

## ■ BLACK PEPPER

■ Sep 28, 2007

### SPOT MARKETS

Domestic black pepper markets were steady on dull trading activity. Farm-grade pepper is short in supply in the physical market and hence invalid pepper stocks with major commodity exchanges are making their way into the spot markets following the rising demand for the spice. Ensuing festival season and onset of winter are likely to see gaining momentum in domestic demand. Heavy rains in south India have been posing threats of heavy crop damage. Wynad district in Kerala has reported a shortfall of about 20% in pepper production. The expected domestic and overseas demand amidst short supply is seen firming up the domestic market.

### FUTURES MARKETS

Pepper futures traded volatile to close in the recent trading range. The most active November contract traded marginally down after opening firm at Rs. 12148/qtl, Rs. 16 above the previous close, to test an intraday low of Rs. 12145/qtl. The prices were pushed up thereafter on some buying interest to test an intraday high of Rs. 12348/qtl, before sagging on selling pressure to close marginally lower at Rs. 12115/qtl. Open interest improved amidst lower volumes traded 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

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

### TECHNICALS

An indecisive candle with active selling at higher levels is formed in the recent trading range. A break out with good volumes is needed to establish a trend. A flat MACD below the zero line indicates medium term indecision. Prices closed below the EMAs, showing short to intermediate term weakness in the market. RSI and Stochastic are also falling slowly in the neutral zone, supporting the weakness. Pepper futures are likely to trade weak during the next trading session with some buying at lower levels.

Pepper 0711(NCPEPX7)2007/09/27 - Daily B:12110.00 A:12115.00  
O 12148.00 H 12342.00 L 12060.00 C 12115.00 V 9,038 I 7,799 -45

EMA(9) 12286 (18) 12421



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	11700	11852	12115	12572	12795

### TRADE RECOMMENDATION

Sell NCDEX November Black Pepper near Rs. 12100-12125, with a target of Rs. 12000, then at Rs. 11950, with a strict stop loss of Rs. 12175. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12,400	-
	Ungarbled	11,800	



## ■ CARDAMOM

■ Sept 28, 2007

### SPOT MARKETS

Cardamom prices were quoted steady at domestic auctions. Heavy and untimely rains in Kerala may cause heavy crop losses in cardamom, in addition to the 25-30% shortfall estimated earlier due to drought and heavy rains. Bacterial infection and rotting were reported from the fields. This has led to a higher estimate of crop loss between 40 and 50%. The lower arrivals in the physical market due to late harvesting and lower production have resulted in higher prices of cardamom. Indian cardamom is priced higher in the global market, restricting entry of exporters. Festive demand and overseas demand are expected to gain momentum shortly, firming up the market amidst supply concerns.

### FUTURES MARKETS

Cardamom futures traded bullish at MCX. The most active October contract opened marginally weak by Rs. 0.50 at Rs. 552.50/kg. After trading down marginally to test an intraday low of Rs. 551/kg, the prices improved on increased buying interest to test an intraday high of Rs. 569.50/kg. The prices slumped slightly to close at Rs. 567/kg. Open interest improved, while volumes did not support the movement.

### 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

A long hollow candle is formed in the charts. Prices remain well above the EMAs. MACD is rising to emerge into the positive territory. RSI and Stochastic are also rising into the overbought region. Overall, technicals indicate a firm trend in the short to medium term. However, a strong resistance is seen around 580 levels. Cardamom is likely to trade firm in the next trading session with some downward movement towards the close of the day.

CARDAMOM 0710(MXCAMV7)2007/09/27 - Daily B:565.00 A:567.00  
O 552.50 H 569.50 L 551.00 C 567.00 V 496 T 138,875 I 1,070 +14

EMA(9) 534.51 (18) 529.97



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	526	535	567	580	605

### TRADE RECOMMENDATION

Buy MCX October Cardamom near Rs. 565 with a target of Rs. 570 and then 573 with a strict stop loss of Rs. 562. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Kumily	490	15,000

## CUMIN

Sep 28, 2007

### SPOT MARKETS

Jeera prices at the benchmark Unjha markets were quoted slightly firm as against previous trading session. Jeera prices gained slightly by Rs.20 per 20kg amidst low arrivals at 1500 bags and offtake at 4000 bags. Domestic buyers remained subdued in the market inspite of festive season. 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.9848. The futures during the early hours surged to witness an intraday high at Rs.10059 and thereafter slumped to witness an intraday low at Rs.9811. The open interest gained amidst low volumes not supportive to the marginal surge in close. The contract then closed marginally up by 0.17 percent at Rs.9866 as compared to Wednesday's close price.

