

■ BLACK PEPPER

■ Aug 02, 2007

SPOT MARKETS

Black pepper markets witnessed some weakness. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Spillover weakness from pepper futures counter has pressurised the physical market trend. Unconfirmed reports of Vietnam slashing prices also weighed down on the market. However, traders are reporting presence of some export demand at lower price level as a major supportive feature for 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 lower than previous settlement and the most active September contract tested an intraday high of Rs. 14111 at the opening session of trade. The futures traded sharply downwards thereafter to test an intraday low of Rs. 13725. The futures finished lower in final action. Most active September contract traded in the range of Rs. 13725-14111 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. 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 that the short-term as well as intermediate-term trend is bearish. MACD is moving downwards in 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 initially with possibility of upward movements later in the session.

Pepper 0709(NCPEPU7)2007/08/01 - Daily B:13840.00 A:13850.00
O 14111.00 H 14111.00 L 13727.00 C 13841.00 V 15,649 I 12,901 -325



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	13420	13631	13841	14075	14315

TRADE RECOMMENDATION

Sell NCDEX September Pepper near Rs. 13910-13935 with a target at Rs. 13800 and then Rs. 13785 with a strict stop loss at Rs. 14010. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14100	
	Ungarbled	13500	-

CUMIN

Aug 02, 2007

SPOT MARKETS

Domestic jeera markets maintains previous steadiness during Wednesday's trade. It was offered in an unchanged price range amid higher offtake and lower arrivals. 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 reflecting the high priced regime in the global market with an overall shortfall.

FUTURES MARKETS

Jeera futures at NCDEX opened higher than previous settlement and most active September contract tested an intraday high of Rs. 12248 at the early hours of trade. The futures traded downwards to test an intraday low of Rs. 11970. The futures finished lower after paring some of the early losses in final action. Most active September contract traded in the range of Rs. 11970-12248 during Wednesday'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 a few places over Gujarat state during next 48 hours and increase thereafter. Rain/thundershowers are likely at a few places over East Rajasthan and isolated over the rest 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 oversold and moving downwards, leaving scope for further downtrend. MACD is moving downwards in negative territory, supporting the weakness in the market. Volume has declined, while open interest has increased as compared to previous settlement. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of upward movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11725	11892	12090	12300	12450

TRADE RECOMMENDATION

Sell NCDEX September Jeera near 12150-12175 with a target of Rs. 12025 and then Rs. 12000 with a strict stop loss of Rs. 12260. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2460-2540	
	Ganesh	2600-2660	2500
	Machine Cleaned	2760-2860	

SPOT MARKETS

Domestic prices for chillies at Guntur spot market remained unchanged and were quoted at Rs.4200-4300 per quintal. Out of 40000 bags arrivals around 20000 bags were sold. Export demand from Bangladesh and Srilanka is active at present. On unconfirmed reports of flood at China and Bangladesh along with good export demand Chilli prices are likely to trade firm for a short term. NCDEX has reduced the total margin for chilli contract by 5 percent to 25 percent from earlier 30 percent and this would have positive impact trade and active participation.

FUTURES MARKETS

Red chillies most active August futures closed at Rs.4200 up by 2.40 percent as against Tuesday's close price. The futures opened with a huge gap at Rs.4260 and there after did not surge further to make any high for the day. The contract then made a steep to make an intraday low at Rs.4027 on profit booking. The open interest was low amidst very high volumes. The change in close price and open interest is indicating liquidation of short position.

PRICE DRIVERS

Bullish:

1. Flood at China and Bangladesh
2. Good export orders from Bangladesh and Srilanka.

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. Rainfall during the time of initial sowing stage is beneficial for the crop.

TECHNICALS

Candlestick with long lower shadow is indicating buying at lower levels. Volumes were at their highest and supported the upmove in the prices. Prices closed above the 9-day and 18-day EMA, indicating firm trend in the market. 14-day parabolic is moving below the prices and supportive to the firm trend. 14-day RSI is in neutral zone and steady. Red chillies futures are likely to trade firm during the initial trading session with a small consolidation in prices on profit booking.

CHLL334GTR 0708(NCGTRQ7)2007/08/01 - Daily B:4200.00 A:4211.00
O 4260.00 H 4260.00 L 4070.00 C 4200.00 V 24,710 18,115 +6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX August	3754	3828	4200	4374	4466

TRADE RECOMMENDATION

Buy NCDEX August Chilli at Rs. 4145-4155 with a target of Rs.4198 and then Rs.4235 with a strict stop loss of Rs. 4113. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4200-4300	40000

TURMERIC

Aug 2, 2007

SPOT MARKETS

Turmeric prices in the domestic spot market were reported to be traded steady to weak at all the centers. At Warangal and Sangli the prices remained unchanged where as at Nizamabad the prices for the commodity were quoted weak by Rs.150 per quintal on selling pressure. At Erode the prices for fingers were traded weak by Rs.75 per quintal amidst slight gain in arrivals. Domestic demand is likely to remain stable and good for coming days. Turmeric prices are likely to remain rangebound to firm with a small consolidation for a medium term.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened steady at Rs.2200. The futures after opening steady did not witness any spurt in prices. The contract made a steep fall and tested fresh lows at Rs.2181 on active bears. The open interest was low amidst very low volumes. The change in close price and open interest is indicating liquidation of long position. The contract then closed at Rs.2186 down by 0.78 percent as against Tuesday'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 steady opening and there after selling pressure in the market. Volumes were very low and did not support the fall in price. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and bearish. 14-day RSI is oversold. Turmeric futures are likely to trade weak, however a technical correction is expected.

Turmeric 0709(NCTMCU7)2007/08/01 - Daily B:2186.00 A:2188.00
O 2200.00 H 2200.00 L 2181.00 C 2186.00 V 9,930 I 29,130 -14

EMA(9) 2218.6 (14) 2226.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2134	2153	2186	2235	2246

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2187-2190 or above with a target of Rs. 2179 and then Rs. 2171 with a strict stop loss of Rs.2198. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2025-2050	700
	Gattah	1925-1950	
Erode	Finger	2125-2175	6500
	Gattah	2050-2150	



■ CARDAMOM

■ Aug 2, 2007

SPOT MARKETS

Domestic cardamom prices at Kumily auctions were quoted at Rs.450-470 for 7 mm variety. Arrivals of around 23000 kg were sold completely. Cardamom capsules at the auctions were of inferior quality. 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 in a red zone down by 0.88 percent at Rs.519 as compared Tuesdays close price. The futures opened steady at Rs.522.70. The futures after initial spurt at Rs.524.9 witnessed an intraday low at Rs.515.1 on selling pressure. Both the volumes and open interest remained subdued. The change in close price and open interest indicates, long liquidation.

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 steady to weak opening and thereafter selling pressure in the market. Volumes were low and did not support the fall in prices. Prices closed below 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. Cardamom futures are likely to trade range bound to weak in the next trading session with a small spurt in price.

CARDAMOM 0708(MXCAMQ7)2007/08/01 - Daily B:518.30 A:519.00
O 522.70 H 524.90 L 515.10 C 519.00 V 1,357 T 64,384 I 1,783 -4.6

EMA(9) 529.59 (18) 526.28



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	502.6	508.9	519	543.4	551.04

TRADE RECOMMENDATION

Sell MCX August Cardamom near Rs.519-521 or above level with a target of Rs.514 and then 511 with a strict stop loss of Rs. 525.3 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Kumily	450-470	23000

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