

■ BLACK PEPPER

■ Sep 06, 2007

SPOT MARKETS

Black pepper markets at Kochi were firm with prices quoted higher than the previous day, to the tune of Rs. 300/qtl. There was no arrival or offtake. Pepper spot markets take cue from the futures market and a firm futures counter at NCDEX has been followed by a firm spot market. Weak domestic and overseas demands have 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. Black pepper exports in April-August have been reported 35% up at 13,900 tonnes.

FUTURES MARKETS

Black pepper futures traded firm at NCDEX on fresh buying. The most active October contract opened firm at Rs. 12580/qtl and traded down to test an intraday low of Rs. 12450/qtl. The prices improved thereafter on increased buying interest at lower levels and the contract tested an intraday high of Rs. 12965/qtl, before settling at Rs. 12835/qtl with higher open interest amidst higher volumes as compared to the previous day, indicating long accumulation.

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 with some selling at higher levels is formed in the charts. The prices closed above the EMAs. MACD is rising in the negative region, while Stochastic and RSI are rising in the neutral region. Overall, the technicals indicate a firm market in the short as well as intermediate term. Black pepper futures are likely to trade firm in the next trading session with a short to intermediate term target of 13350.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11684	12118	12835	13550	13890

TRADE RECOMMENDATION

Buy NCDEX October Black Pepper near Rs. 12750-12800, with a target of Rs. 12980, then at Rs. 13030, with a strict stop loss of Rs. 12630. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12800	-
	Ungarbled	12200	

SPOT MARKETS

Cardamom domestic market was reported weak at Kumily, Kerala amid offtakes falling 500 kg short of arrivals of 30,000 kg. Harvesting is lagging behind the schedule by one round in Kerala. Yield is estimated lower by 10%. Good rains and adequate sunshine is providing a conducive environment for a good crop, though continuous rains pose the risk of fungal infection. 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

Cardamom futures traded volatile at MCX with a bearish tone. The most active September contract opened firm at Rs. 513/kg, and traded up initially to test an intraday high of Rs. 515.5/kg. Prices slumped thereafter on increased selling activity at higher levels and the contract slipped to test an intraday low of Rs. 507/kg, before settling at Rs. 512/kg. Open interest of the contract improved amid lower volume 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 with active buying at lower levels. MACD is almost flat in the negative region, while RSI is flat in the neutral region, indicating short as well as intermediate term indecisiveness in the market. Prices remain below the EMAs, indicating some weakness in the market. An upward-bound Stochastic leaves scope for some firmness in the short term. Cardamom is likely to trade weak during the next trading session, with possibility of some upward movement in the later hours.

CARDAMOM 0709(MXCAMU7)2007/09/05 - Daily B:511.50 A:512.50
O 513.00 H 515.50 L 507.00 C 512.00 V 273 T 64,209 I 559 -0.5
EMA(9) 515.04 (18) 520.87



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Sept	492	498	512	524	530

TRADE RECOMMENDATION

Sell MCX September Cardamom near Rs.512.5-513 or below level with a target of Rs.509 and then 507 with a strict stop loss of Rs. 516. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	485	30000

CUMIN

Sep 06, 2007

SPOT MARKETS

Jeera benchmark market at Unjha remained closed due to continued *Janmaashtami* celebrations. 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.11030 as compared to previous close. The futures during the early hours witnessed an intraday low at Rs.10946 and thereafter surged to make an intraday high at Rs.11120 underpinned by fresh buying support. Open interest and volumes gained against previous trading session. The contract thereafter closed at Rs.11020 marginally up by 0.25 percent as compared to Tuesday'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 the rest region outside West Rajasthan where it may be isolated. Heavy rainfall may limit regular trading activity.

TECHNICALS

A Doji Candlestick pattern indicates indecisive trend in the market. Prices closed below the 18-day EMA, indicating a weak trend in the market. 09-day RSI is flat and indecisive at neutral. Gain in volumes and open interest supported 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)2007/09/05 - Daily B:11012.00 A:11030.00
O 11030.00 H 11120.00 L 10946.00 C 11020.00 V 14,508 110,125 -5



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10574	10697	11020	11367	11529

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.11035-11055, with a target of Rs. 10965, then at Rs. 10900, with a strict stop loss at Rs. 11098. 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 06, 2007

SPOT MARKETS

Domestic turmeric prices at the major spot market were traded firm by Rs.25-50 per quintal. At Nizamabad the arrivals were quoted firm by Rs.25 at Rs.2050 due to good retail demand amidst marginally low arrivals. At Erode the price for the commodity was quoted firm by Rs.50 at Rs.2050-2150. Adding to this firm price at the futures counter the prices at the spot market surged. 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 firm by Rs.7 at Rs.2115. The futures after opening firm during the early hours witnessed a low at Rs.2107 and thereafter witnessed fresh buying support at lower levels and surged up to Rs.2140. The open interest gained amidst very good volumes. The gain in close price and open interest is indicating long accumulation. 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 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 initial weakness and thereafter active buying coming in. Good volumes supported the gain in prices. Prices closed above the 9-day EMAs supportive to the firm trend. MACD is falling in the negative zone supportive to the weak trend, while RSI is in the neutral region and moving marginally upwards leaving scope for further upmove in prices. Turmeric is expected to open steady to slightly followed upmove in prices and a small consolidation during the closing session.

Turmeric 0710(NCTMCV7)2007/09/05 - Daily B:2126.00 A:2128.00
O 2115.00 H 2140.00 L 2107.00 C 2130.00 V 10,280 I 17,670 +22



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2077	2092	2130	2172	2193

TRADE RECOMMENDATION

Buy NCDEX October Turmeric at Rs.2128-2130 or below with a target of Rs.2142 and then Rs. 2161 with a strict stop loss of Rs.2122. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2050	1200
	Gattah	1925	
Erode	Finger	2050-2150	5000
	Gattah	2000-2100	

SPOT MARKETS

Chilli prices at the domestic market were quoted steady at Rs.4000-4500 per quintal. The arrivals gained at 50,000 bags amidst good offtake of 30,000 bags. Domestic demand is reported to be improved slightly. Out of total arrivals around 8,000-10,000 bags was exported to Bangladesh, Malaysia and Singapore as compared to regular export of 4000 bags. 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 1.85 percent at Rs.4520 as compared to Tuesday's close price. The contract opened with a gap at Rs.4460. During the initial trading session witnessed a low at Rs.4450. However during the later trading session the contract surged to witness an intraday high at Rs.4548 on fresh buying. Volume's surged significantly. 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 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. Significant gain in volumes supported 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 firm followed by upmove in prices and thereafter slight weakness on profit booking towards the closing session.

CHLL334GTR 0710(NCGTRV7)2007/09/05 - Daily B:4515.00 A:4535.00
C 4460.00 H 4545.00 L 4450.00 C 4520.00 V 2,540 I 3,490 +95

EMA(9) 4389.7 (14) 4358.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4298	4345	4520	4647	4713

TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4520- 4525 or above with a target of Rs. 4578 and then Rs.4601 with a strict stop loss of Rs. 4491. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	4000-4500	50000

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