

## ■ BLACK PEPPER

■ Oct 01, 2007

### SPOT MARKETS

Domestic black pepper markets were steady on inactivity. Lack of buying interest and unwillingness of sellers to sell at the prevailing prices maintained the prices flat. Overseas demand was also weak during the week. High volatility in the futures counter is keeping the traders off. Internationally, prices remained stable to firm at the major origins of Vietnam and Indonesia. The demand is expected to pick up shortly on the ensuing festival season and winter, amidst tight supply situations. The production is estimated lower in most of the growing countries, including India. This is expected to firm up the markets in the long term.

### FUTURES MARKETS

MCX Cardamom futures traded volatile with bearish tone. The most active October contract opened firm at Rs. 566/kg and traded down initially to test an intraday low of Rs. 557/kg. Prices improved thereafter on some buying interest and the contract tested an intraday high of Rs. 570/kg. Sellers emerging at higher levels pushed the prices down to close at Rs. 563.50/kg. Open interest and volume traded improved, indicating short accumulation.

### 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

Continuous heavy rains in the pepper growing tracts are likely to damage the crop.

### TECHNICALS

Candlestick pattern shows indecision in the market. Prices remain below the EMAs, indicating short to intermediate term weakness in the prices. MACD is falling in the negative territory after a bearish crossover, while RSI is falling into the oversold region, leaving scope for further down trend in prices. RSI is almost flat in the neutral region and hence indecisive. Pepper futures are expected to trade weak with some late upward movement. 11870 is seen providing good support to the prices in the short term, breaking which prices might test fresh lows.

Pepper 0711(NCPEPX7)2007/09/29 - Daily B:11964.00 A:11970.00  
O 11950.00 H 12051.00 L 11905.00 C 11973.00 V 4,233 17,765 +63  
EMA(9) 12164 (18) 12326



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	11650	11750	11973	12553	13035

### TRADE RECOMMENDATION

Sell NCDEX November Black Pepper near 11950-12000, with a target of Rs. 11850, then at Rs. 11800, with a strict stop loss of Rs. 12075. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12,300	-
	Ungarbled	11,700	

### SPOT MARKETS

Good quality cardamom was quoted steady at the auction at Pulianmalai on good demand ahead of the festival season. However, the old stock of medium quality capsules fetched lower at the auction. Festive demand and expected overseas demand are expected to firm up the market amidst supply concerns. The supply remains tight in the physical market on account of lower production estimates and late picking. The heavy rains in the cardamom growing areas are likely to affect the quality of capsules as well as result in further reduction in yield due to fungal rotting and bacterial infection.

### FUTURES MARKETS

Cardamom futures traded volatile at MCX. The most active October contract opened weak at Rs. 564/kg, Rs. 2 down the previous close and traded steadily up to test an intraday high of Rs. 575/kg. Active selling at higher levels pressurized the market and prices slumped to test an intraday low of Rs. 555.50/kg, before closing at Rs. 563.5/kg. Open interest and volume improved as compared to the previous day, indicating some short accumulation.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic and overseas demand

#### Bullish:

1. Domestic production estimated lower

### WEATHER

Adequate moisture and sunshine in Kerala is facilitating picking of capsules.

### TECHNICALS

Candlestick pattern indicates indecision in the market. Prices closed above the EMAs, indicating short to intermediate term firmness in the market. MACD is rising in the positive territory, supporting medium term firmness in prices. Stochastic and RSI are flat and indecisive in overbought region, leaving scope for movement in either direction. 580 level is providing good resistance to the further rise in prices. Cardamom is likely to trade sideways in the next session, with an upward inclination.

CARDAMOM 0710(MXCAMV7)2007/09/29 - Daily B:564.00 A:565.50  
O 566.00 H 570.00 L 557.00 C 563.50 V 504 I 1,215 +1  
EMA(9) 544.66 (18) 536.48



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	526	535	563.5	580	605

### TRADE RECOMMENDATION

Buy MCX October Cardamom near Rs. 562 with a target of Rs. 567 and then 569.5 with a strict stop loss of Rs. 559.5. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Pulianmalai

500

19,000

### SPOT MARKETS

Benchmark Unjha market for Jeera remained closed due to some quality issues for the commodity at the futures delivery. The traders at the market decided to observe a definite strike for a day. However, regular trading activity will be resumed from Monday onwards. During the week domestic buyers remained quiet inspite of the forthcoming festive season like Dushera and Diwali. However there are unconfirmed reports of low quality of jeera in the market this also restricting the buyers to buy the commodity. Overseas demand from European countries, Bangladesh and Singapore lacked luster. Prices for the commodity in the medium term is likely to trade rangebound slightly weak amidst subdued domestic as well as export demand.

### FUTURES MARKETS

NCDEX Jeera most active November futures opened weak at Rs.9770. The futures after opening weak did not slip further and surged to witness an intraday high at Rs.9940 on profit booking. The open interest gained marginally amidst good volumes. The futures then closed at Rs.9878 firm by 1.37 percent as against previous settlement.

### PRICE DRIVERS

#### Bullish:

1. Lower domestic and global production

#### Bearish:

1. Export down 16.35% in quantity during August 2007 as against August 2006
2. Subdued domestic and overseas demand inspite of festive season.

