

■ BLACK PEPPER

■ Sep 07, 2007

SPOT MARKETS

Black pepper markets at Kochi were firm taking cues from the futures counter amid zero arrival and offtake. Weak domestic and overseas demand has resulted in declining pepper prices. Despite a global supply shortage, global pepper prices have declined considerably eyeing the new harvest of Indonesia and Brazil. Reports of increased prices in Indonesia and Brazil have helped to support the market. Pepper exports rose 42 % to 10,100 tonnes. Global pepper supplies are expected to be around 329,000 tonnes this year while demand is estimated at 376,500 tonnes, leaving a deficit of 47,500 tonnes.

FUTURES MARKETS

Black pepper futures traded firm at NCDEX. The most active October contract opened firm at Rs. 12890/qtl, above the previous settlement and the contract traded down initially to test an intraday low of Rs. 12792/qtl. Prices were pushed up thereafter on improved buying interest at lower levels and the contract tested an intraday high of Rs. 13186/qtl, before settling at Rs. 13089/qtl. Open interest surged while volumes were lower as compared to the previous day.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 47,500 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 hollow candle is formed with some selling at higher levels. Prices closed above the EMAs, MACD is rising in the negative region, while RSI and Stochastic are rising in the neutral region, indicating short to medium term firmness in the market. A black pepper futures is likely to trade firm during the next session with possibility of a late downward movement.

Pepper 0710(NCPEPV7)2007/09/06 - Daily B:13085.00 A:13090.00
C:12890.00 H:13186.00 L:12792.00 C:13089.00 V:21,476 I:11,867 +254



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	12118	12412	13089	13890	14098

TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 13100-13150, with a target of Rs. 13290, then at Rs. 1350, with a strict stop loss of Rs. 12980. Trade with intraday outlook.

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



■ CARDAMOM

■ Sept 07, 2007

SPOT MARKETS

Domestic cardamom prices at Bodiayakanur auction was quoted higher at 490 on low arrivals of 8500 kg. Harvesting is lagging behind the schedule by one round in Kerala. Overseas demand expected to emerge from late September, coupled with lower estimates of crop this year is likely to firm up the markets in the long term. Exports of cardamom have been reported to have picked up from last year. The cardamom yield in the current season is expected to be lower by 10%, leading to a tight supply situation.

FUTURES MARKETS

Cardamom futures traded volatile at MCX to end in positive territory. The most active September contract opened firm at Rs. 512.5 and traded down initially to test an intraday low of Rs. 509. Prices improved afterwards on improved buying interest and the contract tested an intraday high of Rs. 515, before settling at Rs. 514. Volume traded was lower, while open interest improved 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 in the charts with prices closing below the 19-day EMA. All the technical indicators are flat and directionless, except Stochastic, which is rising slowly in the neutral region. Market is indecisive in the short term, with a likelihood of downward movement. It is recommended to confirm the trend before initiating positions.

CARDAMOM 0709(MXCAMU7)2007/09/06 - Daily B:513.50 A:515.00
O:512.50 H:515.00 L:509.00 C:514.00 V:155 T:21,454 I:534 +2
EMA(9):514.84 (18):520.15



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	492	498	514	524	530

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.514.5-515 or below level with a target of Rs.510 and then 507 with a strict stop loss of Rs. 518. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	490	8500

■ 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 2000 bags around 9000 bags were sold. According to trade sources export order from European countries, Singapore and Bangladesh is reported to be active and they also reported presence of some demand at lower price levels as a major supportive feature for the market. Though the long-term fundamentals for jeera remain firm with the supply shortage, both domestically as well as globally, the near-term outlook seems gloomy until demand improves considerably. Traders are now eyeing the coming festival season for any improvement in demand.

FUTURES MARKETS

Jeera October futures at NCDEX opened firm at Rs.11045 as compared to previous close. The futures during the early hours witnessed an intraday low at Rs.11032 and thereafter surged to make an intraday high at Rs.11220 underpinned by buying support. Open interest and volumes dropped as compared to previous trading session. The contract thereafter closed at Rs.11110 marginally up by 0.47 percent as compared to Wednesday's settlement.

