

## ■ BLACK PEPPER

■ Aug 24, 2007

### SPOT MARKETS

Black pepper markets remain bearish during Thursday's trade. It was quoted lower by Rs. 200 per quintal in benchmark Kochi markets amid arrivals as well as offtake of 5 metric tonnes. Weak demand for the commodity from domestic as well as overseas market has weighed down on prices. Moreover, huge decline in pepper futures over the past couple of days is also adding to the bearishness. Reported decline in pepper prices in Indonesia, Brazil as well as Vietnam is attributable to the decline in domestic prices. Global pepper prices have declined eyeing the new supplies from Indonesia and Brazil.

### FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract tested an intraday high of Rs. 12825 at the opening session of trade. The futures traded sharply downwards thereafter on increased selling interest and October contract slide to test a fresh low of Rs. 12390. Most active October contract finished lower by Rs. 432 or 3.25 per cent after trading in the range of Rs. 12390-12825 during Thursday'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 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 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 is moving downwards in oversold region, leaving scope for further downtrend. Volume as well as open interest has increased as compared to previous settlement. The market is technically oversold and warrants a caution for the pepper bears. Pepper futures are likely to trade downwards following a weak opening with possibility of late recovery.

Pepper 0710(NCPEPV7)2007/08/23 - Daily B:12402.00 A:12405.00  
O 12825.00 H 12825.00 L 12390.00 C 12405.00 V 14,625 I 10,872 -420  
EMA(9) 13090 (18) 13472



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12000	12255	12405	12700	12990

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12450-12500, with a target of Rs. 12350, then at Rs. 12300, with a strict stop loss of Rs. 12600. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12900	5
	Ungarbled	12300	

### SPOT MARKETS

Domestic jeera markets witnessed a bearish trend during Thursday's trade. It was offered in a lower price range at benchmark Unjha market owing to reduced offtake amid lower arrivals. Lack of buying support amid lacklustre demand has pressurised the market trend. Sharp decline in jeera futures prices has also weighed down on the markets and the physical market prices that were moving in a narrow range for past few days, declined considerable on Thursday. 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.

### FUTURES MARKETS

Jeera futures at NCDEX opened lower as compared to previous settlement and most active October contract tested an intraday high of Rs. 11680 at the opening session of trade. Increased selling interest has pressurised the futures thereafter and the October contract breached 4 per cent lower circuit level to test a fresh low at Rs. 11145. Most active October contract finished lower by Rs. 490 or 3.94 per cent after trading in the range of Rs. 11145-11680 during Thursday'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 many places over West Rajasthan during next 24 hrs. and decrease thereafter. Rain/thundershowers are likely at a few places over the rest region. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates 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 in oversold region, 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 has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of late recovery.

JEERA 0710(NCJEEV7)2007/08/23 - Daily B:11233.00 A:11250.00  
O 11680.00 H 11680.00 L 11145.00 C 11240.00 V 17,859 I 9,444 -500  
EMA(9) 11947 (18) 12191



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10820	11000	11240	11565	11742

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 11300-11350, with a target of Rs. 11175, then at Rs. 11150, with a strict stop loss at Rs. 11450. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2310-2390	
	Ganesh	2450-2510	2000-2500
	Machine Cleaned	2610-2710	

## ■ CHILLI

■ Aug 24, 2007

### SPOT MARKETS

Chilli prices at the benchmark Guntur markets were traded steady as compared to previous trading session. The prices for the commodity remained unchanged at Rs.4000-4500 per quintal. Out of total arrivals of 40000 bags around 25000 bags were sold. Lack luster domestic demand and steady export demand from Bangladesh kept the prices steady at the failed to support the upmove in prices. Traders are expecting demand to improve from Malaysia as well as Sri Lanka in the days ahead. Moreover, good stock levels in the physical markets are also weighing on the market. Chilli prices are likely to remain on an average rangebound in the days ahead.

### FUTURES MARKETS

Red chillies most active September futures closed firm by 2.48 percent at Rs.4510 as compared to Wednesday's close price. The contract opened firm at Rs.4427 and during the early trading hours the contract witnessed a slump at Rs.4400 and there after witnessed buying coming in from lower levels. The contract during the later trading session witnessed a surge at Rs.4524. The open interest dropped marginally amidst good volumes. The gain in close price and fall in open interest is indicating short liquidation.