### WEATHER

Dry weather is likely over Gujarat, and over region outside Rajasthan. Dry weather will not cause any disturbance in regular trading activity.

### TECHNICALS

Small white candlestick is indicating a much awaited technical correction and profit booking amidst good volumes supportive to the upmove in prices. The close below EMA's and MACD is favouring the weakness in prices. RSI is in the oversold region and rising. Jeera is likely to trade rangebound to weak following a steady opening and slight upmove towards the close.

JEERA 0711(NCJEE7)2007/09/29 - Daily B:9880.00 A:9893.00  
O 9770.00 H 9940.00 L 9770.00 C 9878.00 V 5,904 I 8,364 +134



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	9598	9673	9878	10045	10138

### TRADE RECOMMENDATION

Sell NCDEX November Jeera at Rs.9890-9895 or market open with a target of Rs. 9843 then at Rs.9812 with a strict stop loss at Rs.9914. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	Closed	
	Ganesh	Closed	-
	Machine Cleaned	Closed	



## TURMERIC

Oct 01, 2007

### SPOT MARKETS

All the major spot market for Turmeric remained closed due to weekly off. Domestic turmeric prices at the benchmark Nizamabad market traded mixed during the week amidst steady arrivals and offtake. Whereas at Erode the prices were steady at Rs.2100-2150 per quintal through out the week. As per trade sources festive demand for the commodity is likely to gain its pace during the days ahead as Dusshera and Diwali is coming soon. Overseas advices from the traditional buyers like Gulf and Japan is active. Prices for the commodity is likely to trade rangebound for the medium inspite of festive demand amidst ample of stock in the market.

### FUTURES MARKETS

NCDEX turmeric October futures closed slightly up by 0.10 percent at Rs.1979. The contract opened firm at Rs. 1976 during the early hours witnessed a low at Rs.1970 and thereafter high at Rs.1988 on profit booking. The open interest declined marginally amidst good volumes. The marginal gain in close price and declining open interest is suggesting short covering.

### PRICE DRIVERS

#### Bearish:

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

#### Bullish

1. Good export demand in the market.

### WEATHER

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

### TECHNICALS

A Doji formation is indecisive and suggesting that the prices are likely to move either side. The close below the EMA's and MACD is suggesting weakness in prices. RSI is over sold and rising. Currently all turmeric futures are extremely oversold and hence a slight correction is likely during the days ahead. The futures during the next trading session are likely to trade weak following a steady to firm opening.

Turmeric 0710(NCTMCV7)2007/09/29 - Daily B:1977.00 A:1979.00  
O 1976.00 H 1988.00 L 1970.00 C 1979.00 V 3,990 I 14,110 +7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	1937	1949	1979	2020	2034

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.1982-1984 or market open with a target of Rs.1974 and then Rs.1969 with a strict stop loss of Rs.1987. Trade cautiously with intraday outlook.

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

## ■ CHILLI

■ Oct 01, 2007

### SPOT MARKET

Chilli, benchmark Guntur market remained closed due to weekly off. Chilli prices during the week witnessed sluggish trade. The prices remained unchanged at Rs.3900-4400 per quintal through out the week. Arrivals and offtake gained marginally towards the weekend. Domestic demand is reported to be weak due to lack of buying interest among the trader's. Export demand from the traditional buyers like Bangladesh, Singapore and Sri Lanka are steady and showing no signs of immediate improvement. However traders anticipate that the exports are likely to improve slowly during the days ahead. Chilli prices for a medium term is likely to trade steady to weak due to lack luster domestic demand and steady export demand amidst ample of stocks at the Guntur ware house.

### FUTURES MARKETS

Chilli October futures at NCDEX opened a Re. up at Rs.4760. During the early hours witnessed a low at Rs.4728 and thereafter surged to Rs.4790. The open interest declined on amidst low volumes not supportive to the price move. The contract closed at Rs.4745 marginally down by 0.13 percent.

### PRICE DRIVERS

#### Bullish:

1. Export up by 34.23% during August 2007 as against August 2006

#### Bearish:

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

### WEATHER

Rain / thundershowers are likely over few places at Andhra Pradesh. Rainfall is beneficial for the crop at present during its growing stage.

### TECHNICALS

Formation of Doji is indecisive and suggesting both way movement. MACD is flat in positive territory supportive to the firm trend. RSI is neutral and moving downwards. The close above the EMA's is supportive to the firmness in prices. Low volumes and declining open interest is not favouring the fall in close price. Chilli futures are likely to trade firm following a steady opening.

CHLL334GTR 0710(NCGTRV7)2007/09/29 - Daily B:4743.00 A:4745.00  
O 4760.00 H 4790.00 L 4728.00 C 4745.00 V 1,720 I 5,595 -14  
EMA(9) 4685.9 (18) 4633.4



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4577	4611	4745	4891	4955

### TRADE RECOMMENDATION

Buy NCDEX October Chilli near Rs. 4740 or above with a target of Rs. 4786 and then Rs.4825 with a strict stop loss of Rs. 4723. Trade cautiously with intraday outlook.

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

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