

■ BLACK PEPPER

■ Oct 13, 2007

SPOT MARKETS

Black pepper domestic auctions were firm with the Malabar Garbled variety fetching Rs. 200 higher at the Kochi markets. Tight supply position and buying support are seen maintaining the markets buoyant. The exporters are also active in the domestic markets due to depleting inventories at the major producing countries. Meanwhile, some traders are said to have bought Asta grade from Indonesia, thereby pushing up the prices of Indonesian parity. Besides, the spices industry engaged in value addition also bought B2 and B1 pepper from Brazil. The overseas market also moved up in tandem with the Indian futures counter.

FUTURES MARKETS

Pepper futures traded volatile and range-bound to firm at NCDEX. The most active November contract opened weak at Rs. 14079/qtl, Rs. 59 down the previous close and traded down initially to test an intraday low of Rs. 13950/qtl. Prices improved thereafter on increased buying interest and the contract tested an intraday high of Rs. 14370/qtl. Active selling at higher levels pressurized the market and prices slumped to settle at Rs. 14097/qtl. Open interest improved, while volume was 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
3. Good domestic and overseas demand

Bearish:

1. Sellers active at higher price levels

WEATHER

Good sunshine and occasional rains are conducive for the growth of the vines.

TECHNICALS

Candlestick pattern suggests indecision in the market, which is supported by a flat RSI in the overbought region. An upward bound MACD and Stochastic indicate some firmness in the market. Prices closed above the short term EMAs, which also points towards a firm market. Pepper futures are likely to trade sideways with a firm tone in the next trading session. A strong resistance is seen at 14340 levels, breaking which pepper futures are likely to resume the uptrend.

Pepper 0711(NCPEPX7)2007/10/12 - Daily B:14082.00 A:14105.00
O 14079.00 H 14365.00 L 13950.00 C 14097.00 V 18,453 9,840 +57
EMA(9) 13433 (18) 13031



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	12206	13268	14097	14705	14930

TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 14050-14100, with a target of Rs. 1425, then at Rs. 14300, with a strict stop loss of Rs. 13950. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14,000	-
	Ungarbled	13,400	-

CARDAMOM

Oct 13, 2007

SPOT MARKETS

Cardamom spot markets remained steady at the auctions at Vandanmedu with the good quality lots from fresh arrivals fetching Rs. 10 higher than the previous settlement. The cardamom crop is in the second round of picking in Kerala and the arrivals of fresh and good quality capsules have picked up in the domestic auctions. The prevailing weather conditions in the cardamom growing areas of Kerala is favouring the standing crop as well as harvesting and hence further decline in production is ruled out. Entry of exporters in the market will gain momentum with a dip in the prices of Indian parity to match the Guatemalan capsules.

FUTURES MARKETS

Cardamom futures traded weak at MCX on short accumulation. The most active November contract opened weak at Rs. 524/kg, Rs. 3 down the previous settlement and traded steadily down to test an intraday low of Rs. 515/kg. Prices improved thereafter on some buying support and the contract settled at Rs. 518/kg. Volume and open interest surged as compared to the previous day, suggesting short accumulation.

PRICE DRIVERS

Bearish:

1. Higher prices limiting export queries

Bullish:

1. Domestic and global production estimated lower
2. Improved domestic demand

WEATHER

Good sunshine and intermittent light showers are seen favouring the harvesting as well as growth of standing crop.

TECHNICALS

Candlestick pattern suggests weak opening and further downtrend. Prices closed below short term EMAs, suggesting weak market. MACD is almost flat and has made a bullish crossover, suggesting some medium term firmness in the market. Stochastic is falling slowly and has made a bearish crossover, suggesting weak trend. Short term weakness is supported by a descending RSI also. Cardamom futures are likely to trade weak in the next trading session with some late upward movement. An immediate support to the prices is seen emerging at 513 level.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	503	507.5	518	542	553.5

TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 518-520 with a target of Rs. 513 and then 511 with a strict stop loss of Rs. 523. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Vandanmedu

500

14,300

CUMIN

Oct 13, 2007

SPOT MARKETS

Domestic Jeera prices at the benchmark Unjha markets continued to trade firm and extended the buying support. The prices were quoted higher by Rs.40 per 20kg as against previous close price. The arrivals remained steady at 2500 bags whereas the offtake improved significantly to 9000-10000 bags. As per trade sources the demand for the commodity improved further in domestic market. Overseas buyers from Gulf, European countries, Malaysia and Srilanka were active in the market. Adding to firm demand upcoming festivals like Dushera and Diwali is supportive for prices in the medium term. The current stock position in the market is reported to be low at around 5-6 lakh bags and this is likely to cause demand and supply mismatch and favour the uptrend in prices.

FUTURES MARKETS

NCDEX Jeera most active November futures closed weak by 0.52 percent at Rs.10860 as against previous close price. The futures moved in a range of Rs.10820 and Rs.11041 and witnessed short accumulation amidst low volumes. The December futures moved in a range of Rs.11100 and Rs.11332 and witnessed short accumulations and closed at Rs.11131 down by 0.84 % as against previous close price.

PRICE DRIVERS

Bullish:

1. Lower domestic and global production

Bearish:

1. Export down 16.35% in quantity during August 2007 as against August 2006
2. Subdued domestic and overseas demand inspite of festive season.

WEATHER

Dry weather is likely over Gujarat and elsewhere in North Western regions.

