

■ BLACK PEPPER

■ Sep 03, 2007

SPOT MARKETS

Black pepper markets witness some weakness at the weekend. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Sharp fall in pepper futures prices after significant gains during last couple of days, has pressurised the physical market prices. However, traders are reporting presence of some demand at lower price levels as a major supportive feature that may cap further decline. Despite a global supply shortage, prices have declined considerably eyeing the new harvest of Indonesia and Brazil. However, some reports suggest that almost half of the Indonesian crop has already been harvested and sold to local stockists, exporters. This may in turn result into complete harvesting within a short period of time, thus capping the recent downtrend in global pepper prices.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract traded upwards initially to test an intraday high of Rs. 12955. Profit taking capped further advances and the futures slide to breach 4 per cent lower circuit level. Most active October contract tested an intraday low of Rs. 12080 during late hours of trading and finished lower by Rs. 563 or 4.44 per cent against previous settlement.

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

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 weak 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 upwards in negative territory. 14-day RSI is moving downwards in the neutral regions, leaving scope for further downtrend. Volume as well as open interest has increased as compared to previous settlement. Pepper futures are likely to trade downwards following a weak opening with possibility of upward movements later in the session.

Pepper 0710(NCPEPV7)2007/09/01 - Daily B:12100.00 A:12120.00
O 12755.00 H 12955.00 L 12088.00 C 12100.00 V 20,923 I 10,783 -563
EMA(9) 12321 (18) 12703



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11500	11825	12100	12453	12777

TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12125-12150, with a target of Rs. 12000, then at Rs. 11950, with a strict stop loss of Rs. 12250. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12600	-
	Ungarbled	12000	

SPOT MARKETS

Domestic jeera markets remain on an average stable during Saturday's trade. It was offered in an unchanged price range in benchmark Unjha market amid lower arrivals as well as offtake. Presence of some buying interest at lower price levels has provided the underlying support to the market. Spillover weakness from jeera futures counter has pressurised the physical market prices. 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. Domestic demand is likely to improve ahead of the festive season.

FUTURES MARKETS

Jeera futures at NCDEX opened higher as compared to previous settlement and most active October contract tested an intraday high of Rs. 11243 at the early hours of trade. The futures traded downwards thereafter and the October contract tested an intraday low of Rs. 10875 during late hours of trading. Most active October contract finished lower by Rs. 223 or 2 per cent after trading in the range of Rs. 10875-11243 during Saturday's trade.

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. Weak domestic as well as overseas demand

WEATHER

Rain/thundershowers are likely at many places over south Gujarat. Rain/thundershowers are likely at a few places over the rest region outside West Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 14-day RSI is moving downwards and has entered the oversold region again, hinting further downtrend. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of upward movements later in the session.

JEERA 0710(NCJEEV7)2007/09/01 - Daily B:10900.00 A:10920.00
O 11173.00 H 11241.00 L 10875.00 C 10900.00 V 14,535 I 9,870 -223
EMA(9) 11071 (18) 11429



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10582	10726	10900	11054	11208

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs. 10950-10975, with a target of Rs. 10850, then at Rs. 10825, with a strict stop loss at Rs. 11050. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2140-2200	
	Ganesh	2320-2360	2500
	Machine Cleaned	2400-2540	

SPOT MARKETS

Chilli spot markets at Guntur remained closed due to weekly off. The prices at the domestic spot market during the week were traded weak by Rs.100 in the range of Rs.4000-4500 per quintal amidst marginally low arrivals during the week as compared to week ago. Domestic demand is reported to be subdued and is likely to remain at the same for the days ahead due to ample of stock at the ware house as well as the buyers. Export demand is likely to continue the steady pace as that of current scenario. Malaysia and Sri Lanka is been less active as compared to Bangladesh. Prices are likely to trade rangebound to slightly firm in anticipation of good buying at lower levels.

FUTURES MARKETS

Red chillies most active October futures settled negative zone weak by 1.16 percent at Rs.4352 as compared to Friday's close price. The contract opened firm at Rs.4440 and thereafter the contract did not witness any high for the day and witnessed a fall to make an intraday low at Rs.426. The open interest gained amidst very good volumes supportive to the upmove in the price as against previous trading session. The fall in the close price and gain in open interest indicates short accumulation.

