

## ■ BLACK PEPPER

■ Aug 07, 2007

### SPOT MARKETS

Black pepper markets remain on an average stable during Monday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Lacklustre trading activity has kept the market quiet. However, traders are expecting overseas demand to improve at the present lower price levels and consequently prices may rise in coming few days. 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 higher than previous settlement and the most active September contract traded upwards thereafter to test an intraday high of Rs. 13798. Profit taking capped further advances and the futures slide to test an intraday low of Rs. 13491. However, the futures managed to finish with some gains in final action. Most active September contract traded in the range of Rs. 13491-13798 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. 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 opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD is moving indecisively in the negative territory. 14-day RSI has entered the neutral region from below, leaving scope for an upward technical correction soon. Volume has increased, while open interest has declined as compared to previous settlement. Pepper futures are likely to trade downwards following a steady opening with possibility of upward movements later in the session.

Pepper 0709(NCPEPU7)2007/08/06 - Daily B:13595.00 A:13600.00  
O 13559.00 H 13798.00 L 13499.00 C 13600.00 V 14,775 I 12,859 +85  
EMA(9) 14001 (18) 14394



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	13100	13318	13600	13950	14166

### TRADE RECOMMENDATION

Buy NCDEX September Black Pepper at Rs. 13450-13475, with a target of Rs. 13650, then at Rs. 13700, with a strict stop loss of Rs. 13325. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13800	-
	Ungarbled	13200	

### SPOT MARKETS

Domestic jeera markets witness a firm trend at the start of this week. It was offered in a higher price range in benchmark Unjha market owing to improved offtake amid slightly higher arrivals. Traders are reporting presence of overseas demand as a major supportive feature for the market. 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.

### FUTURES MARKETS

Jeera futures at NCDEX opened higher than the previous settlement and most active September tested intraday low of Rs. 12250 at the opening session of trade. The futures traded upwards thereafter to test an intraday high of Rs. 12572. The futures finished higher after curbing some of the gains in final action. Most active September contract traded in the range of Rs. 12250-12572 during Monday'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 most places over Gujarat region and at many places over South Rajasthan during next 24 hrs. and increase thereafter. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Prices closed above the 9-day EMA, indicating a short-term uptrend in the market. However, the close below the 18-day EMA is somewhat bearish for the market. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. MACD is moving indecisively in negative territory. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements early in the session.

JEERA 0709(NCJEEU7)2007/08/06 - Daily B:12430.00 A:12450.00  
O 12299.00 H 12572.00 L 12250.00 C 12430.00 V 15,702 I 12,612 +160  
EMA(9) 12373 (18) 12482



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Sept	11972	12150	12430	12700	12864

### TRADE RECOMMENDATION

Buy NCDEX September Jeera at Rs. 12345-12360, with a target of Rs. 12500, then at Rs. 12545, with a strict stop loss at Rs. 12250. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2490-2570	
	Ganesh	2630-2690	3000
	Machine Cleaned	2790-2890	

### SPOT MARKETS

Chilli prices at domestic markets were quoted firm by Rs.100 per quintal at Rs.4000-4500 per quintal as compared to Friday's trading session. Out of total arrivals of 20000-25000 bags around 18000 bags were sold. Firm prices at NCDEX were also a supportive factor for prices at spot. Adding to it good export demand from Sri Lanka and Bangladesh is also supporting the upmove in prices. As per IMD rainfall is likely to decline in next 24 hrs at coastal Andhra Pradesh and this would prevent further water logging at the fields. Chilli prices are likely to trade range bound to firm for the week ahead.

### FUTURES MARKETS

Red chillies most active September futures closed at Rs.4547 significantly up by 2.11 percent as against Saturday's close price. The futures opened with a gap at Rs.4493 and witnessed a slight weakness at Rs.4480 during the initial trading session. The futures thereafter surged to make an intraday high at Rs.4621 underpinned by fresh buying support. Open interest and volumes were at their highest for the contract since its inception. The change in close and open interest indicates long accumulation.

### PRICE DRIVERS

#### Bullish:

1. Good export orders from Bangladesh and Sri Lanka.
2. Water logging at Andhra Pradesh growing areas

#### 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. Heavy rainfall and water logging is likely to damage the crop at its initial stage.

