

■ BLACK PEPPER

■ Sep 17, 2007

SPOT MARKETS

Domestic black pepper markets remain stable during Friday's trade. It was offered in an unchanged price range in benchmark Kochi market amid no arrivals as well as offtake. Sellers were not active at lower price levels and consequently prices are hovering in a narrow range for last couple of days. However, buyers are also on the sideline given the higher volatility in the recent past. Traders are expecting domestic demand to improve shortly eyeing the festival season ahead. Typically, the overseas demand also improves during September-October period. Global supply shortage and price competitiveness of Indian pepper has resulted into increased shipment from the country in the past few months and likely to cross the current fiscal year (April 2007- March 2008) target of 30,000 tonnes.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active October contract tested an intraday high of Rs. 12690 at the early hours of trade. The futures traded sharply downwards thereafter and the October contract tested an intraday low of Rs. 12325. Most active October contract finished lower by Rs. 160 or 1.26 per cent after trading in the range of Rs. 12325-12690 on Friday.

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 over few places in growing region. It would be beneficial for the growth of newly planted and old vines.

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 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 as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0710(NCPEPV7)2007/09/14 - Daily B:12340.00 A:12350.00
O 12525.00 H 12690.00 L 12329.00 C 12340.00 V 14,008 I 11,193 -165
EMA(9) 12444 (18) 12556



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	11817	12043	12340	12559	12773

TRADE RECOMMENDATION

Sell NCDEX October Black Pepper near Rs. 12375-12400, with a target of Rs. 12275, then at Rs. 12250, with a strict stop loss of Rs. 12475. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12600	-
	Ungarbled	12000	

CARDAMOM

Sept 17, 2007

SPOT MARKETS

Domestic cardamom prices at the Vandanmedu auctions continue to remain steady as that of previous trading session where as Rs. 20 per kg down as against last week. Out of total arrivals of 13000 kg around 12800 kg was sold. Domestic demand was steady where as exporters were absent at the auctions. Currently 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. 527 at the early hours of trade. The futures traded downward thereafter and the October contract tested an intraday low of Rs. 516. Most active October contract finished lower by Rs. 9 or 1.71 per cent after trading in the range of Rs. 516-527 during Friday'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 neutral region and about to enter the oversold region, leaving scope for further downtrend. MACD remains indecisive in negative territory. Volume as well as open interest has increased as compared to previous settlement, strengthening the downtrend. Cardamom futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

CARDAMOM 0710(MXCAMV7)2007/09/14 - Daily B:516.00 A:517.50

O 525.00 H 527.00 L 516.00 C 516.50 V 469 T 107,104 I 549 -9

EMA(9) 527.31 (18) 533.35



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	503.6	510	516.5	524.5	530.8

TRADE RECOMMENDATION

Sell MCX October Cardamom near Rs. 518 with a target of Rs. 515 and then 514 with a strict stop loss of Rs. 520. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	480	13000

CUMIN

Sep 17, 2007

SPOT MARKETS

Domestic jeera prices at the benchmark Unjha market extended the weakness on low buying interest. Prices for the commodity were traded weak by Rs.60 per 20 kg for the fair average quality. The arrivals and offtake gained at 2500-3000 bags and 6000-7000 bags respectively. 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 firm at Rs.10518 as against previous settlement. The futures during the early hours surged up to Rs.10690 and thereafter slumped and made a steep fall to Rs.10260 during the late trading session. The open interest dropped amidst gain in volumes supportive to the fall in prices. The futures then closed at Rs.10285 down by 2.22 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 rainfall is 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 supported with good 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 followed by steady opening and slight upmove towards the close.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	9908	10063	10285	10645	10837

TRADE RECOMMENDATION

Sell NCDEX October Jeera at Rs.10295-10305, with a target of Rs. 10238 then at Rs.10201, with a strict stop loss at Rs.10334. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2100-2120	
	Ganesh	2300-2340	2500-3000
	Machine Cleaned	2380-2500	

TURMERIC

Sept 17, 2007

SPOT MARKETS

Turmeric prices at the domestic markets traded steady as that of previous trading session. The Nizamabad markets remained closed due to no arrivals at the auctions. 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 3000 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 firm at Rs.2060 as against previous close price. The futures during the early hours surged up to Rs.2071 and thereafter made a steep fall to Rs.2053 on selling pressure. The open interest dropped amidst low volumes not supportive to the price movement. The futures then closed at Rs.2055 slightly down by 0.29 percent as against Thursday'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 and outside Telangana region. Rains at present are beneficial for the crop at its growing stage.

TECHNICALS

Candlestick is indecisive amidst low volumes not supportive to the slight decline in prices. 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 followed by steady opening, initial upmove and weakness towards the close.

Turmeric 0710(NCTMCV7)2007/09/14 - Daily B:2054.00 A:2056.00
O 2060.00 H 2071.00 L 2053.00 C 2055.00 V 6,650 I 17,100 -4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX October	2014	2026	2055	2103	2121

TRADE RECOMMENDATION

Sell NCDEX October Turmeric at Rs.2057-2060 or market open with a target of Rs.2042 and then Rs. 2034 with a strict stop loss of Rs.2066. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	-	-
Erode	Finger	2100-2150	3000
	Gattah	2000-2050	-

CHILLI

Sept 17, 2007

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 low at 30,000 bags and 10,000 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 steady and are likely to gain on the onset of Ramzan festival beginning from 14th September onwards. Prices are likely to remain rangebound to slightly firm on anticipation of good export advices.

FUTURES MARKETS

Red chillies most active October futures settled down by 0.50 percent at Rs.4557 as against previous close price. The contract opened steady at Rs.4575 and during the early hours witnessed an intraday high at Rs.4581 and thereafter slumped to Rs.4528 on selling pressure. Open interest gained marginally amidst slight upmove 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:

- 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 Karnataka and over Andhra Pradesh. Rainfall during the initial growing stage is beneficial for the crop.

TECHNICALS

Candlestick is indicating indecisiveness in the market amidst gain in volumes supportive to the decline in close price. The close marginally below 9-day EMA is supportive to the bears. 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 followed by steady opening and slight upmove towards the close.

CHLL334GTR 0710(NCGTRV7)2007/09/14 - Daily B:4557.00 A:4564.00
O 4575.00 H 4581.00 L 4528.00 C 4557.00 V 2,155 I 5,060 -17

EMA(9) 4562.4 (14) 4524.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Oct	4394	4464	4557	4720	4803

TRADE RECOMMENDATION

Sell NCDEX October Chilli at Rs. 4560-4563 or market open with a target of Rs. 4503 and then Rs.4468 with a strict stop loss of Rs. 4598. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3800-4300	30,000

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>