

## ■ BLACK PEPPER

■ Oct 08, 2007

### SPOT MARKETS

Physical markets of black pepper were firm on good domestic demand amidst lower arrivals. The domestic demand has surged on account of buying interest ahead of festival season and winter. There is good buying interest from European dealers before Christmas and from Middle East ahead of Eid. The Indian parity remains competitive in the world market and is offered at par with the Brazilian produce. Internationally, pepper markets remained stable at Sri Lanka and Vietnam, while prices eased at Lampung and Sarawak. Improved demand from domestic and overseas buyers coupled with squeeze in physical availability is maintaining the markets firm.

### FUTURES MARKETS

The most active November contract opened firm at Rs. 12750/qrtl, Rs. 85 above the previous settlement. After trading down to test an intraday low of Rs. 12710/qrtl, the prices surged on increased buying activity to test an intraday high of Rs. 13307/qrtl. Prices slumped thereafter on some profit taking and the contract settled at Rs. 13192/qrtl, 4.16% above the previous close. Increase in open interest amidst higher volumes traded suggests long 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
3. Good domestic and overseas demand

#### Bearish:

1. Sellers active at higher price levels

### WEATHER

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

### TECHNICALS

A long hollow candle is formed in the chart, suggesting a firm opening. Prices remain above the short term EMAs, indicating short term firmness in the market. MACD is rising into the positive territory, while RSI and Stochastic are rising in the neutral region, suggesting further uptrend in prices. All the technical indicators are supporting a firm market. Pepper is likely to trade firm in the next session with some late downward movement. 13415 is seen providing an immediate resistance to the uptrend.

Pepper 0711(NCPEPX7)2007/10/06 - Daily B:12994.00 A:13000.00  
O 12538.00 H 13110.00 L 12501.00 C 12998.00 V 14,501 18,350 +491  
EMA(9) 12431 (18) 12396



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	11655	11855	12998	13415	14307

### TRADE RECOMMENDATION

Buy NCDEX November Black Pepper near 12975-13000, with a target of Rs. 13175, then at Rs. 13225, with a strict stop loss of Rs. 12875. Trade with intraday outlook.

Centers	Variety	Price/QtI	Arrival (Tonnes)
Kochi	Garbled	12,700	-
	Ungarbled	12,100	



## ■ CARDAMOM

■ Oct 08, 2007

### SPOT MARKETS

Cardamom domestic auctions remained steady on good buying support amidst lower arrivals. Good quality capsules were quoted flat at Rs. 510/kg. The lower production estimates, along with the festive demand has triggered the current uptrend in cardamom prices. The higher price of Indian parity is restricting entry of exporters into the market. Indian cardamom is priced higher than the Guatemalan produce by over USD 5. However, the improved demand for the spice from the domestic centres amidst supply concerns is likely to maintain the prices higher in the months to follow.

### FUTURES MARKETS

Cardamom futures plunged after an initial uptrend. The most active October contract opened weak at Rs. 527.50/kg, Rs. 1.50 down the previous settlement and traded up in the opening session to test an intraday high of Rs. 536.50/kg. Sellers emerging at higher levels pressurized the market and the prices slumped to test an intraday low of Rs. 510/kg, before settling slightly higher at Rs. 513.50/kg. Open interest and volume traded dipped as compared to the previous day.

### 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 suggesting a weak opening and an initial uptrend. The prices remain below the EMAs, suggesting weakness in prices. MACD is falling in the positive territory, while RSI is falling in the neutral region. Stochastic is also descending in the neutral zone after a bearish crossover. Overall, technicals indicate short term weakness in the market. Cardamom is likely to trade weak in the next trading session with some late upward movement. 492.5 is seen providing some good resistance to the downtrend.

CARDAMOM 0710(MXCMV7)2007/10/06 - Daily B:511.50 A:512.00  
O:527.50 H:536.50 L:510.00 C:513.50 V:683 T:599 I:553 -15.5  
EMA(9) 545.70 (18) 543.45



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX October	492	506	513.5	527.5	544

### TRADE RECOMMENDATION

Sell MCX October Cardamom near Rs. 515 with a target of Rs. 509 and then 507 with a strict stop loss of Rs. 519. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Pulianmalai	510	14,000

### SPOT MARKETS

Jeera trade at the benchmark Unjha markets witnessed a firm trend during the last day of the week. Improved local buying moved jeera prices up by Rs.20 per 20 kg. The arrivals remained steady amidst significant gain in offtake up to 8000 bags. Active overseas buying from Gulf and European countries as well surge in prices at the futures counter further supported the upmove in prices. As per trade sources prices are likely to rule firm till the Diwali festival as the buying is seen emerging at the lower price level. The current stock position in the market is reported to be around 5-6 lakh bags. Prices for the commodity is likely to trade firm during the days ahead as festive demand for Dushera and Diwali is seen emerging at the lower price level amidst low stock level at around 6-7 lakh bags for the season.

### FUTURES MARKETS

NCDEX Jeera most active November futures rallied between Rs.10290 and Rs.10590 after opening firm at Rs.10301. The contract witnessed long accumulation. Both the volumes as well as open interest gained supportive to the firm close. The futures closed firm at Rs.10346 firm by 1.57 percent 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

Candlestick is suggesting initial uptrend and thereafter selling coming in due to profit booking towards the closing session. The gain in volumes and open interest supported the upmove in prices. RSI is flat in neutral region hinting both way move in price while MACD is in negative region supportive to the weakness in price. Rising Stochastic in the neutral region and the close above the EMA's is supportive to further upmove in prices. Jeera futures are likely to trade firm following a steady opening.