### TECHNICALS

Candlestick is indicating firm opening, initial uptrend and more activity at lower levels. Volumes and open interest were at their highest since the contract inception. Prices closed above the 9-day - 18-day EMA, EMA's are indicating firm trend. 14-Day RSI is in the overbought regions and supportive to the firm trend. 14-day parabolic is moving below the prices and supportive to the firm trend. Red chillies futures are likely to trade firm during the next trading session however a small correction in the prices is likely due to profit booking.

CHLL334GTR 0709(NCGTRU7)2007/08/06 - Daily B:4547.00 A:4550.00  
O 4493.00 H 4621.00 L 4480.00 C 4547.00 V 19,940 I 10,245 +82



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	4133	4251	4547	4757	4838

### TRADE RECOMMENDATION

Buy NCDEX September Chilli at Rs. 4425-4453 with a target of Rs.4521 and then Rs.4589 with a strict stop loss of Rs. 4395. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	20000-25000

## TURMERIC

Aug 07, 2007

### SPOT MARKETS

Domestic turmeric prices all the major spot markets traded steady to slightly firm by Rs.10-20 per quintal. Domestic demand for the commodity is likely to remain steady to slightly subdued and is likely to attract buyers once the festive season starts. However, export demand from Gulf countries is likely to support the prices. At Erode and other centers the prices were quoted steady amidst marginal fall in arrivals where as at Nizamabad the prices for the commodity was quoted firm by Rs.10 per quintal. However the long term trend for the commodity is likely to be range bound due to lower acreage amidst ample of stocks at the warehouse.

### FUTURES MARKETS

Turmeric most active September futures at NCDEX opened weak at Rs.2171. The futures after opening weak slipped further and made a low at Rs.2157 and thereafter surged up to Rs.2189 on buying support. Both the volumes and open interest gained significantly and supported the price move. The contract closed marginally down by Rs.3 at Rs.2170 as compared to Saturday'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

A doji candlestick is indicating indecisive trend in the market. Both volumes and open interest gained and supportive. Prices closed below the 9-day and 18-day EMA, supporting bearish trend. MACD is in negative territory and bearish. 14-day RSI is neutral and moving downwards leaving scope for further fall in the prices. Turmeric futures are likely to trade weak and test lows with slight firmness in prices.

Turmeric 0709(NCTMCU7)2007/08/06 - Daily B:2169.00 A:2172.00  
O 2171.00 H 2189.00 L 2157.00 C 2170.00 V 16,550 I 29,450 -6



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX September	2120	2137	2170	2224	2249

### TRADE RECOMMENDATION

Sell NCDEX September Turmeric at Rs.2172-2174 or above with a target of Rs. 2164 and then Rs. 2151 with a strict stop loss of Rs.2181. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2040-2070	800
	Gattah	1925-1950	
Erode	Finger	2125-2175	3500
	Gattah	2050-2150	



## ■ CARDAMOM

■ Aug 07, 2007

### SPOT MARKETS

Cardamom auctions at Bodinayakanur were cancelled due to low arrivals. Some parts of the plantations at Kerala has been infected by fungus and damage is likely incase the rainfall continues in the same pace as the crops cannot be cured due to continuous rains. 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 firm by 2.84 percent at Rs.535.5 as compared Saturdays close price. The futures opened marginally weak at Rs.520. The contract after initial weakness at Rs.518.5 witnessed fresh buying at lower levels and surged to make an intraday high at Rs.536.5. Open interest was slightly low however good volumes supported the upmove of the prices.

### 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 outside Tamil Nadu. Heavy rains during the initial picking period may damage the crop.

### TECHNICALS

Long white candlesticks are indicating steady opening and thereafter active bulls in the market. Volumes gained and were supportive. Prices closed above the 9-day and 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 upwards leaving scope for further upmove in prices. Cardamom futures are likely to trade range bound to firm in the next trading session with a small weakness in price on profit booking.

CARDAMOM 0708(MXCAMQ7)2007/08/06 - Daily B:535.20 A:536.00  
O 520.00 H 536.50 L 518.50 C 535.50 V 1,286 T 64,376 I 1,761 +14.8

EMA(9) 527.94 (18) 526.26



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX August	504.2	512.3	535.5	551.4	563.2

### TRADE RECOMMENDATION

Buy MCX August Cardamom near Rs.531-532.5 or below level with a target of Rs.539.6 and then 544.1 with a strict stop loss of Rs. 527.3. Trade with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodinayakanur

Closed

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