

SPOT MARKETS

Domestic red chillies markets in Guntur extended previous weakness further at the start of this week. It was offered in a lower price range amidst weak buying support. Arrivals were on an average steady at previous levels. Demand was subdued from domestic as well as international markets. Increased export of chilli from India, on the back of report of crop failure in China, has in turn minimized the bearish impact of 20 percent higher production estimates for the season. Chilli prices are likely to witness some weakness in the coming days.

FUTURES MARKETS

Chilli futures at NCDEX opened lower than previous settlement and most active June contract tested an intraday low of Rs. 5656 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 5810 only to retreat again. The futures finished in negative territory in final action. Most active June contract traded in the range of Rs. 5656-5810 during Monday's trade.

PRICE DRIVERS

Bullish:

1. India exported 1.12 lakh tonnes chilli during April-February 2006-07
2. Report of crop failure in China

Bearish:

1. Domestic production is estimated higher due to increased acreage
2. Higher crop arrivals in the markets

WEATHER

Rain/thundershowers are likely at a few places over Andaman & Nicobar Islands. Isolated rain/thundershowers are likely over rest region. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Stochastic is moving downwards in the neutral region, hinting further downtrend. MACD is also moving downwards in the positive territory, supporting the weakness. Prices closed below 9-day EMA, hinting weak prices. Red chillies futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements early in the session.

CHLL334GTR 0706(NCGTRM7)2007/04/16 - Daily B:5715.00 A:5720.00
O 5750.00 H 5782.00 L 5656.00 C 5720.00 V 15,850 I 14,905 -49
EMA(9) 5839.9 (18) 5705.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5510	5600	5720	5875	5960

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5750-5775 with a target of Rs. 5675 and then Rs. 5625 with a strict stop loss of Rs. 5850. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3800-4600	70000-80000

■ BLACK PEPPER

■ Apr 17, 2007

SPOT MARKETS

Domestic pepper markets firmed up at the start of this week. It was quoted higher by Rs. 200 per quintal in Kochi markets amidst arrivals as well as offtake of 7 MT. All eyes are on Vietnam at present, where FOB prices have increased by USD 400 per MT during last week, according to a report by International Pepper Community. Arrivals of the new crop in Vietnam were lower and market players are eyeing the developments in Vietnam situation for further direction. At the domestic front, improved buying support at the lower price levels has supported the prices to recoup the recent losses.

FUTURES MARKETS

Black pepper futures at the NCDEX opened higher than previous settlement and most active May contract tested an intraday low of Rs. 15512 at the early hours of trade. Increased buying interest at the lower price levels has supported the futures thereafter and the futures surged up to test an intraday high of Rs. 16240. The futures finished with significant gains in final action. Most active May contract traded in the range of Rs. 15512-16240 during Monday's trade.

PRICE DRIVERS

Bullish:

1. Global supplies expected to remain tight
2. Vietnam crop is likely to fall by 10-20 percent
3. Vietnam farmers not in a hurry to sell their produce

Bearish:

1. Profit taking likely at higher price levels

WEATHER

Rain/thundershowers are likely at a few places over Andaman & Nicobar Islands. Isolated rain/thundershowers are likely over rest region. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Stochastic is moving downwards in the neutral region, hinting further downtrend. MACD is moving downwards in positive territory. Prices closed above the 9-day as well as 18-day EMA, hinting firm prices. Volume as well as open interest has declined as compared to previous settlement. Black pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0705(NCPEPK7)2007/04/16 - Daily B:16135.00 A:16138.00
O 15680.00 H 16237.00 L 15512.00 C 16137.00 V 28,900 I 17,592 +502
EMA(9) 15844 (18) 15257



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	15410	15675	16137	16645	16885

TRADE RECOMMENDATION

Buy NCDEX May Pepper near Rs. 16100-16125 with a target at Rs. 16225 and then Rs. 16300 with a strict stop loss at Rs. 16000. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14500	7
	Ungarbled	15100	

CUMIN

■ Apr 17, 2007

SPOT MARKETS

Domestic jeera markets remained bearish at the start of this week. It was quoted in a lower price range in Unjha markets following reduced offtake amidst steady arrivals. Demand reported lower on back of prevailing higher prices. Concerns of crop output in this year continue to remain as major supportive feature for the markets. Production is projected lower this year owing to lower acreage in Gujarat and adverse weather conditions in Rajasthan. Prices may witness some further decline if arrivals increase in the coming days.

FUTURES MARKETS

Jeera futures at the NCDEX opened higher than previous settlement and the most active May contract tested an intraday low of Rs. 13984 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 14390. The futures finished higher after curbing some gains in final action. Most-active May contract traded in the range of Rs. 13984-14390 during Monday's trade.

PRICE DRIVERS

Bullish:

1. Estimations of lower acreage, lower production
2. India exported 24,250 tonnes of jeera during April-February 2006-07

Bearish:

1. Arrivals increasing in the market
2. Profit taking at higher price levels

WEATHER

Isolated duststorm/ thunderstorm are likely over Rajasthan. Mainly dry weather is likely over the rest region. Fall in day temperature likely over Rajasthan from Tuesday. Dry weather is favourable at this stage of the crop.