TECHNICALS

A long upper shadow is suggesting initial uptrend and thereafter selling coming in towards the close amidst low volumes not supportive to the fall in close price. RSI is hesitantly moving downwards supportive to the weakness in prices. Rising Stochastic and MACD moving towards the positive region is favouring the firmness in prices. The close above the EMA's is also supportive feature to the medium term firmness in prices. Jeera prices are likely to trade firm with slight weakness during the initial session.

JEERA 0711(NCJEE7)2007/10/12 - Daily B:10852.00 A:10862.00
O 10900.00 H 11041.00 L 10821.00 C 10860.00 V 10,620 17,815 -65

EMA(9) 10567 (18) 10474



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	10362	10492	10860	11514	11718

TRADE RECOMMENDATION

Buy NCDEX November Jeera at Rs.10820-10830 or below with a target of Rs. 10906 then at Rs.10978 with a strict stop loss at Rs.10781. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2270-2250	
	Ganesh	2460-2500	3000
	Machine Cleaned	2530-2660	

TURMERIC

Oct 13, 2007

SPOT MARKETS

All the domestic turmeric markets continued the firmness as that of previous session on the eve of festive buying coming in. At Erode the prices improved further by Rs.25 per qtl after trading steady for a long period and around 75% sale of total arrivals of 3500 bags. At Nizamabad the prices for fingers remained steady at Rs.1925 per qtl amidst steady arrivals and offtake. Domestic buying for the commodity is active on the eve of Dusshera and Diwali and demand is likely to remain firm during the days ahead. Overseas buyers are active from Gulf and Japan. Prices of Turmeric are likely to trade rangebound to slightly firm during next trading session.

FUTURES MARKETS

NCDEX turmeric most active November futures closed slightly up at Rs.2041 or by 0.29 % on fresh buying. The contract moved in a range of Rs.2034 and Rs.2050 and witnessed short covering. The far month December futures witnessed long accumulation amidst good volumes and open interest and moved in a range of Rs.2086 and Rs.2010.

PRICE DRIVERS

Bearish:

1. Good stock level for the season at the major growing areas.

Bullish

1. Good export demand in the market.
2. Improved domestic demand due to festive season ahead.

WEATHER

Rains are likely at few places over Tamil Nadu and dry weather over Madhya Maharashtra and A.P. Rains at present are beneficial for the crop at its growing stage.

TECHNICALS

The contract has closed slightly above the 9-day EMA and below the 18-day EMA and formed a Doji suggesting indecisive movement. Fall in open interest and low volumes are not favouring the firmness in close. Stochastic is moving downwards and MACD is in the negative region. RSI is rising slightly in the neutral region hinting slight upmove in prices. Turmeric prices are likely to move sideways following a steady opening and thereafter slight weakness towards the close.

Turmeric 0711(NCTMCX7)2007/10/12 - Daily B:2040.00 A:2043.00
O 2038.00 H 2050.00 L 2034.00 C 2041.00 V 4,040 I 11,360 +6
EMA(9) 2039.0 (18) 2059.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1990	2007	2041	2090	2109

TRADE RECOMMENDATION

Buy NCDEX November Turmeric at Rs.2039-2041 or market open with a target of Rs.2052 and then Rs.2064 with a strict stop loss of Rs.2034. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1925	1000
	Gattah	1870	
Erode	Finger	2150-2200	3500
	Gattah	2050-2100	

■ CHILLI

■ Oct 13, 2007

SPOT MARKET

Chilli, at the benchmark Guntur market recovered slight after a sluggish trade. The prices recovered by Rs.50 - Rs.100 per qtl and were quoted at Rs.3800-4250 per qtl. The arrivals were low at 25000 bags amidst steady offtake as that of previous trade at 15000 bags. Arrivals from Madhya Pradesh were reported to be good at 15000 bags. Overseas demand is likely to gain pace after Ramzan and slight improvement is likely on the domestic front after Dushera. Chilli prices in the medium term is likely to trade steady to weak due to lack luster domestic as well as overseas demand amidst ample stocks at the Guntur warehouse at around 26.5-27 lakh bags at present.

FUTURES MARKETS

Chilli most active November futures opened weak at Rs.4160 and moved in a narrow range of Rs.4180 - Rs.4126 and closed weak by 0.55 % or at Rs.4160. The change in close price and open interest is suggesting short accumulation. The near month contract has witnessed long liquidation and move in a range of Rs.4291 and Rs.4347.

PRICE DRIVERS

Bullish:

1. Export up by 34.23% during August 2007 as against August 2006

Bearish:

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

WEATHER

Rains are likely at a few places Tamil Nadu and dry weather near Andhra Pradesh Rainfall is beneficial for the crop at present during its growing stage, as long as there are no floods.

TECHNICALS

An indecisive doji is suggesting prices are likely to move on either side during the next trading session. The gain in open interest is favouring the fall in close amidst low volumes. The close below the EMA's and falling RSI is a supportive feature to the fall in prices. The stochastic is moving downwards while the MACD is hesitantly moving towards the negative territory is also hinting weakness in prices. Chilli futures are likely to trade weak following a steady to weak opening and thereafter a slight recovery to wards the close.

CHLL334GTR 0711(NCGTRX7)2007/10/12 - Daily B:4160.00 A:4168.00
O 4160.00 H 4180.00 L 4126.00 C 4160.00 V 1,415 I 5,400 -10
EMA(9) 4239.0 (18) 4294.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4014	4069	4160	4241	4304

TRADE RECOMMENDATION

Sell NCDEX November Chilli near Rs. 4155-4160 or below with a target of Rs. 4118 and then Rs.4085 with a strict stop loss of Rs. 4176. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3800-4250	25000

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