

■ BLACK PEPPER

■ Sep 10, 2007

SPOT MARKETS

Black pepper markets at Kochi were weak amid zero arrival and offtake. Rains and floods in most part of the country are seen restricting the domestic demand. Domestic demand is expected to improve from late September on upcoming festival as well as winter season. Reports of lower production in the major producing countries, and expected overseas demand are likely to firm up the prices in the long term. Buyers are staying away from the market as they lack confidence in the market due to the recent trends of volatility. This lack of buying interest is maintaining the market weak in the short term.

FUTURES MARKETS

Black pepper futures traded weak at NCDEX. The most active October futures opened weak at Rs. 12865/qrtl and traded marginally up to test an intraday high of Rs. 12890/qrtl. Prices dipped sharply thereafter on increased selling at higher levels and the contract tested an intraday low of Rs. 12554/qrtl, before settling at Rs. 12600/qrtl. Open interest dipped marginally amidst improved volumes of trade as compared to the previous day.

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

A dark candle is formed in the chart. MACD is flat at the zero level, while Stochastic is flat in the overbought region, leaving scope for movement in either direction in the short and medium term. Stochastic is about to make a bearish cross over. Close below the EMAs, and a downward bound RSI indicate a weak market in the short to intermediate term. Black pepper futures are likely to open firm and trade weak in the next trading session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11685	11979	12600	13105	13448

TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12650-12700, with a target of Rs. 12470, then at Rs. 12420, with a strict stop loss of Rs. 12820. Trade with intraday outlook.

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



■ CARDAMOM

■ Sept 10, 2007

SPOT MARKETS

Cardamom auctions were firm at Pulianmalai on lower arrivals matching offtakes of 7500 kg. Good rains and adequate sunshine in Kerala are providing optimal conditions for the crop which is now in picking stage. Harvesting is lagging behind the schedule by one round in Kerala. Festive demand from North India as well as overseas demand is expected to emerge by late September. This, coupled with poor production estimates is likely to strengthen the markets in the long term. Indian production is expected to at 8500-9000 tonnes, down 25% on year.

FUTURES MARKETS

Cardamom futures traded weak at MCX. The most active September contract opened weak at Rs. 511.5/kg and traded up initially to test an intraday high of Rs. 512.5. Prices dipped thereafter on increased selling at higher levels and the contract tested a low of Rs. 508.5/kg. Prices improved later on some buying interest at lower levels and the contract settled at Rs. 510.5/kg. Open interest and volume dipped as compared to the previous day.

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

An indecisive candle is formed with prices closing below the EMAs. Stochastic is flat in the neutral region. RSI is falling slowly in the neutral region. Overall, the technicals indicate a range bound market in the short term with downward inclination. A hesitantly rising MACD indicates some firmness in the medium term. Cardamom is expected to trade in the recent trading range with a downward bias during the next session.

CARDAMOM 0709(MXCAMU7)2007/09/08 - Daily B:510.50 A:512.00
O:511.50 H:512.50 L:508.50 C:510.50 V:121 T:111 I:520 -2.5

EMA(9) 514.21 (18) 519.36



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	490	498	510.5	524	530

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.512-512.5 or below level with a target of Rs.508.5 and then 507 with a strict stop loss of Rs. 515. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Pulianmalai	500	7500

CUMIN

Sep 10, 2007

SPOT MARKETS

Jeera prices at the domestic Unjha market continued to remain stable as that of previous day. The prices remained unchanged amidst marginal gain in arrivals and offtake at 2500-300 bags and 6500-7000 bags respectively. The domestic buyers remained subdued in the market. As per trade sources export order from European countries, Singapore and Bangladesh is active and they also reported presence of some demand at lower price levels as a major supportive feature. The long-term fundamentals 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 weak at Rs.10952 as against previous settlement. The futures during the initial trading session surged slightly up to Rs.10961 and made a steep fall to witness a low at Rs.10721 on selling pressure. The open interest gained marginally amidst good volumes. The change in close price and open interest is indicating short accumulation. The contract then closed at Rs.10749 down by 2.08 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

Rain/thundershowers are likely over and outside West Rajasthan and Isolated at Gujarat. Heavy rainfall may limit regular trading activity.

