

■ BLACK PEPPER

■ Aug 22, 2007

SPOT MARKETS

Black pepper markets remain bearish during Tuesday's trade. It was quoted lower by Rs. 200 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Weakness in demand, both domestic as well as overseas, was attributable for the decline in prices. Sharp decline in pepper futures counter has weighed down heavily on the prices. Global pepper trade has slowed down eyeing the new harvest of Indonesia and Brazil. In Lampung the new crop is being harvested and consequently farm gate prices are on a declining trend. Overseas buyers preferred to be on the sideline eyeing further decline in prices. Indian pepper remains highly competitive in global market.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and near month September contract tested an intraday high of Rs. 13295 at the early hours of trade. Increased selling interest has pressurised the futures thereafter and the September contract traded sharply downwards to test a fresh contract month low of Rs. 12615 during late hours of trading. Near month September contract finished lower by Rs. 417 or 3.21 per cent after trading in the range of Rs. 12615-13295 on Tuesday.

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. Sellers active at higher price levels
2. Reported decline in global prices

WEATHER

Rain/thundershowers are likely over some 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 indecisively in negative territory. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. Volume as well as open interest has declined as compared to previous settlement. Pepper futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements later in the session.

Pepper 0709(NCPEP07)2007/08/21 - Daily B:12700.00 A:12709.00
O 13145.00 H 13293.00 L 12616.00 C 12720.00 V 9,062 I 9,540 -425
EMA(9) 13131 (18) 13424



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12200	12450	12720	13085	13349

TRADE RECOMMENDATION

Sell NCDEX September Black Pepper near Rs. 12800, with a target of Rs. 12680, then at Rs. 12620, with a strict stop loss of Rs. 12890. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13100	-
	Ungarbled	12500	

SPOT MARKETS

Domestic jeera markets remain on an average weak during Tuesday's trade. It was offered in a lower price range in benchmark Unjha market owing to reduced arrivals as well as offtake. Activity was limited due to rainfall over major trading centre in Gujarat. Lack of buying support at the physical market continues to weigh down on the prices. Weakness in jeera futures prices have also pressurised the physical market sentiments. Jeera exports were gloomy in the recent past. However, the situation is expected to improve given the lower supply situation globally and competitiveness of Indian jeera prices

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and near month September contract tested an intraday high of Rs. 11860 at the early hours of trade. The futures traded sharply downwards thereafter and tested a fresh contract month low at Rs. 11440. Near month September contract finished lower by Rs. 232 or 1.91 per cent after trading in the range of Rs. 11440-11860 during Tuesday'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 south Rajasthan. Rain/thundershowers are likely at a few places over the rest region. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is moving downwards in oversold region, leaving scope for further uptrend. MACD is moving downwards in negative territory, supporting the weakness. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/21 - Daily B:11510.00 A:11530.00
O 11780.00 H 11856.00 L 11440.00 C 11524.00 V 7,038 I 8,382 -237
EMA(9) 11895 (18) 12081



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11150	11300	11524	11740	11892

TRADE RECOMMENDATION

Sell NCDEX September Jeera at Rs. 11600, with a target of Rs. 11475, then at Rs. 11450, with a strict stop loss at Rs. 11675. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2360-2440	
	Ganesh	2500-2560	2500
	Machine Cleaned	2660-2760	

CHILLI

Aug 22, 2007

SPOT MARKETS

Chilli prices at the benchmark Guntur markets traded weak by Rs.100 per quintal. The prices for the commodity were quoted at Rs.4000-4500 per quintal. Out of total arrivals of 50,000 bags around 30000 bags were sold. Chilli prices remain supported by overseas demand from Bangladesh. Traders are expecting demand to improve from Malaysia as well as Sri Lanka in the days ahead. However, domestic market demand remains sluggish at present. Moreover, higher stocks in the physical markets are also weighing on the market. Chilli prices are likely to remain on an average rangebound in the days ahead on supportive export demand for the commodity.

FUTURES MARKETS

Red chillies most active September futures closed marginally firm by 0.25 percent at Rs.4431 as compared to Monday's close price. The contract opened weak at Rs.4401 and during the initial trading session the contract witnessed an intraday low at Rs.4342. The futures, during the later trading session surged and made an intraday high at Rs.4440. The open interest was low amidst subdued volumes as against previous trading session. The gain in close price and fall in open interest indicates, short 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

Rainfall is likely at Andhra Pradesh and Coastal Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

TECHNICALS

Candlestick pattern indicates a steady to weak opening, initial downtrend and there after firm closure. Prices closed below the 9-day and 18- day EMA, hinting that the short-term trend is turning bearish again. 14-day RSI is neutral, leaving scope for both way movements. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to trade slightly firm and with marginal fall during the later trading session.

