



Commodities Research

Spices \_\_\_\_\_ 03 July 2009

LTP

Pepper July (12635) ↑

Guarseed July (1842) ↑

Soyaoil July (474.15) ↓

## Pepper

Pepper prices ended up for the first day this week after falling for three consecutive days as availability of stocks remained scarce in the market. Healthy demand in the domestic market also contributed towards pepper's rise on Thursday. The gains were, however, cut short due to strong monsoon rains in the major growing areas of the commodity. Spot market at Kochi witnessed a fall of 58.7 rupees to 12600.65 per 100kg in pepper.



## Guarseed

Guar seed futures also closed on the penultimate trading day of the week with gains for the first time this week as the weakness earlier during the day, due to strong rainfall in the key growing areas of the commodity, was offset by the news of a 10 percentage decrease in acreage. Guar seed, being a rain-dependent crop, is likely to drop during monsoons, which will increase output and supplies.



## Soyaoil

Soy oil futures also slid today as farmers in the key producing states started sowing, which is likely to increase in the coming days. Sowing has commenced in the two top producers, Maharashtra and Madhya Pradesh, following good rains earlier this week. A fall in the palm oil futures in the Malaysian exchange also helped the prices down today. Malaysian Palm oil futures slid a 3.7% today to the lowest in nine trading days.





## Technical Outlook

### Trade Recommendation

Commodity	Expiry	Call	Entry	S/L	Targets
Pepper	20-Aug-09	Buy above	12690	12500	12850/13000
Soy oil	20-Aug-09	Sell	479	481.5	476.20/474
Guar seed	20-Aug-09	Buy above	1850	1819	1869/1890

### Intraday crucial levels

Commodity	Expiry	S2	S1	R1	R2
Pepper	20-Aug-09	12348	12486	12762	12900
Soy oil	20-Aug-09	460	468	483	491
Guar seed	20-Aug-09	1766	1800	1868	1902