TECHNICALS

A bearish marubazu is indicating selling pressure supported with good volumes. The close below the 09-day and 18-day EMA is supportive to the weak trend for a medium term. 09-day RSI is moving downwards to the oversold region leaving scope for the further fall in price. Jeera prices are likely to trade weak and test fresh lows with a possibility of some correction in the prices.

JEERA 0710(NCJEEV7)2007/09/08 - Daily B:10730.00 A:10755.00
O 10952.00 H 10961.00 L 10721.00 C 10749.00 V 7,635 I 10,320 -241



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10456	10569	10749	11138	11310

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.10775-10790, with a target of Rs. 10702 then at Rs.10645, with a strict stop loss at Rs.10832. 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	2500-3000
	Machine Cleaned	2400-2520	

TURMERIC

Sept 10, 2007

SPOT MARKETS

Domestic turmeric all the major spot market remained closed due to weekly off. The prices for the commodity to the spot markets are expected to recover slightly after a fall at the Nizamabad spot market towards the weekend due to festive demand in the pipeline. Local traders lacked buying interest during the week amidst ample of stock in the market due to higher output. Export demand for the commodity is steady from Gulf as well as Japan and is likely to gain its momentum. Prices for the commodity is like to trade rangebound to slightly firm for the days ahead during the week.

FUTURES MARKETS

NCDEX turmeric October contract opened firm by Rs.15 at Rs.2104 as against last settlement. The futures during the early trading hours surged slightly to Rs.2107 and witnessed low at Rs.2063 since contract inception. The open interest recovered after previous drop amidst very good volumes since inception. The futures then closed at Rs.2068 down by 1.13 percent as against previous settlement. The fall in close price and gain in open interest is indicating short 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 at coastal Karnataka, Andhra Pradesh and Tamil Nadu and isolated over Madhya Maharashtra. Rains at present are beneficial for the crop at its growing stage.

TECHNICALS

A bearish marubazu on 2nd consecutive day is indicating selling pressure and active bears in the market supported by significant gain in volume 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 moving downwards to the oversold region leaving scope for further fall in prices. Turmeric is likely to test fresh lows with slight upmove due to profit booking towards the later trading session. A Technical correction is also anticipated very soon.

Turmeric 0710(NCTMCV7)2007/09/08 - Daily B:2066.00 A:2069.00
O 2104.00 H 2107.00 L 2063.00 C 2068.00 V 24,600 I 16,300 -21



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2033	2041	2068	2129	2147

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2072-2075 or market open with a target of Rs.2063 and then Rs. 2051 with a strict stop loss of Rs.2081. Trade cautiously with intraday outlook.

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

SPOT MARKET

Domestic chilli benchmark Guntur markets remained closed due to weekly off. The chilli domestic demand was sluggish during the week and is likely to remain subdued due to lack of buying interest as well as ample of stock at the warehouse. Export advices from Bangladesh, Malaysia and Srilanka were steady and are likely to gain momentum once the Ramzan festival begins. Prices of the commodity are likely to remain rangebound to slightly firm on anticipation of good export orders. Long term trend is likely to remain bearish on higher production estimates.

FUTURES MARKETS

Red chillies most active October futures closed down by 1.07 percent at Rs.4626 as against previous close price. The contract opened marginally weak at Rs.4646. During the early hours the futures witnessed a low at Rs.4608 and then surged to make a high at Rs.4690. Open interest was marginally low amidst good volumes supportive to the price movement.

PRICE DRIVERS

Bullish:

- Export up by 102% during April-July2007

Bearish:

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

WEATHER

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

TECHNICALS

Candlestick is indicating initial uptrend and subdued activity at lower levels. EMA's are supportive to the firm trend. 9-day RSI is overbought 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 with a correction and dip on price on profit booking.

CHLL334GTR 0710(NCGTRV7)2007/09/08 - Daily B:4625.00 A:4637.00
O 4646.00 H 4690.00 L 4608.00 C 4626.00 V 2,180 | 4,575 -26

EMA(9) 4506.3 (14) 4450.9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4355	4443	4626	4810	4898

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4600-4610 or above with a target of Rs. 4666 and then Rs.4698 with a strict stop loss of Rs. 4573. Trade cautiously with intraday outlook.

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

Disclaimer

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