

## ■ BLACK PEPPER

■ Sep 18, 2007

### SPOT MARKETS

Domestic black pepper markets remain on an average weak at the start of this week. It was quoted lower by Rs. 100 per quintal in benchmark Kochi market amid no arrivals as well as offtake. Sellers were not much active at lower price levels and consequently prices are hovering in a narrow range for last few days. Traders are expecting domestic demand to improve shortly eyeing the festival season ahead. Internationally, new crop has already arrived at Lampung (Indonesia) and activity was brisk there. During January-August 2007, Sarawak exported around 8,797 mt of pepper, down by 17 per cent against exports of 10,613 mt during same period last year, according to International Pepper Community report.

### FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active October contract tested an intraday high of Rs. 12380 at the opening session of trade. Increased selling interest has pressurised the futures thereafter and the October contract traded sharply downwards thereafter to test an intraday low of Rs. 12035. Most active October contract finished lower by Rs. 281 or 2.27 per cent after trading in the range of Rs. 12035-12380 during Monday's trade.

### 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

Rain/thundershowers are likely at many places over the growing region. It would be beneficial for the growth of newly planted and old vines.

### TECHNICALS

Candlesticks pattern indicates steady to 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 in neutral region, leaving scope for further downtrend. MACD is moving indecisively in the negative territory. Volume has declined, while open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements later in the session.

Pepper 0710(NCPEPV7)2007/09/17 - Daily B:12116.00 A:12129.00  
O 12380.00 H 12380.00 L 12045.00 C 12116.00 V 9,565 I 11,453 -224  
EMA(9) 12379 (18) 12510



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11654	11825	12116	12369	12554

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12200, with a target of Rs. 12075, then at Rs. 12000, with a strict stop loss of Rs. 12300. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12500	-
	Ungarbled	11900	



## ■ C A R D A M O M

■ Sept 18, 2007

### SPOT MARKETS

Domestic cardamom auction at Bodinayakanur were cancelled as the merchants were reluctant to participate in the auctions. The merchants are not satisfied with the e-auctions and hence unwilling to participate. The arrivals of 5000 kg remained unsold. Domestic demand at present is lack luster; however it is likely to gain its momentum slowly. Exporters were absent at the auctions as Indian cardamom is quoted higher at the international market by Rs.150 per kg as compared to the Guatemalan capsules. Due to this the exporters are reluctant to buy the Indian crop. However, overseas demand is likely to emerge at lower price level. Domestic demand is likely to gain its pace slowly due to festive demand as the cardamom is one of the key flavouring spice used in preparation of festive delicacies.

### FUTURES MARKETS

Cardamom futures at MCX opened lower than previous settlement and most active October contract tested an intraday high of Rs. 514.5 at the early hours of trade. The futures traded sharply downward thereafter and the October contract breached 4% lower circuit level to test an intraday low of Rs. 494.5. Most active October contract finished lower by Rs. 20.5 or 3.97 per cent after trading in the range of Rs. 494.5-514.5 during Monday's trade.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic demand.

#### Bullish:

1. Domestic production estimated lower

### WEATHER

Rain/thundershowers are likely at many places over the growing region. Heavy rains may damage the crop.

### 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 prevails in the market. 14-day RSI is moving downwards in oversold region, leaving scope for further downtrend. MACD is moving downwards in negative territory, supporting the weakness in the market. Volume has declined, while open interest remains steady as compared to previous settlement. Cardamom futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

CARDAMOM 0710(MXCAMV7)2007/09/17 - Daily B:494.50 A:497.50  
O 512.50 H 514.50 L 494.50 C 496.50 V 455 T 107,372 I 549 -20.5  
EMA(9) 521.23 (18) 529.52



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	476	485	496.5	508	517

### TRADE RECOMMENDATION

Sell MCX October Cardamom near Rs. 498 with a target of Rs. 494 and then 492 with a strict stop loss of Rs. 501. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	-	5000

## CUMIN

Sep 18, 2007

### SPOT MARKETS

Jeera prices at the benchmark Unjha market witnessed a declining trend. The prices were down by Rs.10 per 20 kg due to weak domestic and overseas demand. Out of total arrivals of 2500 bags around 4500 bags were sold. Domestic demand was reported to be subdued amidst weak overseas demand from European countries, Bangladesh and Singapore. However, the prices for the commodity in the medium term is likely to trade firm in anticipation of good festive demand in the domestic market. As well as overseas demand for the days ahead due to reports of unfavourable weather at Syria. The stock level for the commodity is reported to be low at 7-9 lakh bags as compared to last year during the same time stock of 15 lakh bags.

### FUTURES MARKETS

NCDEX Jeera October futures opened weak at Rs.10265 as against previous settlement. The futures during the early hours surged up to Rs.10316 and thereafter slumped and made a steep fall to test fresh lows at Rs.10112 during the late trading session. The open interest dropped amidst low volumes not supportive to the fall in prices. The futures then closed at Rs.10200 down by 1.89 percent as against previous close price. The fall in close price and open interest is indicating long liquidation.

