

■ BLACK PEPPER

■ Aug 21, 2007

SPOT MARKETS

Black pepper markets witnessed a stable trend at the start of this week. It was offered in an unchanged price range in benchmark Kochi markets amid no arrivals as well as offtake. Volatile trade at the futures counter has failed to provide any cues to physical market. Demand remains weak and continues to pressurise the prices. Global pepper trade has slowed down eyeing the new harvest of Indonesia and Brazil. Overseas buyers preferred to be on the sideline eyeing further decline in prices. Indian pepper remains highly competitive in global market and traders are enthusiastic over improvement in export demand in the days ahead.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and the most active September contract tested an intraday high of Rs. 13349 at the early hours of trade. The futures traded downwards thereafter and September contract tested an intraday low of Rs. 13050 during late hours of trading. However, the futures managed to finish with some gains in final action. Most active September contract finished higher by Rs. 50 or 0.39 per cent after trading in the range of Rs. 13050-13349 during Monday'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 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 steady 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 upwards in negative territory. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. Volume has increased, while open interest has declined as compared to previous settlement. Pepper futures are likely to trade moderately downwards following a steady opening initially and upwards thereafter.

Pepper 0709(NCPEPU7)2007/08/20 - Daily B:13135.00 A:13150.00
O 13148.00 H 13349.00 L 13050.00 C 13145.00 V 12,033 I 10,303 +15
EMA(9) 13234 (18) 13507



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	12680	12838	13145	13499	13698

TRADE RECOMMENDATION

Buy NCDEX September Black Pepper near Rs. 13000-13050, with a target of Rs. 13200, then at Rs. 13250, with a strict stop loss of Rs. 12875. Trade with intraday outlook.

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

CUMIN

Aug 21, 2007

SPOT MARKETS

Domestic jeera markets witnessed some weakness during Monday's trade. It was offered in a lower price range in benchmark Unjha market owing to reduced offtake amid mostly steady arrivals. Lack of buying support at the physical market continues to weigh down on the prices. Spillover weakness from jeera futures market is also pressuring the market trend. 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 tested an intraday high of Rs. 11835 at the early hours of trade. The futures traded downwards thereafter and September contract tested an intraday low of Rs. 11601. The futures pared most of the losses in final action. Most active September contract finished lower by Rs. 6 or 0.05 per cent after trading in the range of Rs. 11601-11835 during Monday'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 opening and initial uptrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI has entered the neutral region from oversold region, leaving scope for an upward technical correction. MACD is moving downwards in negative territory, supporting the weakness. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a steady opening with possibility of some downward movements early in the session.

JEERA 0709(NCJEEU7)2007/08/20 - Daily B:11751.00 A:11761.00
O 11790.00 H 11835.00 L 11601.00 C 11761.00 V 10,788 I 9,030 -7
EMA(9) 11988 (18) 12146



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11450	11600	11761	12055	12200

TRADE RECOMMENDATION

Buy NCDEX September Jeera at Rs. 11675-11700, with a target of Rs. 11825, then at Rs. 11875, with a strict stop loss at Rs. 11575. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2380-2460	
	Ganesh	2520-2580	3000
	Machine Cleaned	2680-2780	

CHILLI

Aug 21, 2007

SPOT MARKETS

Domestic chilli markets remain on an average stable at the start of this week. Prices were quoted unchanged in benchmark Guntur market amid higher arrivals as well as offtake. 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 lacklustre at present. Chilli prices are likely to remain on an average rangebound in the day ahead on supportive export demand for the commodity.

FUTURES MARKETS

Red chillies futures at NCDEX opened much lower than previous settlement and most active September contract traded downwards initially to test an intraday low of Rs. 4377 at the early hours of trade. The futures traded upwards thereafter on increased buying support at lower price levels and tested an intraday high of Rs. 4459. Most active September contract finished lower by Rs. 55 or 1.25 per cent after trading in the range of Rs. 4377-4459 during Monday's trade.

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 pattern indicates a steady to weak opening and initial downtrend. Prices closed below the 9-day EMA, hinting that the short-term trend is turning bearish again. However, the close above the 18-day EMA is indicating firmness in prices. 14-day RSI is neutral, leaving scope for both way movements. MACD remains indecisive in positive territory. Red chillies futures are likely to trade moderately downwards following a steady to weak opening initially and upwards thereafter.