### 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 coastal Andhra Pradesh and Coastal Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

### TECHNICALS

Candlestick pattern indicates active buying coming in the market. 14-day RSI is neutral and moving slightly upwards leaving scope for further upmove in prices. Prices closed below 14- day parabolic supporting the bears. 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.

CHLL334GTR 0709(NCGTRU7)2007/08/23 - Daily B:4506.00 A:4510.00  
O 4427.00 H 4524.00 L 4400.00 C 4510.00 V 7,210 I 7,490 +100



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	4172	4252	4510	4651	4738

### TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4500-4510 with a target of Rs. 4548 and then Rs.4572 with a strict stop loss of Rs. 4486. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	40000



## TURMERIC

Aug 24, 2007

### SPOT MARKETS

Domestic Turmeric prices remained steady to slightly firm at all the spot markets. Daily arrivals at Erode markets were slightly down amidst steady prices. The prices were quoted at Rs.2100-2150. At Nizamabad market the prices were quoted slightly firm at Rs.2150-2175 per quintal. Domestic demand from stockists is gaining pace as they anticipate better prices for the commodity in the long run due to lower acreage as well as likely damage in crop at Telangana belt due to lack of water supply. The overseas demand is reported to be firm from Gulf and Japan. 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 marginally up at Rs.2136 as compared to previous close price. The futures during the early hours surged a Re. up to Rs.2137 and there after made a steep fall to test fresh lows at Rs.2111. The open interest dropped amidst low volumes. The fall in close price and open interest indicates long liquidation. The futures the n closed at Rs.2121 down by 0.68 percent as against Wednesdays 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, coastal Andhra Pradesh, Tamil Nadu and in Madhya Maharashtra. Rains at present are beneficial for the crop.

### TECHNICALS

Candlestick is indicating steady opening and active bears in the market. 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. 14-day Parabolic is trading above the prices indicating bearish trend in the market. Turmeric is expected to trade weak during the early hours along with buying coming in due to profit booking during the later trading session.

Turmeric 0709(NCTMCU7)2007/08/23 - Daily B:2121.00 A:2122.00  
O 2136.00 H 2137.00 L 2111.00 C 2121.00 V 13,770 I 29,300 -13  
EMA(9) 2153.7 (14) 2164.1



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2080	2097	2121	2184	2201

### TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2123-2126 or above with a target of Rs. 2114 and then Rs. 2103 with a strict stop loss of Rs.2133. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2150-2175	1000
	Gattah	2040-2050	
Erode	Finger	2100-2150	5500
	Gattah	2000-2075	



## ■ CARDAMOM

■ Aug 24, 2007

### SPOT MARKETS

Domestic cardamom prices at weekly auction at Bodinayakanur were traded weak by Rs.10 at Rs.450-460 for the 7 mm variety due to increase in arrivals and weak demand as compared to last week. Around 13500 kg was sold out of arrivals of 15000 kg. Domestic demand for the commodity was reported to be good. The prices are likely to remain firm for the long term due to 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 on a negative note down by 1.06 percent at Rs.514.5 as against Wednesday's close price. The futures opened a Re. down at Rs.519; the futures during the early trading hours surged to make an intraday high at Rs.527 and thereafter made a steep fall at Rs.512.5. Open interest gained marginally amidst slight gain in volumes. The fall in close price and gain in open interest is indicating short accumulation.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic demand.

#### Bullish:

1. Domestic production estimated lower

### WEATHER

Rain/thundershowers are likely at most places at Kerala and 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. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. 14-day Parabolic is trading above the prices indicating bearish trend in the market. 14-day RSI is in oversold region 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 spurt in price on profit booking.

CARDAMOM 0709(MXCAMU7)2007/08/23 - Daily B:514.50 A:515.00  
O 519.00 H 527.00 L 512.50 C 514.50 V 432 T 106,895 I 507 -5.5  
EMA(9) 533.69 (18) 538.68



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	497.2	502.6	514.6	538.2	549.3

### TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.515.517 or above level with a target of Rs.510.8 and then 506.4 with a strict stop loss of Rs. 521.9 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	450-460	15000

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