### PRICE DRIVERS

#### Bullish:

1. Lower domestic and global production

#### Bearish:

1. Export down 52% in quantity during April-July 2007
2. Moderate domestic, overseas demand

### WEATHER

Isolated rain and Thunder showers are likely over Rajasthan as well as at Gujarat. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlestick is indicating initial uptrend and thereafter selling pressure from higher levels amidst low volumes. The close below the 09- day and 18- day EMA is supportive to the weak trend for a medium term. 09-day RSI is oversold region leaving scope for further fall in prices. Jeera prices are likely to trade weak following a steady opening and slight upmove towards the close.

JEERA 0710(NCJEEV7)2007/09/17 - Daily B:10192.00 A:10209.00  
O 10265.00 H 10316.00 L 10112.00 C 10200.00 V 9,681 19,606 -85



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	9901	10025	10200	10539	10636

### TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.10205-10225, with a target of Rs. 10158 then at Rs.10101, with a strict stop loss at Rs.10264. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2090-2110	
	Ganesh	2290-2330	2500
	Machine Cleaned	2370-2490	



## TURMERIC

Sept 18, 2007

### SPOT MARKETS

Turmeric prices at the domestic markets were stable amidst low arrivals and offtake. At Nizamabad, turmeric was quoted at Rs.1940-1950 per quintal and arrivals of 1500 bags were sold completely. The prices at the Erode markets remained unchanged at Rs.2100-2150 per quintal as that of previous trade amidst 75 % sale of total arrivals of 2500 bags. Domestic demand is reported to be steady amidst selling pressure dominating the market and suppressing the prices. Higher stock level at around 23.30 lakh bags is adding in the selling pressure. However, slight firmness on festive demand is anticipated at the lower levels during the days ahead. Export advices are steady from Gulf and Japan. Prices are likely to remain rangebound for the days ahead during the week.

### FUTURES MARKETS

NCDEX turmeric October contract opened a Re. up at Rs.2056 as against previous close price. The futures did not surge further made a steep fall to Rs.2033 on selling pressure. The open interest dropped marginally amidst good volumes supportive to the price movement. The futures then closed at Rs.2036 down by 0.99 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 interior Karnataka, Tamil Nadu, and Madhya Maharashtra. Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Candlestick is indicating active bears in the market amidst good volumes. The close below the 9-day and 18-day EMAs is supportive to the weak trend. MACD is flat in the negative zone supportive to bears, while RSI is in oversold region leaving scope for further fall in prices. Turmeric is likely to trade sideways following a steady opening, initial weakness and slight upmove towards the close.

Turmeric 0710(NCTMCV7)2007/09/17 - Daily B:2035.00 A:2040.00  
O 2056.00 H 2056.00 L 2033.00 C 2036.00 V 8,280 I 17,010 -19



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2001	2011	2036	2083	2097

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2038-2040 or market open with a target of Rs.2026 and then Rs. 2017 with a strict stop loss of Rs.2046. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1940-1950	1500
	Gattah	1850-1860	
Erode	Finger	2100-2150	2500
	Gattah	2000-2050	

### SPOT MARKET

Chilli prices at Guntur market continued the weakness and were quoted unchanged at Rs.3800-4300 per qtl. The arrivals and offtake were reported at 40,000 bags and 15,000 bags respectively. Selling pressure in the market due to high inventories amidst lack of buying interest suppressed the prices for the commodity. Export advices from Bangladesh, Malaysia and Srilanka were slightly subdued inspite of Ramzan festival. Prices are likely to remain rangebound to slightly firm on anticipation of good export advices for the days ahead during the week.

### FUTURES MARKETS

Red chillies most active October futures settled firm by 0.64 percent at Rs.4591 as against previous close price. The contract opened with a huge gap at Rs.4635 and did not surge further to witness a high and thereafter slumped to Rs.4546 on selling pressure. Open interest gained amidst gain in volumes supportive to the fall in prices. The fall in close price and gain in open interest is indicating short accumulation.

### PRICE DRIVERS

#### Bullish:

1. Export up by 102% during April-July 2007

#### Bearish:

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

### WEATHER

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

### TECHNICALS

Candlestick is indicating firm opening and thereafter selling pressure in the market. The close marginally below 9-day EMA is supportive to the firm. 9-day RSI is neutral and moving slightly downwards leaving scope for further fall in prices. MACD is steady in positive territory supporting the firm trend. Red chillies futures are likely to trade weak following a steady opening and slight upmove towards the close.

CHLL334GTR 0710(NCGTRV7)2007/09/17 - Daily B:4590.00 A:4597.00

O 4635.00 H 4635.00 L 4546.00 C 4591.00 V 2,615 15,315 +34

EMA(9) 4568.1 (14) 4533.0



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4401	4483	4591	4688	4752

### TRADE RECOMMENDATION

Sell NCDEX October Chilli at Rs. 4591-4600 or market open with a target of Rs. 4548 and then Rs.4502 with a strict loss of Rs. 4628. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3800-4300	40,000

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