

■ BLACK PEPPER

■ Aug 06, 2007

SPOT MARKETS

Black pepper markets extended previous weakness further during Saturday's trade. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Weakness in domestic demand has pressurised the market trend along with lacklustre trading activity. Moreover, bearish futures counter is also weighing down on the market. Competitiveness of Indian pepper over other exporting nations has helped to ship out more quantity of pepper from India during April-June 2007 with 40% increase in quantity and 137% increase in value. However, overseas buyers are on the sideline at present eyeing new crop from Indonesia and Brazil.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and tested an intraday high of Rs.13800 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and extended the weakness further to test an intraday low of Rs. 13425 during final hours of trading. The futures finished lower in final action. Most active September contract traded in the range of Rs. 13425-13800 during Saturday'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. Weak 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 weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving downwards in the negative territory, supporting the weakness in the market. 14-day RSI is oversold and moving downwards, 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 steady to weak opening with possibility of some upwards movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	13000	13250	13515	13755	14000

TRADE RECOMMENDATION

Sell NCDEX September Black Pepper at Rs. 13575-13600, with a target of Rs. 13450, then at Rs. 13400, with a strict stop loss of Rs. 13700. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13800	-
	Ungarbled	13200	

CUMIN

Aug 06, 2007

SPOT MARKETS

Domestic jeera markets remain on an average stable during Saturday's trade. It was offered in an unchanged price range owing to steady arrivals as well as offtake. Traders reported presence of some export demand at the lower price levels as a supportive feature for the market. Prices are moving in a narrow range for the past few days amid no significant developments in its fundamental aspects. Jeera exports remain gloomy with export declining by 51% in quantity and 24% in value term. However, the unit value realisation has increased significantly during the same period.

FUTURES MARKETS

Jeera futures at NCDEX opened higher than the previous settlement and most active September tested intraday high of Rs. 12345 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12153. The futures finished lower after paring some of the losses in final action. Most active September contract traded in the range of Rs. 12153-12345 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Near month open position limit revised upwards
2. 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 region. Rain/thundershowers are likely at a few places over the rest region outside West Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlesticks pattern indicates steady opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating 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 declined as compared to previous settlement. Jeera futures are likely to trade moderately downwards following a steady opening initially and upwards thereafter.

JEERA 0709(NCJEEU7)2007/08/04 - Daily B:12253.00 A:12270.00
O 12320.00 H 12345.00 L 12155.00 C 12270.00 V 9,912 I 12,945 -15
EMA(9) 12359 (18) 12488



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11892	12075	12270	12510	12712

TRADE RECOMMENDATION

Buy NCDEX September Jeera at Rs. 12200, with a target of Rs. 12325, then at Rs. 12350, with a strict stop loss at Rs. 12125. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2470-2550	
	Ganesh	2610-2670	2500
	Machine Cleaned	2770-2870	

SPOT MARKETS

Domestic chilli spot market at Guntur has remained closed on weekly off. Chilli spot prices for coming days are likely to witness spurt due to heavy rains causing likely crop damage. Adding to this good export demand from China, Bangladesh and Malaysia would be a major supportive factor. Chilli stock at Guntur cold storage is likely around 33-34 lakh bags. Firm futures prices at NCDEX will be a positive factor affecting the spot prices for the week ahead.

FUTURES MARKETS

Red chillies most active September futures closed at Rs.4465 significantly up by 5.44 percent after breaching 4 % upper circuit as against Friday's close price. The futures opened with a gap at Rs.4264 and witnessed a slight weakness at Rs.4242 during the initial trading session. The futures thereafter surged to make a high at Rs.4470 underpinned by fresh buying support. Open interest were at their highest for the contract amidst subdued volumes. The change in close and open interest indicates long accumulation.

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 over north coastal Andhra Pradesh. Heavy rainfall and water logging is likely to damage the crop at its initial stage.

TECHNICALS

A bullish marubozu has formed indicating active buying interest in the market. Gain in open interest is supporting the upmove in prices. Volumes are slightly subdued and not supportive. 9-day and 18-day EMA closed below the prices and indicates firmness in prices. RSI is neutral and moving upwards leaving scope for further upmove in prices. 14-day parabolic is moving below the prices and supportive to the firm trend. Red chillies futures are likely to trade firm during the initial trading session with a slight dip in prices on profit booking.

CHLL334GTR 0709(NCGTRU7)2007/08/04 - Daily B:4445.00 A:4465.00

O 4264.00 H 4470.00 L 4242.00 C 4465.00 V 11,315 18,965 +227



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	3919	4013	4465	4669	4838

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4400-4425 with a target of Rs.4478 and then Rs.4503 with a strict stop loss of Rs. 4368. Trade cautiously with intraday outlook.

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

TURMERIC

Aug 06, 2007

SPOT MARKETS

Domestic turmeric all the major spot markets remained closed due to weekly off. Domestic demand for the commodity is likely to remain steady to slightly firm from Northern eastern states. Adding to it anticipation of good export advices from the Gulf countries will be a supportive factor for the prices to remain firm for the week ahead. Regular arrivals at the spot are likely to remain steady to slightly weak in some centers like Duggirala and Warangal due to lack of buyers at these centers. However the long term fundamentals for the commodity is likely to be range bound due to lower acreage amidst ample of stocks at the warehouse.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened firm at Rs.2172. The futures after opening firm witnessed an initial high at Rs.2180 and there after selling pressure from higher levels and made a steep fall to test fresh lows at Rs.2153. Both the volumes and open interest remained at lower levels and did not support the price move. The contract then closed slightly firm by 0.40 percent at Rs.2176 as compared to Friday's 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

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

TECHNICALS

Candlestick is indicating firm opening and closing after initial weakness. Both volumes and open interest were not supportive. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and bearish. 14-day RSI is neutral and moving downwards leaving scope for further fall in the prices. Turmeric futures are likely to trade slightly firm with slight dip in prices.

Turmeric 0709(NCTMCU7)2007/08/04 - Daily B:2176.00 A:2178.00
O 2172.00 H 2180.00 L 2153.00 C 2176.00 V 10,730 I 28,240 +7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2123	2143	2176	2234	2248

TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2173-2176 or below with a target of Rs. 2184 and then Rs. 2192 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	Closed	-
	Gattah	-	-
Erode	Finger	Closed	-
	Gattah	-	-



■ CARDAMOM

■ Aug 06, 2007

SPOT MARKETS

Cardamom auctions at Pulianmalai are likely to commence from last week of August. Some parts of the plantations at Kerala has been infected by fungus and damage is likely incase the rainfall continues in the same pace as the crops cannot be cured due to continuous rains. 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 slightly weak by 0.90 percent at Rs.520.7 as compared Fridays close price. The futures opened weak at Rs.522.6. The contract after initial firmness at Rs.523.2 witnessed selling activity at high levels and made an intraday low at Rs.518.10. Open interest and price was low and did not support the fall in price.

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

TECHNICALS

Candlesticks are indicating weak opening and thereafter active bears in the market. Volumes were low and did not support the fall in prices. 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 downwards leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to weak in the next trading session with a small firmness in price.

CARDAMOM 0708(MXCAMQ7)2007/08/04 - Daily B:520.70 A:521.40
O 522.60 H 523.20 L 518.10 C 520.70 V 409 T 336 I 1,764 -4.7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	503.4	509.8	520.7	539.4	545.7

TRADE RECOMMENDATION

Sell MCX August Cardamom near Rs.520.8-522.5 or above level with a target of Rs.514.6 and then 511.1 with a strict stop loss of Rs. 526.3 Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

Closed

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