CARDAMOM

■ Aug 31, 2007

### SPOT MARKETS

Domestic cardamom prices at weekly auction at Bodinayakanur traded steady at Rs.480-490 per kg for 7 mm good colour variety as compared to previous day's auction at Kumily. The prices for the bulk variety and of low quality were quoted slightly firm by Rs.20-30 at a lower side of Rs.380-400 per kg and 7 mm discolored variety was traded at Rs.380-490 per kg. Arrivals of 9000 kg were sold completely amidst good demand from the domestic buyers.

### FUTURES MARKETS

MCX Cardamom most active September futures closed at positive region up by 1.18 percent at Rs.516.5 as against Wednesday's close price. The futures opened marginally weak at Rs.510 as compared to previous close price; the futures did not fall after opening weak and surged up to Rs.520.5 on buying support. Open interest gained amidst very good volumes. The gain in close price and gain in open interest is indicating long 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 outside Tamil Nadu. Heavy rains during the picking period may damage the crop.

### TECHNICALS

Candlestick is indicating initial uptrend and active bulls 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 steady and followed by upmove in prices during the later session.

CARDAMOM 0709(MXCAMU7)2007/08/30 - Daily B:516.50 A:519.50

O 510.00 H 520.50 L 510.00 C 516.50 V 380 T 98,121 I 575 +6

EMA(9) 518.70 (18) 526.44



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	497.5	501	516.5	528.5	535.5

### TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.515 or above level with a target of Rs.521.5 and then 528.5 with a strict stop loss of Rs. 511.5 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	480	9000

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