PRICE DRIVERS

Bullish:

1. Good export demand from Bangladesh

Bearish:

1. Domestic production is estimated higher by 20 percent
2. Chilli acreage at Andhra Pradesh is likely to go up.

WEATHER

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

TECHNICALS

Candlestick pattern indicates firm opening, and thereafter steep fall in prices. Good volumes supported the downward movement in prices. 9-day RSI is neutral and moving down leaving scope for upmove in prices. Prices closed above 14-day parabolic supporting the firm trend for medium term. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to open weak followed by slight weakness and thereafter slight firmness towards the closing session.

CHLL334GTR 0710(NCGTRV7)2007/09/01 - Daily B:4348.00 A:4360.00
O 4440.00 H 4440.00 L 4261.00 C 4352.00 V 1,675 13,360 -51

EMA(9) 4320.1 (14) 4303.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4089	4153	4352	4557	4646

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4322- 4330 or above with a target of Rs. 4375 and then Rs.4393 with a strict stop loss of Rs. 4292. Trade cautiously with intraday outlook.

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

TURMERIC

Sept 03, 2007

SPOT MARKETS

Domestic turmeric major spot markets at Erode and Nizamabad remained closed due to weekly off. During the week the price for the commodity was traded slightly weak by Rs.25-30 per quintal as compared to week ago. Arrivals declined considerably at the daily auctions due to lack of selling interest and inactive buyers. The export demand from the Gulf countries is active and steady at the market. Ample of stock at the market amidst lack of buying interest at the domestic front, the price for the commodity is likely to remain range bound to slightly weak for the days ahead.

FUTURES MARKETS

Turmeric most active October futures at NCDEX opened firm at Rs.2127. The futures after opening slightly up during the initial trading session surged a Re. up at Rs.2128. However, during the later trading session it witnessed a steep fall at Rs.2105 on selling pressure. The open interest dropped marginally amidst low volumes not supportive to the fall in price. The fall in close price and open interest indicates long liquidation. The futures then closed at Rs.2112 down by 0.52 percent as against Friday's close price.

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

TECHNICALS

Candlestick is indicating firm opening and thereafter selling pressure in the market. Low volumes did support the fall in the prices. Prices closed below the 9-day and 18-day EMAs supportive to bears in the market. MACD is falling slowly in the negative zone, while RSI is in the oversold region supportive to the fall in price. Turmeric is expected to open weak followed by a weakness initially and thereafter a small upmove towards the close.

Turmeric 0710(NCTMCV7)2007/09/01 - Daily B:2113.00 A:2114.00
O 2127.00 H 2128.00 L 2105.00 C 2112.00 V 3,880 I 16,220 -11



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2059	2079	2112	2163	2186

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2115-2117 or below with a target of Rs.2107 and then Rs. 2096 with a strict stop loss of Rs.2123. Trade cautiously with intraday outlook.

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



■ CARDAMOM

■ Sept 03, 2007

SPOT MARKETS

Domestic cardamom prices at weekly auction at Pulianmalai quoted slightly weak by Rs.5 at Rs.480 per kg for 7 mm good colour variety as compared to previous day's auction at Vandanmedu. Prices for the MCX grade was quoted firm at Rs.515-520 per quintal. Out of total arrivals of 5200 kg around 100 kg was left behind amidst steady demand from the domestic buyers. Prices are likely to trade range bound to slightly firm on expected domestic demand for the days ahead.

FUTURES MARKETS

MCX Cardamom most active September futures closed weak by 0.88 percent at Rs.510 as against Friday's close price. The futures opened firm at Rs.516.5 as compared to previous close price; the futures surged slightly up to Rs.517.5 and made an intraday low at Rs.507. Open interest dropped amidst very good volumes supportive to the fall in prices. The fall in close price and open interest indicates long liquidation.

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

Candlestick is indicating firm opening and thereafter selling pressure in the market. Prices closed below the 9-day and 18-day EMA, indicating that the trend favours the bears for the short term. 9-day RSI is neutral and moving downwards leaving scope for further fall in prices. MACD is in negative region and supportive to the bears. Cardamom futures are likely to open steady and followed by downward move with a slight upmove in prices during the close.

CARDAMOM 0709(MXCAMU7)2007/09/01 - Daily B:509.00 A:510.50
O 516.50 H 517.50 L 507.00 C 510.00 V 182 T 178 I 541 -4.5

EMA(9) 516.42 (18) 523.67



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	495	501	510	529.5	536.5

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.512 or below level with a target of Rs.508.5 and then 504 with a strict stop loss of Rs. 515.5 Trade with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

480

5200

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