

## ■ BLACK PEPPER

■ Oct 05, 2007

### SPOT MARKETS

Pepper spot markets traded firm. Demand is seen strengthening from the north India ahead of festival season and winter. Adverse weather conditions have dented pepper production estimates in 2008. Indian output is projected lower by 15-20% on year at 45,000 tonnes due to damages caused by the rains. The total global production in 2007 is expected to be around 2.11 lakh tonnes as against the 2.66 lakh tonnes in 2006 amidst a growth in consumption by 3%. Internationally, pepper prices remain firm at all other origins. European operators are also seen buying from India before Christmas. Increased domestic and overseas demand amidst squeeze in supply will maintain the markets firm.

### FUTURES MARKETS

Pepper futures traded weak at NCDEX. The most active November contract opened at Rs. 12590/qrtl and traded slightly up in the opening session to test an intraday high of Rs. 12625/qrtl. Increased selling pressure pressurized the prices thereafter and the contract slipped to test an intraday low of Rs. 12206/qrtl. Prices improved later on some buying interest at lower levels to close at Rs. 12331/qrtl, down 1.25%. Open interest and volume improved, suggesting short accumulation.

### 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 and thunder showers in the pepper growing tracts are likely to damage the crop.

### TECHNICALS

Pepper is trading in a range, and a breakout is needed to establish a trend. Close above the short term EMAs, and upward bound Stochastic suggest firm prices. MACD is rising slowly in the negative region, indicating medium term firmness. RSI is falling sharply in the neutral region, suggesting further downtrend. Pepper is likely to trade weak with some late upward movement, after opening steady to slightly firm.

Pepper 0711(NCPEPX7)2007/10/04 - Daily B:12337.00 A:12369.00  
O 12590.00 H 12625.00 L 12206.00 C 12331.00 V 12,705 I 7,825 -254



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	11655	11855	12331	13022	13402

### TRADE RECOMMENDATION

Sell NCDEX November Black Pepper near 12350-12375, with a target of Rs. 12200, then at Rs. 12150, with a strict stop loss of Rs. 12460. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12,500	-
	Ungarbled	11,900	

### SPOT MARKETS

Good buying support and supply crunch have maintained the cardamom auctions at Bodinayakanur steady. Good quality capsules were quoted at Rs. 500/kg, while the discolored ones were sold at Rs. 370-380/kg. Delayed rains in the early crop season have resulted in lower crop estimates of 20-30%, while the untimely rains in September has further lowered the estimates. Arrivals in the physical markets are also reported lower due to late harvesting. Tight supply situations in the domestic and overseas market amidst improved demand ahead of festivals are likely to buoy the markets.

### FUTURES MARKETS

Cardamom futures traded weak at MCX on some long liquidation, hitting the lower circuit. The most active October contract opened weak at Rs. 584/kg, Rs. 2.50 down the previous close and traded up in the opening session to test an intraday high of Rs. 592.50/kg. Increased selling activity pressurized the market and the contract slipped to close at the day's low of Rs. 551.50/kg, 5.97% lower. Open interest dipped slightly, while volumes improved as compared to the previous day, indicating some long liquidation.

### PRICE DRIVERS

#### Bearish:

1. Weak domestic and overseas demand

#### Bullish:

1. Domestic production estimated lower

### WEATHER

Rains in the cardamom growing areas are likely to result in epidemic attack of fungal rot and thrips.

### TECHNICALS

A long dark candle is formed in the charts, with some initial uptrend. Prices closed above 9- day EMA, indicating some short term firmness in the prices. MACD is flat in the positive territory, while Stochastic is flat in the overbought region, leaving room for movement in either direction. RSI is sharply declining in the neutral territory, suggesting strong bearish tendency in the short term. Cardamom futures are likely to trade weak in the next session after opening firm and possibility of some late upward movement.

CARDAMOM 0710(MXCAMV7)2007/10/04 - Daily A:551.50

O 584.00 H 592.00 L 551.50 C 551.50 V 1,735 T 491,078 I 1,455 -35

EMA(9) 559.94 (18) 549.08



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	527.5	535.5	551.5	592	605.5

### TRADE RECOMMENDATION

Sell MCX October Cardamom near Rs. 560 with a target of Rs. 555 and then 552 with a strict stop loss of Rs. 564. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodiyayakanur

500

14,500

## CUMIN

Oct 05, 2007

### SPOT MARKETS

Domestic Jeera prices at the benchmark Unjha market extended the firm trend. The prices for the commodity surged further by Rs.20 per 20 kg on fresh buying coming at lower levels. The arrivals declined marginally amidst slight gain in the offtake at 2500 bags and 7000 bags respectively. Domestic buyers remained active due to the festive demand for Dushera and Diwali ahead. Presence of exporters for European countries, Singapore and Bangladesh was also reported to be seen at the auction. Festive demand is likely to support the prices to some extent during the days ahead amidst low stock level for jeera at the spot market. Prices for the commodity in the medium term are likely to trade rangebound to slightly firm amidst improving domestic demand and anticipation of good export demand during the days ahead.