CHLL334GTR 0709(NCGTRU7)2007/08/21 - Daily B:4426.00 A:4430.00

O 4401.00 H 4440.00 L 4342.00 C 4431.00 V 4,800 17,705 +11

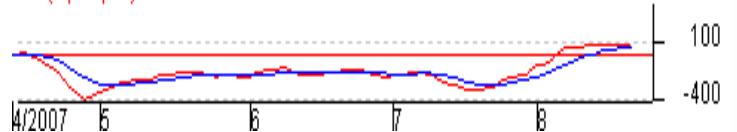
EMA(9) 4434.8 (14) 4410.0



RSI(9,MA(6)) 53.6752



DAV(9,26,12) 64.4863 MACD 52.4727



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4140	4227	4431	4677	4785

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4425-4435 with a target of Rs. 4475 and then Rs.4528 with a strict stop loss of Rs. 4401. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	50000

TURMERIC

Aug 22, 2007

SPOT MARKETS

Turmeric traded slightly firm at the domestic spot markets as compared to the previous trading day amidst steady arrivals. At Nizamabad the prices were slightly weak at Rs.10 amidst steady arrivals. At Erode the prices were steady. Domestic demand from stockists is gaining pace as they anticipate better prices for the commodity in the long run due to lower acreage. The overseas demand is reported to be from Gulf and Japan. Firm domestic demand as well as overseas demand is a supportive factor for the prices to remain steady to firm in the medium term. Strengthening dollar as compared to Indian Rupee is likely to boost the exports.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. weak at Rs.2165. The futures due to fresh buying during the early hours surged up to Rs.2175 made an intraday low at Rs.2151 during the later trading session. The open interest was low amidst marginally low volumes. The change in close price and open interest is indicating long liquidation. The contract then closed at Rs.2157 marginally low by 0.36 percent as against Mondays close price.

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

Rainfall and thunder shower is likely at Karnataka, Andhra Pradesh, Tamil Nadu and in Madhya Maharashtra. Rains at present are beneficial for the crop.

TECHNICALS

Candlestick is indicating indecisive trend in the market. Prices closed below the EMAs supportive to bears in the market. MACD is falling slowly in the negative zone, while RSI is falling in the neutral zone and moving downwards, which indicates short term weakness in the market. 14-day Parabolic is trading above the prices indicating bearish trend in the market. Turmeric is expected to trade weak in the next trading session, with buying at lower levels.

Turmeric 0709(NCTMCU7)2007/08/21 - Daily B:2157.00 A:2158.00
O 2165.00 H 2175.00 L 2151.00 C 2157.00 V 15,080 I 30,570 -9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2125	2132	2157	2191	2203

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2157-2160 or above with a target of Rs. 2149 and then Rs. 2138 with a strict stop loss of Rs.2166. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2025-2040	800
	Gattah	1950-1965	
Erode	Finger	2100-2200	6000
	Gattah	2000-2100	



■ CARDAMOM

■ Aug 22, 2007

SPOT MARKETS

Domestic cardamom prices at weekly auction at Kumily were traded firm at Rs.500-520 for the 7 mm variety. The arrival of 15000 kg was sold completely. Domestic demand for the commodity was reported to be sluggish. Cardamom prices at the auction are likely to remain rangebound to slightly weak due to weak domestic demand. However, the prices are likely to remain firm for the long term due to fall in production by 20-30 percent for the season as compared to last crop season.

FUTURES MARKETS

MCX Cardamom most active August futures closed on a negative note marginally down by 0.75 percent at Rs.531 as against Monday's close price. The futures opened at a lower gap of Rs.2.5 at Rs.532.5 and there after an initial intraday high at Rs.536.5 the contract made an intraday low at Rs.527. Open interest was low amidst steady volumes. The fall in close price and open interest is indicating long liquidation.

PRICE DRIVERS

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

TECHNICALS

Doji candlestick is indicating indecisive trend in the market. Prices closed above the 9-day and 18-day EMA, indicating that the trend favours the bulls for the short term. 14-day Parabolic is trading above the prices indicating bearish trend in the market. MACD is positive leaving scope for further uptrend. 14-day RSI is in neutral region and moving upwards. Cardamom futures are likely to trade range bound to weak in the next trading session with a small spurt in price.

CARDAMOM 0709(MXCAMU7)2007/08/21 - Daily B:529.50 A:531.50
O 532.50 H 536.50 L 527.00 C 531.00 V 448 T 106,951 I 553 -4
EMA(9) 543.21 (18) 544.11



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	510.2	515.8	531	556.2	564.2

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.531 or below level with a target of Rs. 525 and then 521.6 with a strict stop loss of Rs. 534.9 Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandam

500-520

15000

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