

■ BLACK PEPPER

■ Aug 27, 2007

SPOT MARKETS

Black pepper markets witnessed some weakness at the weekend. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Demand, both domestic as well as overseas, continue to remain weak. Traders are expecting demand situation to improve in the month ahead. Spillover weakness from pepper futures market has also pressurised the physical market price trend. Reported decline in pepper prices in Indonesia, Brazil as well as Vietnam is attributable to the decline in domestic prices in the recent past. Global pepper prices have declined eyeing the new harvest of Indonesia and Brazil.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract tested an intraday high of Rs. 12778 at the early hours of trade. The futures traded downwards thereafter on increased selling interest and October contract slide to test an intraday low of Rs. 12304. Most active October contract finished lower by Rs. 191 or 1.44 per cent after trading in the range of Rs. 12304-12778 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 47,500 tonnes in 2007
2. Vietnam pepper output estimated lower by 10-20 per cent in 2007

Bearish:

1. Sellers active at higher price levels
2. Reported decline in global prices eyeing new harvest of Indonesia and Brazil

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 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 downwards in negative territory, supporting the weakness in the market. 14-day RSI has entered the oversold region again from above, 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 0710(NCPEPV7)2007/08/25 - Daily B:12395.00 A:12399.00
O 12600.00 H 12775.00 L 12304.00 C 12395.00 V 11,325 I 10,431 -230
EMA(9) 12877 (18) 13279



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11950	12150	12395	12750	12955

TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12450-12475, with a target of Rs. 12325, then at Rs. 12275, with a strict stop loss of Rs. 12575. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12800	-
	Ungarbled	12200	

SPOT MARKETS

Domestic jeera markets remain on an average stable during Saturday's trade. It was offered in an unchanged price range in benchmark Unjha market amid mostly steady arrivals as well as offtake. Market remains quiet with sellers staying away at current lower price levels. Lack of buying support along with increasing arrivals in the market was attributed to the sharp decline in the jeera prices recently. Though the long-term fundamentals for jeera remain firm with the supply shortage, both domestically as well as globally, the near-term outlook seems bearish until demand improves. Traders are expecting domestic demand to improve only ahead of the festival season in October.

FUTURES MARKETS

Jeera futures at NCDEX opened marginally lower as compared to previous settlement and most active October contract tested an intraday high of Rs. 11245 at the early hours of trade. The futures traded downwards thereafter and the October contract tested an intraday low at Rs. 11040 during late hours of trading. Most active October contract finished lower by Rs. 34 or 0.27 per cent after trading in the range of Rs. 11040-11245 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

Rain/thundershowers are likely at a few places over Marathwada and Gujarat Region 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 far below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is highly oversold, leaving scope for further downtrend. However, it warrants some caution for the jeera bears. 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 0710(NCJEEV7)2007/08/25 - Daily B:11062.00 A:11074.00
O 11099.00 H 11240.00 L 11040.00 C 11066.00 V 10,806 I 9,402 -24
EMA(9) 11634 (18) 11969



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10800	10925	11066	11270	11400

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 11125-11150, with a target of Rs. 11000, then at Rs. 10961, with a strict stop loss at Rs. 11250. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2260-2340	
	Ganesh	2400-2470	2500
	Machine Cleaned	2560-2670	

CHILLI

Aug 27, 2007

SPOT MARKETS

Domestic chilli markets remained closed due to weekly off. The prices at the auction continued the steady trend during the week. The arrivals gained as compared to week ago at the auctions and are likely to remain at the same level during the days ahead. Domestic demand for the commodity remained sluggish during the week. Export orders from Bangladesh were active where as advices from Malaysia and Sri Lanka remained subdued. Moreover, good stock levels in the physical markets are also weighing on the market. Chilli prices are likely to remain rangebound to slightly firm during the days ahead in anticipation of good overseas demand.

FUTURES MARKETS

Red chillies most active September futures closed firm by 2.60 percent at Rs.4660 as compared to Friday's close price. The contract opened firm at Rs.4560 and during the early trading hours the contract witnessed a slump at Rs.4535 and there after witnessed buying coming in from lower levels. The contract during the later trading session witnessed a surge at Rs.4661. The open interest gained amidst good volumes. The gain in close price and gain in open interest is indicating long accumulation.

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

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

TECHNICALS

Candlestick pattern indicates firm opening and active buying in the market. Good volumes supported the upmove in prices. 14-day RSI is oversold leaving scope for further upmove in prices. Prices closed above 14- day parabolic supporting the firm trend for medium term. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to trade firm during the next trading session with a slight dip in prices on profit booking.

