

## ■ BLACK PEPPER

■ Sep 05, 2007

### SPOT MARKETS

Black pepper markets at Kochi were closed on "Janmashtami". Weak domestic and overseas demands have resulted in declining pepper prices. Moreover, the recent down trend in the pepper futures are also seen weighing down the spot markets. Despite a global supply shortage, global pepper 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 and exporters. This may in turn result in completing the harvest ahead of schedule, thus capping the recent downtrend in global prices.

### FUTURES MARKETS

Black pepper futures were firm at NCDEX, with some initial selling. The October futures hit the upper 4% circuit. The most active October futures opened firm at Rs. 12115/qrtl and traded down initially to test an intraday low of Rs. 12001/qrtl. Prices improved thereafter on improved buying interest at lower levels and the contract settled at an intraday high of Rs. 12579/qrtl. Open interest dipped marginally amidst larger volumes 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 long hollow candle is formed in the charts, with some initial selling activity. Prices closed above the 9 day EMA. MACD is rising in the negative zone, while RSI and Stochastic are rising sharply in the neutral region. Overall, the technicals indicate a firm market in the short term. However, a close below the 18-day EMA points towards a bearish posture in the intermediate term. Black pepper is likely to trade firm in the next trading session, with probability of some downward movement late in the session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11690	11980	12579	12955	13347

### TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 12500-12550, with a target of Rs. 12700, then at Rs. 12750, with a strict stop loss of Rs. 12350. Trade with intraday outlook.

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

### SPOT MARKETS

Domestic cardamom prices were flat to firm against an arrival matching offtakes of 10000 kg. Late picking by one round has been reported in Kerala. Yield is anticipated to be less by 10%. Good rains and adequate sunshine is providing a conducive environment for a good crop. Overseas demand is expected to emerge from late September. Low production estimates are expected to firm up the prices of cardamom in the long term.

### FUTURES MARKETS

MCX Cardamom September contract opened firm at Rs.519.5 as compared to previous settlement. The futures during the initial trading session surged up to Rs.523 and witnessed a low at Rs.512.5 on later trading session on selling pressure. The open interest remained unchanged amidst marginal gain in volumes as compared to previous trading session supportive to the fall in price. The contract then closed at Rs.512.5 down by 0.97 percent as against Monday's trading session.

### 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 initial uptrend and thereafter selling coming in from higher levels. Marginal gain in volumes supported the fall in prices. Prices closed below the 9- day and 18-day EMA supportive to the bears. RSI is neutral and moving downwards leaving scope for further fall in prices. MACD is negative supportive to weak trend. Cardamom futures is likely to open weak followed by downward movement and thereafter a slight profit booking towards the closing session.

CARDAMOM 0709(MXCMU7)2007/09/04 - Daily B 511.50 A 513.00  
 J 519.50 H 523.00 L 512.50 C 512.50 V 350 T 90,827 I 546 -5  
 EMA(9) 515.81 (18) 521.92



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	501	505	512.5	531	534.5

### TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.513.5-514 or above level with a target of Rs.509 and then 505.5 with a strict stop loss of Rs. 518 Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	490	10000

## CUMIN

Sep 05, 2007

### SPOT MARKETS

Jeera benchmark market at Unjha remained closed due to *Janmaashtami* celebrations all India. 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.10850 as compared to previous close. The futures during the early hours witnessed an intraday low at Rs.10785 and thereafter surged to make an intraday high at Rs.11059 towards the later trading session on short covering. Open interest and volumes were marginally low as against previous trading session. The contract thereafter closed at Rs.10975 up by 1.55 percent as compared to previous 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 the rest region outside West Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlesticks pattern indicates firm opening and active buying. Prices closed below the 9-day as well as 18-day EMA, indicating a bearish trend in the market. 09-day RSI is moving upwards in the neutral region leaving scope for slight upmove in the prices. Volumes is marginally weak not supportive to the upmove in prices. 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)2007/09/04 - Daily B:10967.00 A:10975.00  
O 10850.00 H 11059.00 L 10785.00 C 10975.00 V 10,683 I 10,062 +160



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10598	10721	10975	11390	11552

### TRADE RECOMMENDATION

Buy NCDEX October Jeera at Rs.10950-10975, with a target of Rs. 11031, then at Rs. 11076, with a strict stop loss at Rs. 10918. Trade with intraday outlook.

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

## TURMERIC

Sept 05, 2007

### SPOT MARKETS

All the domestic Turmeric spot markets remained closed due to *Janmaashtami* celebrations. Domestic demand for the commodity is likely gain its momentum from next week onwards. Stockiest are likely to buy the commodity in anticipation of fall in acreage. Export demand is steady for Desi Cudappa variety from Japan as well Gulf demand is active for Nizamabad variety. Falling prices at the futures counter is also influencing the physical market prices. Prices for the commodity is likely to gain marginally and trade range bound to marginally firm for the days ahead.

