

■ BLACK PEPPER

■ Sep 08, 2007

SPOT MARKETS

Black pepper markets at Kochi were steady amid zero arrival and offtake. The domestic demand which has been sluggish due to heavy rains and floods in North India is expected to pick up on the ensuing festival and winter season. The importers are staying away from the market eyeing the fresh harvest in Indonesia and Brazil. Lower production estimates in the major producing countries and anticipation increased domestic and overseas demand have helped to support the market. Global demand is estimated at 370,000 tonnes, while supply is placed at 310,000 tonnes, leaving a deficit of 60,000 tonnes in 2007.

FUTURES MARKETS

Black pepper futures traded weak at NCDEX. The most active October contract opened firm at Rs. 12890/qrtl, above the previous settlement and the contract traded down initially to test an intraday low of Rs. 12792/qrtl. Prices were pushed up thereafter on improved buying interest at lower levels and the contract tested an intraday high of Rs. 13186/qrtl, before settling at Rs. 13089/qrtl. Open interest surged while volumes were lower 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 with some buying at lower levels is formed in the charts. MACD is rising hesitantly to emerge into the positive region, while RSI is falling in the neutral region. Prices closed above the EMAs. Stochastic is rising sharply into the overbought region, indicating some short to intermediate term firmness in the market. Pepper is expected to trade range-bound with an upward bias in the next session.

Pepper 0710(NCPEPV7)2007/09/07 - Daily B:12880.00 A:12889.00
O 13123.00 H 13149.00 L 12745.00 C 12879.00 V 15,727 I 11,474 -210



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12118	12412	12879	13890	14098

TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 12880-12930, with a target of Rs. 13100, then at Rs. 13150, with a strict stop loss of Rs. 12770. Trade with intraday outlook.

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

SPOT MARKETS

Cardamom prices were quoted steady at the auction at Vandanmedu amidst arrivals of 14500 against poor offtakes of 14100. Harvesting is lagging behind the schedule by one round in Kerala. Festive demand is expected to emerge from North India on the ensuing Diwali and Dassera. This, coupled with the overseas demand from late September is likely to firm up the market, amidst lower production estimates. Exports of cardamom have been reported to have picked up from last year, leading to a tight supply situation.

FUTURES MARKETS

Cardamom futures traded weak at MCX with some buying initially. The most active September contract opened firm at Rs. 514.5 and traded sharply up to test an intraday high of Rs. 518. Prices were pushed down thereafter on increased selling activity at higher levels and the contract tested an intraday low of Rs. 510.5, before settling at Rs. 511.5. Open interest dipped by one lot, while volumes rose significantly, 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

A short dark candle is formed in the charts with some buying initially. Prices closed below the EMAs. All other indicators are flat and directionless. Stochastic is about to make a bearish cross over in the short term. Cardamom is trading range-bound. A break out in either direction will establish a trend. It is recommended to confirm the trend before initiating positions.

CARDAMOM 0709(MXCAMU7)2007/09/07 - Daily B:512.00 A:513.50
O 514.50 H 518.00 L 510.50 C 511.50 V 208 T 53,492 I 533 -2.5

EMA(9) 514.17 (10) 519.24



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	492	498	511.5	524	530

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.515-515.5 or below level with a target of Rs.511 and then 509 with a strict stop loss of Rs. 518. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	490	14500

CUMIN

Sep 07, 2007

SPOT MARKETS

Domestic jeera prices at the benchmark Unjha market remained unchanged as that of previous trading session. Out of total arrivals of 2500 bags around 6500 bags were sold. According to 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.11091 as against previous settlement. The futures during the initial trading session surged up to Rs.11150 and witnessed a low at Rs.10911 on selling pressure. The open interest gained marginally amidst low volumes. The change in close price and open interest is indicating short accumulation. The contract then closed at Rs.10990 down by 1.11 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 at many places over Gujarat. Rain/thundershowers are likely at a few places outside west Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlestick is indicating initial uptrend and active bears from high levels. Prices closed below the 9-da and 18-day EMA, indicating a weak trend in the market. 09-day RSI is neutral and moving downwards leaving scope for further fall in prices. Low volumes did not support the fall in prices. MACD is negative supportive to the bears. Jeera futures are likely trade sideways to weak followed by slight firmness towards the closure.

JEERA 0710(NCJEEV7)2007/09/07 - Daily B:10975.00 A:10990.00
O 11091.00 H 11150.00 L 10911.00 C 10990.00 V 8,967 110,047 -120



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10558	10694	10990	11321	11459

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.10990-11000, with a target of Rs. 10900 then at Rs.10821, with a strict stop loss at Rs.11065. 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
	Machine Cleaned	2400-2520	

TURMERIC

Sept 07, 2007

SPOT MARKETS

Turmeric prices at all the major domestic markets traded mixed. At Erode the prices were steady at Rs.2100-2150 / quintal amidst good demand. At Nizamabad, the prices were quoted weak by Rs.50 at Rs.1900-1950 / qtl on selling pressure and ample of stocks with the sellers. Out of total arrivals of 1500 bags around 1200 bags were sold. The prices at the other centers were quoted firm by Rs.25 per quintal on good buying coming in. Export demand for the commodity is steady from Gulf as well as Japan. 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 at Rs.2124 as against previous close. The contract did not surge further and tested fresh lows at Rs.2087 on selling pressure. The open interest dropped significantly amidst high volumes during the week. The futures then closed at Rs.2089 down by 1.46 percent as against previous settlement. The fall in close price and open interest is indicating long liquidation.

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, Madhya Maharashtra, over Andhra Pradesh and Tamil Nadu. Rains at present are beneficial for the crop.

TECHNICALS

A bearish marubazu is indicating selling pressure in the market supported by significant gain in volumes. 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.

Turmeric 0710(NCTMCV7)2007/09/07 - Daily B:2090.00 A:2091.00
O 2124.00 H 2124.00 L 2087.00 C 2089.00 V 13,760 I 15,790 -30



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2051	2163	2089	2139	2147

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2090-2093 or below with a target of Rs.2081 and then Rs. 2073 with a strict stop loss of Rs.2097. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1900-1950	1500
	Gattah	1850	
Erode	Finger	2100-2150	5000
	Gattah	2000-2050	

SPOT MARKET

Chili prices at the benchmark Guntur market continued the steady trend as that of previous day. Prices for the commodity remained unchanged at rs.4000-44450 per quintal. The arrivals were low due to the last trading day of the week at 25,000 bags and offtake of 10,000 - 15,000 bags. Local demand remained subdued amidst steady export advices from Bangladesh, Malaysia and Srilanka. 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 marginally weak by 0.5 percent at Rs.4652 as against previous close price. The contract opened marginally up at Rs.4625. During initial trading session witnessed a low at Rs.4610 and later on surged up to Rs.4715. Both the volumes and open interest gained significantly as compared to previous trading session.

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 buying at lower levels supported by high volumes. EMA's are supportive to the firm trend. 9-day RSI is overbought leaving scope for further upmove in prices. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to trade firm with a correction on profit booking.

CHLL334GTR 0710(NCGTRV7)2007/09/07 - Daily B:4651.00 A:4656.00
O 4625.00 H 4715.00 L 4610.00 C 4652.00 V 4,355 I 4,630 +32

EMA(9) 4479.0 (14) 4427.6



SUPPORT / RESISTANCES

Contract	S2	S1zx	PCP	R1	R2
NCDEX Oct	4380	4456	4652	4823	4901

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4630-4645 or above with a target of Rs. 4688 and then Rs.4723 with a strict stop loss of Rs. 4586. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4450	25000

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