### FUTURES MARKETS

NCDEX Jeera most active November futures opened firm at Rs.10160. The futures after opening firm during the early hours slipped to witness an intraday low at Rs.10034 and surged up to Rs.10271. The open interest remained unchanged amidst gain in volumes. The futures then closed at Rs.10114 slightly weak by Rs.3 as against Wednesday's 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

Formation of Doji is suggesting indecisive price movement. MACD is flat in negative region and RSI is flat in neutral zone suggesting both way movements. The close above the short term EMA's is supportive to the firm trend in the market for a short term. Jeera prices are likely to trade rangebound to slightly firm following a steady opening during the next trading session.

JEERA 0711(NCJEE7)2007/10/04 - Daily B:10105.00 A:10114.00  
O 10160.00 H 10271.00 L 10034.00 C 10114.00 V 14,496 18,358 -35  
EMA(9) 10058 (18) 10261



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	9735	9849	10114	10478	10595

### TRADE RECOMMENDATION

Buy NCDEX November Jeera at Rs.10095-10100 or market open with a target of Rs. 10171 then at Rs.10251 with a strict stop loss at Rs.10056. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2190-2210	
	Ganesh	2390-2430	2500
	Machine Cleaned	2470-2590	



## TURMERIC

Oct 05, 2007

### SPOT MARKETS

Turmeric prices at physical markets continued to trade steady. At benchmark Nizamabad market the prices were quoted at Rs.1950 per quintal unchanged from previous trading session. The arrivals and offtake were reported to be around 1500 bags. Whereas at the Erode markets the prices maintained its steady trend at Rs.2100-2150 per quintal amidst 70 % sale out of total arrivals of 3700 bags. As per trade sources local demand is reported to be slightly better due to festive demand amidst steady export advices from traditional buyers like Gulf and Japan. Prices for the commodity are likely to trade rangebound in the medium term despite festive demand amidst ample stocks in the market.

### FUTURES MARKETS

NCDEX turmeric most active November futures tested fresh lows and closed at Rs.2028 marginally down by 0.19 %. The futures traded between Rs.2035 and Rs.2011. The fall in close price and gain in open interest is suggesting short accumulation. The near month October contract traded between Rs.1973-1952. The fall in close price and open interest is suggesting long liquidation.

### PRICE DRIVERS

#### Bearish:

1. Good stock level for the season.

#### Bullish

1. Good export demand in the market.
2. Improved domestic demand

### WEATHER

Rain / thundershowers are likely over Coastal Andhra Pradesh. Rainfall is beneficial for the crop at present during its growing stage, as long as there are no floods.

### TECHNICALS

Formation of Doji is suggesting both way movements in the prices during the next trading session. The close below the EMA's is favouring the bears in the market. MACD is in negative region and falling and RSI is in oversold region leaving scope for further slump in prices. Gain in open interest is supportive to the dampness in prices. Turmeric futures are likely to trade weak following a steady opening and late recovery.

Turmeric 0711(NCTMCX7)2007/10/04 - Daily B:2022.00 A:2027.00  
O 2030.00 H 2035.00 L 2012.00 C 2028.00 V 7,640 I 10,540 -5



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1998	2009	2028	2066	2085

### TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.2032-2034 or market open with a target of Rs.2021 and then Rs.2015 with a strict stop loss of Rs.2037. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1950	1500
	Gattah	1850	
Erode	Finger	2100-2150	3700
	Gattah	2000-2050	

### SPOT MARKET

Chilli prices at the Guntur physical markets extended the selling pressure during the second consecutive day. The prices continued to trade weak at Rs.3800-4300 per quintal. The arrivals and offtake were reported to be around 50000 bags and 20000 bags respectively. Domestic demand was failed to improve and support any firmness in prices. Weak overseas demand from the traditional buyers like Bangladesh suppressed the prices amidst ample of stock in the market. As per trade sources export demand is likely to gain its momentum after the Ramzan festivals. Chilli prices in the medium term is likely to trade steady to weak due to lack luster domestic demand as well as overseas demand amidst ample of stocks at the Guntur ware house.

### FUTURES MARKETS

Chilli most active November futures opened weak and traded between Rs.4370 and Rs.4151. The gain in open interest and fall in close price is suggesting short accumulation amidst good volumes. The futures closed down by 5.55 % at Rs.4151 after breaching 4 % lower circuit during the initial trading session.

### PRICE DRIVERS

#### Bullish:

- Export up by 34.23% during August 2007 as against August 2006

#### Bearish:

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

### WEATHER

Rain / thundershowers are likely over few places at Andhra Pradesh. Rainfall is beneficial for the crop at present during its growing stage.

### TECHNICALS

A bearish marubazu is suggesting selling pressure in the market. Gain in volumes and open interest is supportive to further fall in prices. MACD is moving towards the negative territory and RSI is hesitantly moving towards the oversold region leaving scope for further fall in prices. The close below the EMA's is favouring the dampness in the prices. Chilli futures are likely extend its weakness during the early hours and thereafter a slight recovery towards the close.

CHLL334GTR 0711(NCGTRX7)2007/10/04 - Daily B:4151.00 A:4158.00  
O 4370.00 H 4370.00 L 4151.00 C 4151.00 V 3,365 I 3,600 -242

EMA(9) 4390.9 (18) 4399.1



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	3999	4058	4151	4447	4533

### TRADE RECOMMENDATION

Sell NCDEX November Chilli near Rs. 4176-4185 or below with a target of Rs. 4101 and then Rs.4073 with a strict stop loss of Rs. 4207. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3800-4300	50000

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