

## ■ BLACK PEPPER

■ Sep 19, 2007

### SPOT MARKETS

Domestic black pepper markets were flat on lack of arrivals and offtake. Lower price levels witnessed lack of selling interest, thereby resulting in a narrow range trade during the past few days. Festive demand is expected to support the market in the short term. Export of pepper from India in the first semester of 2007 has increased by 56%. From January-June 2007, India shipped 14,776 tonnes against 9,448 tonnes exported for the same period last year. On grounds of pepper traders and farmers demanding a ban on pepper futures trade, FMC has decided to strengthen regulatory measures to prevent undesirable manipulations in online trading.

### FUTURES MARKETS

Pepper futures traded firm at NCDEX. The most active October contract opened firm at Rs. 12125/qrtl, Rs. 33 above the previous settlement and traded down initially to test an intraday low of Rs. 12097/qrtl. The prices leapfrogged thereafter on increased buying interest and the contract tested an intraday high of Rs. 12390/qrtl, before closing marginally lower at Rs. 12380/qrtl. Volume traded and open interest were lower 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

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

A hollow candle is formed in the charts. RSI is rising in the neutral region, indicating some firmness in the short term. MACD is flat in the negative region, while Stochastic is falling in the neutral region and is about to make a bearish crossover. Prices remain below the EMAs, indicating some underlying weakness in the prices in the short as well as intermediate term. Pepper is likely to trade weak after a steady to firm opening with probability of some late upward movement.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11654	11839	12380	12829	13123

### TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12380, with a target of Rs. 12250, then at Rs. 12200, with a strict stop loss of Rs. 12480. Trade with intraday outlook.

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



## ■ C A R D A M O M

■ Sept 19, 2007

### SPOT MARKETS

Domestic markets lacked activity with offtakes falling short of arrivals by 3000 kg and prices were quoted lower by Rs. 15-20 at Rs. 460/kg. Domestic demand is expected to strengthen ahead of festival season, eyeing durgapuja, diwali and ramzan. The second round of picking is advancing leading to ample supply in the market. Overseas demand is seen weak on higher prices of Indian cardamom against Guatemalan produce by \$2-3. Export queries are expected to emerge if the prices of Indian capsules are quoted lower by \$-2. India's cardamom output is likely to fall from around 11,000 tonnes in 2006-07 to 8,500 tonnes in 2007-08 on account of bad weather, leading to an increase in the price of the spice.

### FUTURES MARKETS

MCX Cardamom futures traded volatile with an upward bias. The most active October contract opened weak at Rs. 495.5/kg and traded down initially to test an intraday low of Rs. 492.5/kg. Prices improved during the later session on improved buying interest at lower levels and the contract tested an intraday high of Rs. 501.5/kg, before closing at Rs. 496.5/ctl. Volume and open interest dipped as compared to the previous day.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic and overseas 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

An indecisive candle is formed in the charts. Prices closed below the EMAs, indicating a bearish posture of the market in the short as well as intermediate term. MACD is falling hesitantly after a bullish crossover in the negative region, while Stochastic has made a bearish crossover. RSI is flat in the oversold region. Overall, the technicals indicate an indecisive market with a downward inclination in the short term.

CARDAMOM 0710(MXCAMV7)2007/09/18 - Daily B:496.50 A:497.50  
O 495.50 H 501.50 L 492.50 C 496.50 V 329 T 64,217 I 534 -0.5

EMA(9) 516.36 (18) 526.09



### SUPPORT / RESISTANCES

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

### TRADE RECOMMENDATION

Sell MCX October Cardamom near Rs. 497 with a target of Rs. 492 and then 490.5 with a strict stop loss of Rs. 501. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Nedugundam

600

16000

## CUMIN

Sep 19, 2007

### SPOT MARKETS

Domestic Jeera prices at the benchmark Unjha market regained marginally due to festive demand. The prices for the commodity gained marginally by Rs.20 per 20 kg. The arrivals were steady amidst gain in offtake at 2500 bags and 7000 bags respectively. Domestic demand was reported to be improved marginally from Eastern states of the country on the eve of *Durga pooja*. Slight improvement is reported to be seen for 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 amidst low stock level at 7-9 lakh bags as compared 15 lakh bags during last year same time.

### FUTURES MARKETS

Jeera October futures at NCDEX opened firm with a gap at Rs.10247 as against previous settlement. During the early hours the futures witnessed a low at Rs.10217 and thereafter surged to Rs.10379 on buying coming in. The open interest dropped amidst low volumes not supportive to the price movement. The gain in close and fall in open interest is indicating short liquidation. The contract then closed at Rs.10370 up by 1.48 percent as against previous close price.

### 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

Rain/thundershower is likely over south Gujarat region and isolated rain and thunder showers are likely over region outside west Rajasthan. Heavy rainfall may limit regular trading activity.