CHLL334GTR 0709(NCGTRU7)2007/08/20 - Daily B:4417.00 A:4420.00
O 4440.00 H 4459.00 L 4377.00 C 4420.00 V 6,275 I 8,285 -55
EMA(9) 4435.8 (18) 4385.4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4259	4344	4420	4564	4650

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4390-4400 or below with a target of Rs. 4440 and then Rs. 4460 with a strict stop loss of Rs. 4355. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4200-4600	50000

TURMERIC

Aug 21, 2007

SPOT MARKETS

Turmeric traded weak at the domestic spot markets as compared to the previous trading session amidst ample arrivals. The Rajapuri varieties traded steady at Rs.2800-3450 per quintal at Sangli markets in Maharashtra. 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. Strengthening dollar as compared to Indian Rupee is likely to boost the exports.

FUTURES MARKETS

NCDEX September contract opened weak at Rs. 2150/qrtl, Rs. 3 down the previous close of Rs. 2153/qrtl and traded down marginally to test an intraday low of Rs. 2149/qrtl. Prices improved thereafter on improved buying interest and the contract tested an intraday high of Rs. 2173. Sellers emerging at higher levels pushed the prices down and the contract settled at Rs. 2166/qrtl. Volume traded improved significantly, while open interest improved marginally.

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 Tamil Nadu and rainfall at Madhya Maharashtra. Rains at present are beneficial for the crop at its initial growing stage.

TECHNICALS

A bullish candle is formed with sellers emerging at higher levels. Prices closed below the EMAs. MACD is falling slowly in the negative zone, while Stochastic is falling into the oversold region, indicating intermediate term bearishness in the market. RSI is rising in the neutral zone, which indicates short term firmness in the market. Turmeric is expected to trade firm in the next trading session, with selling at higher levels.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2129	2138	2166	2193	2205

TRADE RECOMMENDATION

Buy NCDEX September Turmeric at Rs.2156-2160 with a target of Rs. 2168 and then Rs. 2180 with a strict stop loss of Rs.2149. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2000-2050	800
	Gattah	1940-1960	
Erode	Finger	2075-2125	9000
	Gattah	2050-2150	

SPOT MARKETS

Domestic cardamom auction at Pulianmalai remained closed due to low arrivals. Local buyers are likely to be active in the market ahead of Onam festival celebrated in 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 till September, after which supply is expected to match the demand.

FUTURES MARKETS

The most active MCX September futures opened weak at Rs. 545.5/kg. After trading up initially to test an intraday high of Rs. 549/kg, the contract slumped on increased selling pressure at higher levels to test an intraday low of Rs. 533/kg, before closing at Rs. 534/kg. Volume traded improved, while open interest dipped marginally lower as compared to the previous trading session.

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

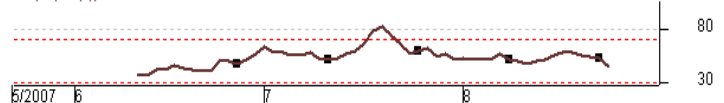
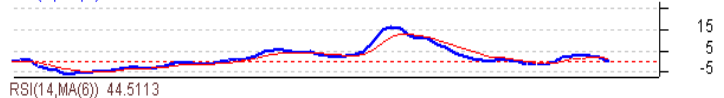
A bearish candle is formed in the charts. Prices closed below the EMAs. Technical indicators are falling in the neutral region. MACD is trading towards the zero line and is about to make a bullish cross over in the neutral region. Overall, technical picture indicate a bearish market in the short term. 14-Day Parabolic is below the prices indicating some firmness in the market. Cardamom is likely to trade subdued in the next trading session, with some initial buying.

CARDAMOM 0709(MXCAMU7)2007/08/20 - Daily B:533.00 A:535.50
O 545.50 H 549.00 L 533.00 C 534.00 V 448 T 107,347 I 568 -14

EMA(9) 546.06 (18) 545.55



DAV(7, 15, 5) -0.299613 MACD 1.17920



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	507.6	515.9	534	554.7	561.1

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.536-538 or below level with a target of Rs.528 and then 525.2 with a strict stop loss of Rs. 542. Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

Closed

-

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2007 Indian Agribusiness Systems Pvt Ltd.