TECHNICALS

Candlestick pattern is indicating steady opening and indecision. Stochastic is moving indecisively in the overbought region, leaving scope for both way movements. MACD is also moving flat in the positive territory. Prices closed above the 9-day as well as 18-day EMA. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a steady opening with possibility of downward movements later in the session.

JEERA 0705(NCJEEK7)2007/04/16 - Daily B:14175.00 A:14178.00
O 14159.90 H 14390.00 L 13990.00 C 14178.00 V 26,424 I 21,435 +28
EMA(9) 14019 (18) 13700



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13595	13832	14178	14476	14740

TRADE RECOMMENDATION

Buy NCDEX May Jeera near Rs. 14100-14125 with a target of Rs. 14250 and then Rs. 14300 with a strict stop loss of Rs. 14000. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2300-2360	8000
	Ganesh	2530-2630	
	Machine Cleaned	2630-2730	

TURMERIC

■ Apr 17, 2007

SPOT MARKETS

Turmeric prices in all the spot markets across India were trading low by on an average of Rs.50-75 on the back of increasing arrivals pressure of the commodity. The arrivals at the Sangli market were witnessed at 5430 bags, the famous Rajapuri variety was traded between Rs.2450-2900/quintal where as the Salem variety were traded between Rs.2750-3300/quintal levels. At the Erode markets in Tamil Nadu the dematting of turmeric at NCDEX warehouse will start in next 2-3 days, arrivals were around 21000 bags there and prices were weak by Rs.50. between Rs.1950-2050/quintal. The arrivals at the Warangal and Duggirala markets were witnessed at 3500 and 2700 bags respectively and the prices were weak by Rs.25.

FUTURES MARKETS

The week opened on a red zone for all the NCDEX Turmeric futures on the back of creation of the fresh short positions. In the most active May futures we witnessed creation of fresh short positions the gain the volumes as compared to the Saturday's trade supported the downward movement of the prices. The May contract made a low at Rs.2220/quintal and closed lower by Rs.21 as compared to the Saturdays close at Rs.2229/quintal. We witnessed creation of fresh short positions as the market closed lower than the previous close and the open interest gained for the June contracts amidst good volumes.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. Arrivals to gain its momentum.
3. Low demand in the physical market.

WEATHER

Mild showers are expected at South Tamil Nadu this will not affect the crop as most of the harvest and post harvest activity have already been carried out.

TECHNICALS

Candlesticks pattern indicates a lower opening. Stochastic is trading below the signal line downwards indicating a sell signal. MACD is also moving above the signal line steady in the positive territory. Prices closed below the 6-day EMA, and are currently neutral. We can expect correction in the trend and fresh buying coming in next trading session however the overall trend still favours the bears.

Turmeric 0705(NCTMCK7)2007/04/16 - Daily B:2228.00 A:2233.00
O 2252.00 H 2257.00 L 2222.00 C 2229.00 V 17,450 I 28,270 -21



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2201	2215	2229	2250	2271

TRADE RECOMMENDATION

We recommend to Sell NCDEX May contract for the Target of 2215 at the market open with a stop loss of 2240 strictly on intraday basis.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-1925	15000
	Gattah	1700-1750	
Erode	Finger	1950-2050	21000
	Gattah	1950-2000	



■ CARDAMOM

■ Apr 17, 2007

SPOT MARKETS

Isolated thunder shower is expected for next two days at cardamom growing areas at Kerala as per the weather reports in IMD where currently there are no reports about rainfall in the cardamom growing areas. The spot arrivals at the Bodinayakanur auctions were reported at 12500kg and the prices were trading firm by Rs.10-15 /kg. The demand was reported to be good. The spot prices at the Sunday auctions held at the Kumily were also reported to be firm by Rs.10 amidst good demand.

FUTURES MARKETS

All cardamom MCX futures contract surged and traded on positive note on the reports of no rainfall in Kerala and buying support in the market. We witnessed accumulation of long position for the benchmark and the most active May contract as the contract closed higher as compared to the Fridays close at Rs.500.4/kg up by Rs.14.6/kg and made an intraday high at Rs.505.2/kg amidst gain the volumes and open interest. Similar situation was witnessed for the June contract amidst significant gain in volumes.

PRICE DRIVERS

Bearish:

1. Rains expected in Kerala.

Bullish:

1. Low arrivals in the spot
2. Good demand in the market
3. Supply to tighten ahead

WEATHER

Isolated mild thunder shower is expected at the Kerala, the major cardamom growing area in India for next two days. This will benefit the crop.

TECHNICALS

Cardamom charts are giving a positive signal as a long white candle has been formed on Monday. The volume is however supporting the price movement. The prices closed well below short term EMAs, indicating bearish sentiments in the market. MACD is in running downward in negative zone, which indicates increasing bearish trend and indicates a sell signal. Stochastic is also negative in neutral region. We can expect a correction in the next trading session contracts to trade on a positive note.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX	479.3	489.8	500.4	508.6	515.7
May					

TRADE RECOMMENDATION

Currently there is no clarity in the market trend for the cardamom futures therefore an intraday call will be given once the market opens for the next trading session.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	254.5-404	12500

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