

■ BLACK PEPPER

■ Aug 20, 2007

SPOT MARKETS

Black pepper markets remain on an average steady during Saturday's trade. It was quoted unchanged in benchmark Kochi market amid no arrivals as well as offtake. Some recovery at the futures market due to short covering has supported the physical market trend. Demand, both domestic as well as overseas, remain weak and continues to weigh down on the market. Prices in most of the producing nations have reportedly declined eyeing the harvest in Indonesia and Brazil. The production in Indonesia and Brazil this season would have a greater impact on the prices in the next 2-3 months. Overseas buyers are on the sideline expecting further decline in prices. Indian pepper continues to remain competitive globally.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and the most active September contract tested an intraday low of Rs. 12900 at the opening session of trade. The futures traded upwards thereafter on increased buying support and tested an intraday high of Rs. 13150. Most active September contract finished higher by Rs. 223 or 1.72 per cent after trading in the range of Rs. 12900-13150 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. Sellers active at physical markets
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 steady to 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 upwards in negative territory. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. 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 initially with possibility of some late downward movements.

Pepper 0709(NCPEPU7)2007/08/18 - Daily B:13130.00 A:13136.00
O 12900.00 H 13150.00 L 12900.00 C 13130.00 V 7,874 I 11,242 +230



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12680	12815	13130	13444	13631

TRADE RECOMMENDATION

Buy NCDEX September Black Pepper near Rs. 13075-13100, with a target of Rs. 13200, then at Rs. 13275, with a strict stop loss of Rs. 12975. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13300	
	Ungarbled	12700	

SPOT MARKETS

Domestic jeera markets remain on an average weak during Saturday's trade. It was offered in a lower price range in benchmark Unjha market owing to reduce offtake amid lower arrivals. Traders reported lack of buying support as the major reason behind the decline in prices. Moreover, the weakness in domestic jeera futures counter has also weighed down on the physical markets. Jeera exports in the past few months were lower as compared to a year ago. 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. Jeera prices are likely to remain weak in the day ahead owing to lack of buying support.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active September contract traded upwards to test an intraday high of Rs. 11931 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and September contract tested an intraday low of Rs. 11725. Most active September contract finished lower by Rs. 33 or 0.27 per cent after trading in the range of Rs. 11725-11931 during Saturday'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

Isolated rain/thundershowers are likely over the region. Heavy rainfall may limit regular trading activity.

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. 14-day RSI is moving downwards and about to enter the oversold region, leaving scope for further downtrend. 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 steady to weak opening with possibility of some upward movements later in the session.

JEERA 0709(NCJEEU7)2007/08/18 - Daily B:11771.00 A:11775.00
O 11830.00 H 11931.00 L 11725.00 C 11768.00 V 7,344 I 9,990 -33
EMA(9) 12044 (18) 12191



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11550	11650	11768	11892	12000

TRADE RECOMMENDATION

Sell NCDEX September Jeera at Rs. 11800-11825, with a target of Rs. 11700, then at Rs. 11675, with a strict stop loss at Rs. 11890. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2400-2480	
	Ganesh	2540-2600	3000-3500
	Machine Cleaned	2700-2800	

CHILLI

Aug 20, 2007

SPOT MARKETS

Chilli benchmark Guntur markets remained closed due to weekly off. The prices during the week remained more or less stable with slight gain of Rs.200 per quintal at the lower level for the commodity. Arrivals during the week remained stable amidst low offtake towards the weekend. Export demand from Bangladesh remained active and is likely to remain active during the days ahead. Export advices from Malaysia and Sri Lanka remained subdued however demand is likely to gain during the days ahead. Domestic demand for the commodity lacked luster and did not support the price movement. Chilli prices are likely to trade rangebound to slightly weak for the days ahead in anticipation of good export demand.

FUTURES MARKETS

Red chillies most active September futures closed at Rs.4475 firm by 1.13 percent as compared to Friday's close price. The contract opened weak at Rs.4415 and thereafter did not slip further to witness any lows. The contract during the early hours surged to Rs.4494 on fresh buying at lower levels. The open interest gained amidst low volumes not supportive to the price movement. The change in close price and open interest indicates long accumulation.