### TECHNICALS

Candlestick is indicating firm opening, initial weakness and thereafter active buying from lower levels amidst fall in open interest low volumes not supportive to the price movement. The close below the 09- day and 18- day EMA is supportive to the weak trend for a medium term. 09-day RSI is in neutral region and moving upwards leaving scope for further upmove in prices. Jeera prices are likely to trade firm following a steady opening and slight dip towards the closing session.

JEERA 0710(NCJEEV7)2007/09/18 - Daily B:10361.00 A:10370.00  
O 10247.00 H 10370.00 L 10217.00 C 10370.00 V 6,888 18,925 +170



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	10029	10139	10370	10660	10824

### TRADE RECOMMENDATION

Buy NCDEX October Jeera at Rs.10375-10385, with a target of Rs. 10428 then at Rs.10485, with a strict stop loss at Rs.10332. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2110-2130	
	Ganesh	2310-2350	2500
	Machine Cleaned	2390-2510	

## TURMERIC

Sept 19, 2007

### SPOT MARKETS

Domestic turmeric prices at all the major spot markets traded steady to firm by Rs.10-25 per qtl. At Nizamabad, prices were firm by Rs.10 at Rs.1950-1960 per qtl and arrivals of 1500 bags were sold completely. The prices at the Erode markets remained unchanged at Rs.2100-2150 per qtl amidst 75 % sale of total arrivals of 2800 bags. Domestic demand is reported to be improved slightly due to festive demand as well as retail buying. Higher stock level at around 23.30 lakh bags is supportive to the weakness in market. However, slight firmness on festive demand is anticipated at the lower price levels during the days ahead. Export advices are reported to be improved from Gulf and Japan. Prices are likely to remain rangebound for the days ahead during the week.

### FUTURES MARKETS

NCDEX turmeric October contract opened weak at Rs.2031 as against previous close price. During the early hours the futures slumped to test fresh lows at Rs.2017 and thereafter witnessed an intraday high at Rs.2040. The open interest dropped marginally amidst good volumes supportive to the price movement. The futures then closed at Rs.2034 marginally down by 0.14 percent as against Monday'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, coastal Andhra Pradesh Tamil Nadu, and Madhya Maharashtra. Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Candlestick is indecisive and the prices are likely to move on either side. 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)2007/09/18 - Daily B:2033.00 A:2035.00  
O 2031.00 H 2040.00 L 2017.00 C 2034.00 V 9,420 I 16,880 -2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	1987	2008	2034	2072	2094

### TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2038-2040 or market open with a target of Rs.2027 and then Rs. 2014 with a strict stop loss of Rs.2047. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950-1960	1500
	Gattah	1860	
Erode	Finger	2100-2150	2800
	Gattah	2000-2050	

### SPOT MARKET

Chilli prices at Guntur market regained slightly by Rs.100 per qtl at Rs.3900-4400 per qtl. The arrivals were marginally low and offtake was steady at 30,000 bags and 15,000-20,000 bags respectively. As per trade sources prices the low priced chilli variety were unavailable and surge in price is unlikely to sustain. The current inventory level at 32-33 lakh bags and is higher as compared to last year during this time when the stock level was around 20 lakh bags. Prices for the commodity is likely to trade weak due to lack luster domestic demand and steady export demand. The long term trend for the commodity is likely to remain bearish due to ample of stock and increase in acreage.

### FUTURES MARKETS

Red chillies most active October futures settled firm by 1.11 percent at Rs.4640 as against previous close price. The contract opened weak at Rs.4583 and during early hours witnessed a low at Rs.4560 and thereafter surged to Rs.4640. Open interest gained amidst marginally low volumes not supportive to the fall in prices. The fall in close price and gain in open interest is indicating short accumulation.

### PRICE DRIVERS

#### Bullish:

- Export up by 102% during April-July 2007

#### Bearish:

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

### WEATHER

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

### TECHNICALS

Candlestick is indicating weak opening and thereafter buying at lower levels amidst low volumes not supportive to the price movement. The close marginally below 9-day EMA is supportive to the firm trend. 9-day RSI is neutral and moving slightly upwards leaving scope for further upmove in prices. MACD is steady in positive territory supporting the firm trend. Red chillies futures are likely to trade firm following a steady opening and slight dip towards the close.

CHLL334GTR 0710(NCGTRV7)2007/09/18 - Daily B:4640.00 A:4641.00  
O 4583.00 H 4640.00 L 4560.00 C 4640.00 V 2,290 I 5,505 +49

EMA(9) 4582.5 (14) 4547.2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4463	4514	4640	4772	4834

### TRADE RECOMMENDATION

Buy NCDEX October Chilli at Rs. 4640-4655 or market open with a target of Rs. 4689 and then Rs.4712 with a strict stop loss of Rs. 4612. 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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