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. Moderate domestic, overseas demand

WEATHER

Rain/thundershowers are likely at many places over Gujarat. Rain/thundershowers are likely at a few places over Rajasthan. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlestick is indicating firm opening and initial uptrend. Prices closed below the 18-day EMA, indicating a weak trend in the market. 09-day RSI is neutral and moving slightly up leaving scope for further upmove in prices. Low volumes and open interest did not support the upmove in prices. MACD is negative supportive to the bears. Jeera futures are likely to trade marginally firm following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0710(NCJEEV7)2007/09/06 - Daily B:11105.00 A:11115.00
O 11045.00 H 11220.00 L 11032.00 C 11110.00 V 10,908 110,029 +90



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10651	10789	11110	11478	11695

TRADE RECOMMENDATION

Buy NCDEX October Jeera at Rs.11100-11125, with a target of Rs. 11168 then at Rs. 11201, with a strict stop loss at Rs. 11073. 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 07, 2007

SPOT MARKETS

Turmeric prices at all the major spot markets were traded steady to weak by Rs.25 / qtl. At Erode the prices were quoted unchanged as that of previous trading session at Rs.2100-2150 / qtl amidst steady arrivals and offtake. At Nizamabad the arrivals gained marginally to 1500 bags amidst low offtake at 1000 bags. The price for the commodity was quoted down by Rs.25/qtl at Rs.2000. Adding to this falling price at the futures counter; the spot prices were quoted low. 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

Turmeric most active October futures at NCDEX opened with a gap of Rs.10 at Rs.2140. The futures after opening with a gap did not surge further to witness a high. The futures then slipped to Rs.2117 on selling pressure. The open interest was low amidst low volumes. The fall in close price and open interest is indicating long liquidation. The futures then closed up by 0.71 percent at Rs.2130 as compared to previous settlement.

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, north coastal Andhra Pradesh and Tamil Nadu. Rains at present are beneficial for the crop.

TECHNICALS

Candlestick is indicating firm and thereafter active bears in the market. Low volumes did not support the fall in prices. Prices closed below the 9-day and 18-day EMAs supportive to the weak trend. MACD is falling in the negative zone supportive to the weak trend, while RSI is in the neutral region and moving downwards leaving scope for further fall in prices. Turmeric is expected to open steady to slightly weak and trade weak with a slight firmness towards the closing session.

Turmeric 0710(NCTMCV7)2007/09/06 - Daily B:2117.00 A:2118.00
O 2140.00 H 2140.00 L 2117.00 C 2117.00 V 6,260 I 17,180 -13



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2073	2086	2117	2163	2178

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2117-2120 or below with a target of Rs.2109 and then Rs. 2100 with a strict stop loss of Rs.2125. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2000	1500
	Gattah	1850-1875	
Erode	Finger	2100-2150	5000
	Gattah	2000-2050	

SPOT MARKETS

Domestic chilli spot prices were traded slightly bearish at the benchmark Guntur market. The commodity was quoted weak by Rs.50/qtl as compared to previous trading session. The arrivals and offtake were low at 40000 and 15000-20000 respectively. Domestic demand lacked luster and buyers are staying away from the market due to ample of stock. Out of total arrivals around 4000 bags was exported to Bangladesh, Malaysia and Singapore. Demand from Bangladesh is reported to be improved due to Ramzan festival. Prices are likely to trade rangebound to slightly firm in anticipation of good export demand.

FUTURES MARKETS

Red chillies most active October futures settled firm by 1.92 percent at Rs.4618 as compared to Wednesday's close price. The contract opened weak at Rs.4490. The contract did not slip further to make a low and thereafter witnessed a high at Rs.4685 underpinned by fresh buying support. Open interest gained significantly amidst high volumes since contract inception. The gain in close price and open interest indicates long accumulation.

PRICE DRIVERS

Bullish:

1. Good export demand from Bangladesh

Bearish:

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

WEATHER

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

TECHNICALS

Candlestick is indicating weak opening and initial uptrend in the market. High volumes since contract inception is supportive to the upmove in prices.. 9-day RSI is oversold leaving scope for further upmove in prices. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to open steady to firm followed by upmove in prices and thereafter slight weakness on profit booking towards the closing session.

CHLL334GTR 0710(NCGTRV7)2007/09/06 - Daily B:4621.00 A:4626.00
O 4490.00 H 4685.00 L 4490.00 C 4620.00 V 3,670 I 3,920 +100

EMA(9) 4435.7 (14) 4393.1



SUPPORT / RESISTANCES

Contract	S2	S1zx	PCP	R1	R2
NCDEX Oct	4270	4341	4620	4797	4911

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4600- 4620 or above with a target of Rs. 4656 and then Rs.4681 with a strict stop loss of Rs. 4578. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4450	40000

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