CHLL334GTR 0709(NCGRU7)2007/08/25 - Daily B:4660.00 A:4661.00

O 4560.00 H 4660.00 L 4535.00 C 4660.00 V 4,560 17,070 +110

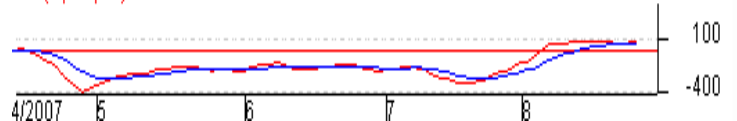
EMA(9) 4505.4 (14) 4470.0



RSI(9,MA(6)) 69.9071



DAV(9,26,12) 86.9983 MACD 57.6070



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4297	4395	4660	4803	4913

TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4653 or above with a target of Rs. 4694 and then Rs.4723 with a strict stop loss of Rs. 4621. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	Closed	20000

TURMERIC

Aug 27, 2007

SPOT MARKETS

All the major turmeric spot market remained closed due to weekly off. At Sangli markets out of arrivals of 550 bags around 1000 bags were sold and the prices for Rajapuri variety were steady at around Rs.2800-3200 Domestic Turmeric prices at the major spot markets are likely to remain slightly weak for the days due to sluggish domestic demand and ample of stock level in the market due to higher output. Domestic demand from stockists is likely to gain pace in the long run due to lower acreage and likely damage in crop at Telangana belt due to lack of water supply. Prices are likely to be firm for long run due to anticipation of low output.

FUTURES MARKETS

Turmeric most active September futures at NCDEX opened firm at Rs.2185 as compared to previous close price. The futures after opening firm witnessed an intraday high at Rs.2090 and there after tested fresh lows at Rs.2041. The open interest dropped amidst good volumes. The fall in close price and fall in open interest indicates long liquidation. The futures then closed at Rs.2045 down by 1.85 percent as against Fridays 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 / Thundershower are likely at coastal Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Madhya Maharashtra. Rains at present are beneficial for the crop.

TECHNICALS

A bearish marubazu is indicating selling pressure in the market. Good volumes supported the fall in prices. Prices closed below the 9-day and 18-day EMAs supportive to bears in the market. MACD is falling slowly in the negative zone, while RSI is falling in the oversold zone leaving scope for further fall in prices. Turmeric is expected to trade slightly weak as well as witness some profit booking and technical correction in prices.

Turmeric 0709(NCTMCU7)2007/08/25 - Daily B:2044.00 A:2045.00
O 2085.00 H 2090.00 L 2041.00 C 2045.00 V 16,650 | 28,990 -36



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	1974	2003	2045	2168	2196

TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2047-2050 or above with a target of Rs. 2038 and then Rs. 2026 with a strict stop loss of Rs.2056. 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 27, 2007

SPOT MARKETS

Domestic cardamom prices at weekly auction at Pulianmalai were traded unchanged at Rs.460-480 for the 7 mm variety due to steady arrivals and weak demand as compared to last week. Out of total arrivals of 15000 kg around 11000 kg were sold completely. The prices are likely to remain firm for a medium term due to festive season ahead as well as 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 marginally up by 0.48 percent at Rs.519.5 as against Friday's close price. The futures opened firm at Rs.521, the futures during the early trading hours fell to make an intraday low at Rs.517.5 and thereafter surged up to Rs.524. Open interest dropped amidst subdued volumes. The gain in close price and fall in open interest is indicating short liquidation.

PRICE DRIVERS

Bearish:

1. Weak domestic demand.

Bullish:

1. Domestic production estimated lower

WEATHER

Rain/thundershowers are likely at most places at Kerala and north Tamil Nadu. Heavy rains during the picking period may damage the crop.

TECHNICALS

Candlestick is indicating firm opening and thereafter mixed trend in the trade. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. 14-day RSI is in oversold region leaving scope for further fall in prices. Cardamom futures are likely to trade range bound to weak during initial and thereafter witness slight buying coming in.

CARDAMOM 0709(MXCAMU7)2007/08/25 - Daily B:519.00 A:520.00
O 521.00 H 524.00 L 517.50 C 519.50 V 190 T 186 I 483 +2.5

EMA(9) 528.18 (18) 534.62



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	502.3	508.6	519.5	541.2	552.3

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.519.520.5 or above level with a target of Rs.516.5 and then 512.5 with a strict stop loss of Rs. 524.9 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Pulianmalai	460-480	15000

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