JEERA 0711(NCJEE7)2007/10/06 - Daily B:10348.00 A:10354.00  
O 10301.00 H 10590.00 L 10290.00 C 10346.00 V 17,730 I 8,400 +56

EMA(9) 10153 (18) 10273



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	9819	9955	10346	10768	10870

### TRADE RECOMMENDATION

Buy NCDEX November Jeera at Rs.10340-10350 or market open with a target of Rs. 10425 then at Rs.10511 with a strict stop loss at Rs.10301. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2210-2230	
	Ganesh	2410-2450	2500
	Machine Cleaned	2490-2610	



## TURMERIC

Oct 08, 2007

### SPOT MARKETS

All the major turmeric physical markets remained closed due to the weekly close. The prices for the commodity at Nizamabad market during the week declined marginally to by Rs.25 and moved in the range of Rs.1925-1950 per quintal. Domestic buying for the commodity is active on the eve of Dushera and Diwali. However the prevailing demand is not supporting any upmove in prices due to supply glut and ample of stock level for the season at around 20.5 lakh bags at the major producing areas of the country. Overseas buyers are active from Gulf and Japan where as traders anticipate the European buyers to enter the market after a fortnight. Prices of Turmeric are likely to trade rangebound to weak during the days of the week.

### FUTURES MARKETS

NCDEX turmeric most active November futures closed slightly down at Rs.2035 or 0.14 percent after initial upmove. The futures moved in a range of Rs.2035 and Rs.2060. The fall in close price and open interest is suggesting long liquidation amidst gain in volumes supportive to fall in close.

### 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 at many places over north Andhra Pradesh during next 24 hours and decrease thereafter and isolated over Tamil Nadu. Rains at present are beneficial for the crop at its growing stage.

### TECHNICALS

Candlestick is indicating initial upmove and thereafter profit booking towards the close. Gain in volumes supported the slight dip during the close. RSI is flat in oversold region while MACD is in negative territory favouring the bears. The close below the EMA's is hinting further dampness in prices. Turmeric futures are likely to trade weak following a steady opening and possibility of late upmove in prices.

Turmeric 0711(NCTMCX7)2007/10/06 - Daily B:2034.00 A:2040.00  
O 2041.00 H 2060.00 L 2035.00 C 2035.00 V 6,480 I 10,720 -4



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1995	2012	2035	2072	2086

### TRADE RECOMMENDATION

Sell NCDEX November Turmeric at Rs.2037-2040 or market open with a target of Rs.2026 and then Rs.2014 with a strict stop loss of Rs.2045. Trade cautiously with intraday outlook.

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

## CHILLI

Oct 08, 2007

### SPOT MARKET

Chilli, Guntur market remained closed due to weekly off. Chilli prices during the week declined by Rs.100per qtl as against week ago. Surge in daily arrivals amidst lack of buying interest added to the selling pressure and dampened the prices. Expectation of fresh arrivals from Madhya Pradesh crop from 1<sup>st</sup> week of November onwards as well as huge stock around 28 lakh bags as on 30th September 2007 at the trading centers has pulled down the prices for the chilli. Weak overseas demand from traditional buyers like Bangladesh depressed the prices further. As per trade sources export demand is likely to gain momentum after Ramzan festivals. Chilli prices in the medium term are likely to trade steady to weak.

### FUTURES MARKETS

Chilli most active November futures opened weak at Rs.4230 and traded between Rs.4215 and Rs.4299. The gain in open interest and close price is suggesting long accumulation amidst steady volumes. The futures closed firm by 0.95 % at Rs.4274 as compared to Friday's close price.

### 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

Rain/thundershowers are likely at many places over north Andhra Pradesh during next 24 hours and decrease thereafter. Rainfall is beneficial for the crop at present during its growing stage.

### TECHNICALS

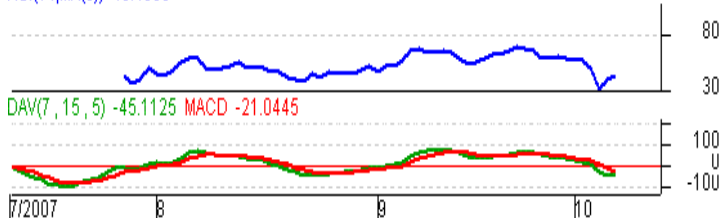
Candlestick is indicating initial weakness and there after fresh buying at lower levels amidst gain in open interest and good volumes. Rising RSI in the neutral region is supportive to further upmove in prices. MACD is flat in negative region and EMA's are supportive to the weakness in prices. Chilli prices are likely to move sideways following a steady to firm opening.

CHLL334GTR 0711(NCGTRX7)2007/10/06 - Daily B:4270.00 A:4278.00  
O 4230.00 H 4299.00 L 4215.00 C 4274.00 V 1,675 | 4,150 +38

EMA(9) 4342.8 (18) 4370.6



RSI(14,MA(8)) 43.4380



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4124	4179	4274	4406	4492

### TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4270-4275 or below with a target of Rs. 4328 and then Rs.4373 with a strict stop loss of Rs. 4233. Trade cautiously with intraday outlook.

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

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