PRICE DRIVERS

Bullish:

1. Good export orders from Bangladesh.

Bearish:

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

WEATHER

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

TECHNICALS

Candlestick is indicating weak opening and active bulls in the market. Low volumes did not support the gain in price. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 9-Day RSI is neutral and moving upwards leaving scope for further gain in the prices for a short term. 14- Day parabolic is trading below the prices and indicates firm trend. Red chillies futures are likely to trade rangebound to firm with a slight dip in the prices during the intraday trading session.

CHLL334GTR 0709(NCGTRU7)2007/08/18 - Daily B:4470.00 A:4479.00
O 4415.00 H 4494.00 L 4415.00 C 4475.00 V 3,495 17,920 +50



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4245	4199	4475	4695	4794

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4450-4475 or below with a target of Rs.4505 and then Rs.4531 with a strict stop loss of Rs. 4418. 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 20, 2007

SPOT MARKETS

All the major domestic turmeric markets remained closed on the last day of the week. Sangli markets in Maharashtra witnessed offtake of 1000 bags amidst low arrivals of 400 bags. The Rajapuri varieties were steady at Rs.2800-3450 per quintal. Domestic demand by the stockists is gaining its 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 for medium term. Firm dollar as compared to Indian Rupee is likely to boost the exports.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened a Re. up at Rs.2145. The futures during the early trading hours witnessed an intraday high at Rs.2163 and did not witness any lows for the day. The open interest gained significantly amidst low volumes not supportive to the price movement. The change in close price and open interest indicates long accumulation. The contract then closed at Rs.2153 marginally up by 0.33 percent as against 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

Isolated light rain and thunder shower is likely outside Tamilnadu and rainfall at Madhya Maharashtra. Rains at present are beneficial for the crop at its initial growing stage.

TECHNICALS

Candlestick is indicating steady opening and there after initial uptrend and active bears in the market. Fall in the volumes did not support the price movement. Prices closed below 9-day and 18-day EMA, supporting weak trend for the short term. MACD is negative and supportive to the bears. 14-day RSI is moving upwards from oversold region leaving scope for further up move in prices. Turmeric futures are likely to trade rangebound to firm with slight weakness in prices during the initial trading session.

Turmeric 0709(NCTMCU7)2007/08/18 - Daily B:2153.00 A:2155.00
O 2145.00 H 2163.00 L 2145.00 C 2153.00 V 9,360 I 31,900 +9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2111	2129	2153	2193	2215

TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2149-2153 or above with a target of Rs. 2161 and then Rs. 2174 with a strict stop loss of Rs.2141. 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 20, 2007

SPOT MARKETS

Domestic cardamom auction at Pulianmalai remained closed due to low arrivals is likely to be conducted from next week onwards. Local buyers are likely to be active in the market on the eve of Onam festival celebrated at Kerala and supporting the firmness in the prices. Production at Guatemala is likely to be around 22000-24000 tonnes for the current season less by 2000 tonnes as against year ago. Prices for the commodity are likely to remain firm for short term.

FUTURES MARKETS

MCX Cardamom September futures closed marginally down by 0.45 percent at Rs.548 as compared Friday's close price. The futures opened marginally up at Rs.551. The contract after initial firmness at Rs.554.5 made an intraday low at Rs.546 on selling activity. The open interest was low amidst low volumes. The fall in open interest and prices indicate, long liquidation.

PRICE DRIVERS

Bearish:

1. Negligible export demand

Bullish:

1. Domestic as well overseas production estimated lower
2. Good domestic demand due to festive season

WEATHER

Dry weather likely at most places at Kerala, coastal Karnataka and rainfall outside Tamil Nadu. Heavy rains during the picking period may damage the crop.

TECHNICALS

Candlestick is indicating initial uptrend and thereafter active bears in the market. Low volumes did not support the price movement. Prices closed above the 18-day EMA, indicating that the trend favours the bulls for the short term. MACD is positive and favours the bulls. 14-day RSI is in neutral region. 14- Day parabolic is trading below the prices indicating firm trend Cardamom futures are likely to trade range bound to firm in the next trading session with a small weakness during initial trading session.

CARDAMOM 0709(MXCAMU7)2007/08/18 - Daily B:547.50 A:548.50
O 551.00 H 554.50 L 546.00 C 548.00 V 208 T 190 I 660 -2.5

EMA(9) 549.07 (18) 546.91



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	528	539.2	548	569.9	580

TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs.546-548 or below level with a target of Rs.554.8 and then 563.6 with a strict stop loss of Rs. 541. Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

Closed

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