### 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

Rain/thundershowers are likely at many places Gujarat region, and over rest region outside west Rajasthan. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Long upper shadow is indicating active selling towards the closing session amidst low volumes not supportive to the price movement. MACD is negative and RSI is oversold supportive to the weakness in the prices. Open interest gained marginally to support the weakness. The close below the EMA's is supportive to the bears. Jeera is likely to trade rangebound to weak following a steady opening.

JEERA 0711(NCJEE7)2007/09/27 - Daily B:9865.00 A:9874.00  
O 9848.00 H 10059.00 L 9811.00 C 9866.00 V 9,864 18,019 +6



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	9551	9689	9866	10353	10503

### TRADE RECOMMENDATION

Sell NCDEX November Jeera at Rs.9965-9975 or market open with a target of Rs. 9873 then at Rs.9821 with a strict stop loss at Rs.10009. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2150-2170	
	Ganesh	2350-2390	1500
	Machine Cleaned	2430-2550	

## TURMERIC

Sept 28, 2007

### SPOT MARKETS

Domestic turmeric prices continued the steady trend in the market. At the Nizamabad markets the prices were quoted at Rs.1925-1970 per qtl amidst steady arrivals and offtake. At Erode the prices were steady at Rs.2100-2150 per quintal. As per trade sources festive demand for the commodity is likely to gain its pace during the days ahead as Dushera 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 down at Rs.1995 or by 0.60 percent as against previous settlement. The futures opened weak at Rs.2004 during the early hours surged up to Rs.205 and thereafter tested fresh lows at Rs.1987 on selling pressure. Open interest gained amidst marginally low volumes. The fall in close price and gain in open interest is suggesting 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/thundershowers are likely over north Madhya Maharashtra, north coastal Andhra Pradesh and Tamil Nadu. Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Candlestick is indecisive amidst low volumes not supportive to the fall in close price. The close below the EMA's is favouring the bears. MACD is in negative region whereas RSI is oversold supportive to the further fall in prices. Turmeric is likely to trade weak during the next trading session following a steady opening and initial uptrend. However a technical correction is due very soon.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	1957	1972	1995	2039	2057

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.1998-2000 or market open with a target of Rs.1986 and then Rs. 1979 with a strict stop loss of Rs.2004. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1925-1970	1500
	Gattah	1850-1890	
Erode	Finger	2100-2150	4000
	Gattah	2000-2050	

### SPOT MARKET

Domestic chilli prices at Guntur market extended the sluggish trade. Prices remained unchanged at Rs.3900-4400. Arrivals and offtake were steady at 30000 bags and offtake was steady at 15000 bags. 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 futures at NCDEX opened marginally weaker than previous settlement at Rs.4656. Most active October contract during the early hours surged up to Rs.4699 and thereafter witnessed a low at Rs.4590. The volumes declined and open interest gained marginally. The futures then closed at Rs.4655 marginally down by 0.17 percent as against previous close price.

### PRICE DRIVERS

#### Bullish:

- Export up by 34.23% during August 2007 as against August 2006

#### Bearish:

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

### WEATHER

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

### TECHNICALS

A doji candlestick is indecisive and is suggesting that prices are likely to trade either ways. Low volumes are not supportive to the weakness in close. EMA's has closed marginally above the prices supportive to the firm trend. RSI is neutral and moving slightly down leaving scope for further fall in prices. Chilli futures are likely to trade in a rangebound following a steady opening and initial weakness in prices.

CHLL334GTR 0710(NCGTRV7)2007/09/27 - Daily B:4640.00 A:4654.00  
O 4656.00 H 4699.00 L 4590.00 C 4655.00 V 1,620 I 6,275 -5

EMA(9) 4649.2 (18) 4603.9



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4501	4560	4655	4763	4812

### TRADE RECOMMENDATION

Sell NCDEX October Chilli near Rs. 4660 or below with a target of Rs. 4623 and then Rs.4601 with a strict stop loss of Rs. 4682. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4400	30,000

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