

■ BLACK PEPPER

■ Sep 12, 2007

SPOT MARKETS

Domestic black pepper extended previous weakness further. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Demand continues to remain weak and consequently underpinned the decline in prices. Continuous weakness in pepper futures counter is also weighing down on the physical markets. Traders are expecting demand to improve shortly ahead of the festival season. Higher volatility in recent time has kept the buyers away from the market. Global supply shortage and price competitiveness of Indian pepper has resulted into increased shipment from the country in the past few months. Long-term fundamentals remains firm, however, in short-term prices may see further decline on weak demand for the commodity.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract traded upwards initially to test an intraday high of Rs. 12439. The futures traded sharply downwards thereafter and the October contract slide to test an intraday low of Rs. 12030. The futures finished lower, but managed to curb some losses in late action. Most active October traded in the range of Rs. 12030-12439 during Tuesday's trade.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 60,000 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. Weak domestic and overseas demand

WEATHER

Rain/thundershowers are likely over few 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 indecision in the market. The close below the 9-day as well as 18-day EMA is indicating a bearish trend in the market. 14-day RSI is in neutral region, leaving scope for both way movements. MACD has made a bearish crossover with its EMA in negative territory, supporting the weakness in the market. Volume has increased, while open interest has declined as compared to previous settlement. Black pepper futures are likely to trade moderately upward initially following a steady to weak opening and downwards thereafter.

Pepper 0710(NCPEPV7)2007/09/11 - Daily B:12240.00 A:12249.00
O 12270.00 H 12439.00 L 12032.00 C 12249.00 V 16,727 I 10,702 -41
EMA(9) 12498 (18) 12623



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11654	11955	12249	12783	13079

TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12350-12400, with a target of Rs. 12200, then at Rs. 12170, with a strict stop loss of Rs. 12515. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12500	-
	Ungarbled	11900	



■ CARDAMOM

■ Sept 12, 2007

SPOT MARKETS

Domestic cardamom prices at the Nedukandam auction were quoted weak by Rs. 25 per kg at Rs. 445-450 per kg as compared to previous trading session. Out of total arrivals of 17000 kg around 14000 kg were sold. Declining prices at the futures counter as well as lackluster buying interest among the domestic buyers despite onset of festive season failed to support any upmove in prices. Exporter's presence was seen in the market and the demand is likely gain momentum once the Ramzan festival begins from 14th September.

FUTURES MARKETS

Cardamom futures at MCX opened lower than previous settlement and near month September contract tested an intraday low of Rs. 505 at the early hours of trade. The futures retraced back on increased buying support at lower price levels and the September contract tested an intraday high of Rs. 514 at close. Near month September contract finished higher by Rs. 1.50 or 0.29 per cent after trading in the range of Rs. 505-514 during Tuesday's trade.

PRICE DRIVERS

Bearish:

1. Weak domestic demand.

Bullish:

1. Domestic production estimated lower

WEATHER

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

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices have closed just above the 9-day EMA, hinting some short-term firmness. However, the close below the 18-day EMA is somewhat bearish for the market. 14-day RSI is neutral, leaving scope for both way movements. MACD remains in negative territory. Volume has increased, while open interest has declined as compared to previous settlement. Cardamom futures are likely to trade upwards following a firm opening with possibility of some downward movements later in the session.

CARDAMOM 0709(MXCAMU7)2007/09/11 - Daily B:511.50 A:514.00
O 510.00 H 514.00 L 505.00 C 514.00 V 181 T 46,062 I 415 +1.5
EMA(9) 513.89 (18) 518.15



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	502	507	514	522	527

TRADE RECOMMENDATION

Buy MCX September Cardamom near Rs. 513.5-514 with a target of Rs. 517.5 and then 518.5 with a strict stop loss of Rs. 511. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Nedukandam	445-450	17000

CUMIN

Sep 12, 2007

SPOT MARKETS

Domestic Jeera prices at the Unjha market continued to remain stable. The trading activity lacked luster and is likely to regain on the onset of the festive season. The price for the commodity remained unchanged amidst marginally low arrivals at 2000 bags and low offtake at 4000 bags. Export demand is stable and active from European countries, Singapore and Bangladesh and they also reported presence of some demand at lower price levels as a major supportive feature as per trade sources. The long-term outlook for jeera remain firm with the supply shortage, both domestically as well as globally on reports of crop damage at Syria due to unfavourable weather. The near-term outlook seems gloomy until demand improves considerably on the onset of festive season in the country as the demand is likely to be improved.

FUTURES MARKETS

NCDEX Jeera October futures opened marginally up at Rs.10394 as against previous settlement. The futures during the early hours surged up to Rs.10494 and thereafter tested fresh low at Rs.10232. Both volumes and open interest was marginally low. The gain in close price and open interest is indicating short liquidation and profit booking. The contract then closed at Rs.10410 marginally up by 0.26 percent as compared previous close price.

PRICE DRIVERS

Bullish:

1. Lower domestic and global production

Bearish:

1. Export down 52% in quantity during April-July 2007
2. Moderate domestic, overseas demand

WEATHER

Isolated rainfall is likely over Rajasthan as well as isolated at Gujarat. Heavy rainfall may limit regular trading activity.