### FUTURES MARKETS

Turmeric most active October futures at NCDEX opened firm by Rs.4 at Rs.2122. The futures after opening firm during the early hours surged up to Rs.2126 and thereafter witnessed selling pressure from higher levels and the contracted tested an intraday low at Rs.2101. The open interest gained amidst very good volumes. The gain in open interest and fall in price is indicating short accumulation. The futures then closed marginally down by 0.19 percent at Rs.2115 as compared to previous 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, Madhya Maharashtra and outside Andhra Pradesh where as it is likely to be isolated at Tamil Nadu. Rains at present are beneficial for the crop.

### TECHNICALS

Candlestick is indicating firm opening and initial weakness in the market. Good volumes supported the fall in prices. Prices closed below the 9-day and 18-day EMAs supportive to bears in the market. MACD is falling in the negative zone supportive to the weak trend, while RSI is in the neutral region and moving marginally downwards leaving scope for further fall in prices. Turmeric is expected to open steady to slightly firm followed by a weakness initially and thereafter a small upmove towards the close.

Turmeric 0710(NCTMCV7)2007/09/04 - Daily B:2113.00 A:2115.00

O 2122.00 H 2126.00 L 2101.00 C 2115.00 V 7,620 I 17,140 -3

EMA(9) 2126.7 (14) 2143.7



RSI(9,MA(6)) 31.8162



DAV(9, 26, 12) -51.0244 MACD -45.6910



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2072	2087	2115	2146	2165

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2115-2117 or below with a target of Rs.2103 and then Rs. 2092 with a strict stop loss of Rs.2124. Trade cautiously with intraday outlook.

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

### SPOT MARKETS

Chilli market at Guntur remained closed due to celebrations of Janmaashtami festival. Local demand is steady and is likely to remain same for the days ahead. Regular demand from Bangladesh, Malaysia and Singapore is active. Out of the total arrivals around 4000-6000 bags comprised of export demand on regular basis. Crop from Madhya Pradesh is likely to hit the market from mid October. Prices are likely to trade rangebound to slightly firm in anticipation of good export demand

### FUTURES MARKETS

Red chillies most active October futures settled positive territory firm by 0.89 percent at Rs.4440 as compared to Monday's close price. The contract opened slightly weak at Rs.4415 and thereafter during the initial trading session witnessed a low at Rs.4407. However during the later trading session the contract surged to witness an intraday high at Rs.4455 on short covering. The open interest is marginally low amidst slight gain in volumes.

### 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

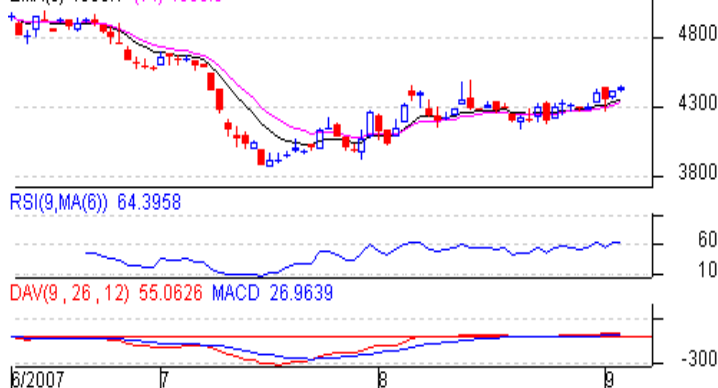
Rain / thundershower are likely at region outside Andhra Pradesh and coastal Karnataka. Rainfall during the initial growing stage is beneficial for the crop.

### TECHNICALS

Candlestick pattern indicates firm opening, and thereafter active buying coming in. Marginal gain in volumes supported the upmove in prices. 9-day RSI is neutral and moving upwards leaving scope for upmove in prices. MACD remains indecisive in positive territory supporting the firm trend. Red chillies futures are likely to open firm followed by upmove in prices and thereafter slight weakness on profit booking towards the closing session.

CHLL334GTR 0710(NCGTRV7)2007/09/04 - Daily B:4430.00 A:4440.00  
O 4415.00 H 4455.00 L 4407.00 C 4440.00 V 97013,240 +20

EMA(9) 4360.1 (14) 4335.3



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4199	4265	4440	4544	4658

### TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4432- 4442 or above with a target of Rs. 4469 and then Rs.4479 with a strict stop loss of Rs. 4414. 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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