TECHNICALS

A Doji candlestick is indicating indecisive trend in the market amidst low volumes and open interest not a supportive feature. The close below the 09- day and 18- day EMA is supportive to the weak trend for a medium term. 09-day RSI is flat in oversold region leaving scope for the further fall in price. Jeera prices are likely to trade sideways followed by initial weaknesses and thereafter a slight upmove on profit booking.

JEERA 0710(NCJEEV7)2007/09/11 - Daily B:10401.00 A:10410.00
O 10394.00 H 10494.00 L 10232.00 C 10410.00 V 11,841 I 10,284 +30



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10025	10173	10410	10776	10865

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.10465-10480, with a target of Rs. 10397 then at Rs.10341, with a strict stop loss at Rs.10521. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2120-2200	
	Ganesh	2320-2360	2000
	Machine Cleaned	2400-2520	

TURMERIC

Sept 12, 2007

SPOT MARKETS

Turmeric prices at the all the major markets remained stable. All the markets at the Andhra Pradesh state remained closed due to Amavas. Prices at the Erode market remained stable at Rs.2100-2150 per quintal amidst 70% sale for the total arrivals of 4000 bags. Domestic demand for turmeric is reported to be stable however slight firmness on festive demand is anticipated at the lower levels. Export advices for the commodity are steady from Gulf for Warangal and Nizamabad variety as well as from Japan for Desi cudappa variety. Prices for the commodity is like to trade rangebound to slightly subdued for the days ahead during the week.

FUTURES MARKETS

NCDEX turmeric October contract opened firm by Rs.18 at Rs.2061 as against last settlement. The futures did not surge further and tested fresh lows at Rs.2029 during the early hours since contract inception on selling pressure. The open interest gained significantly amidst very good volumes supportive to the gain in price. The futures then closed at Rs.2051 firm by 0.33 percent as against previous settlement. The gain in close price and open interest is indicating long accumulation.

PRICE DRIVERS

Bearish:

1. Good stock level for the season.
2. Weak domestic demand

Bullish

1. Good export demand in the market.

WEATHER

Rain / Thundershower are likely Karnataka, Tamil Nadu, and Madhya Maharashtra and isolated over Andhra Pradesh. Rains at present are beneficial for the crop at its growing stage.

TECHNICALS

Candlestick is indicating firm opening followed by initial weakness and thereafter upmove towards the close supported by gain in volumes and open interest. The close below the 9-day and 18-day EMAs is supportive to the weak trend. MACD is falling in the negative zone supportive to bears, while RSI is in oversold region leaving scope for further fall in prices. Turmeric is likely to test fresh lows during early hours with slight upmove due to profit booking towards the later trading session.

Turmeric 0710(NCTMCV7)2007/09/11 - Daily B:2051.00 A:2053.00
O 2061.00 H 2061.00 L 2029.00 C 2051.00 V 12,370 I 17,500 +8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	1998	2018	2051	2099	2115

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2063-2065 or market open with a target of Rs.2048 and then Rs. 2036 with a strict stop loss of Rs.2071. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	-	-
Erode	Finger	2100-2150	4000
	Gattah	2000-2050	-

CHILLI

Sept 12, 2007

SPOT MARKET

Chilli prices at the benchmark Guntur market continued the steady trend and were quoted unchanged at Rs.4000-4500 per quintal. The arrivals and offtake remained steady at 50,000 bags and 25,000 bags respectively. The chilli domestic demand is likely to remain sluggish with slight buying from the local retailers. Export advices from Bangladesh, Malaysia and Sri Lanka were steady and are likely to gain momentum once the Ramzan festival begins from 14th September onwards. Prices of the commodity are likely to remain rangebound to slightly firm on anticipation of good export.

FUTURES MARKETS

Red chillies most active October futures settled firm by 0.55 percent at Rs.4609 as against previous close price. The contract opened weak at Rs.4555 and during the early hours witnessed a low at Rs.4541 and thereafter surged to witness a high at Rs.4641. Open interest gained marginally amidst gain in volumes supportive to the price movement. The gain in close and open interest is indicating long accumulation.

PRICE DRIVERS

Bullish:

- Export up by 102% during April-July 2007

Bearish:

- Chilli acreage and output at Andhra Pradesh is likely to go up.

WEATHER

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

TECHNICALS

Candlestick is indicating weak opening and active buying supported by good volumes and gain in open interest. EMA's are supportive to the firm trend. 9-day RSI is neutral and moving slightly upwards leaving scope for further upmove in prices. MACD is steady in positive territory supporting the firm trend. Red chillies futures are likely to trade firm followed by steady opening and slight weakness towards the close.

CHLL334GTR 0710(NCGTRV7)2007/09/11 - Daily B:4605.00 A:4609.00
O 4555.00 H 4641.00 L 4541.00 C 4609.00 V 3,205 I 4,720 +21

EMA(9) 4541.5 (14) 4490.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4386	4448	4609	4785	4835

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4600-4610 or above with a target of Rs. 4645 and then Rs.4693 with a strict stop loss of Rs. 4568. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	50,000

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