

CHILLI

SPOT MARKETS

Domestic red chillies markets in Guntur maintained previous position during Thursday's trade. It was offered in an unchanged price range amidst reduced arrivals as well as offtake. Demand remains weak from domestic as well as overseas buyers and consequently pressurising the market trend. The bearish impact of 20 percent higher production estimates for the season is clearly visible in the markets. With supply offsetting demand, chilli prices are likely to remain bearish in the coming days.

FUTURES MARKETS

Chilli futures at the NCDEX traded firm during Saturdays trade. NCDEX turmeric June contract opened lower at Rs 4782 as against previous day's settlement price of Rs 4814. the prices thereafter did not look behind and bounced back to the high of Rs 5099. The trading for the day ended firm at Rs 5093. The volumes traded during the day were higher than that of Friday.

PRICE DRIVERS

Bullish:

1. Moderate buying support at lower price levels

Bearish:

1. Domestic production is estimated higher due to increased acreage
2. Supply continue to offset physical market demand

WEATHER

Rain/thundershowers are likely at a few places over south Tamil Nadu and Kerala. Isolated rain/thundershower is likely over north Tamil Nadu, Karnataka and Coastal Andhra Pradesh. Dry weather conditions are favourable for the crop.

Apr 30, 2007

TECHNICALS

Marubozu formation of candlestick shows strength in the bull camp. Prices closed below 9-day as well as 18-day EMA, an indication that short-term bearish trend has still not reversed. Stochastic has made bullish crossover in oversold region. MACD is in favor of bears. Volumes traded increased, while open interest decreased during the session. Red Chilli futures are likely to trade with positive bias.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4781	4910	5093	5334	5527

TRADE RECOMMENDATION

Buy NCDEX June Chilli above Rs. 5030 with a target of Rs. 5180 and then Rs. 5230 with a strict stop loss of Rs. 4960. Trade cautiously with intra day outlook.

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

PEPPER

SPOT MARKETS

Domestic pepper markets extended previous weakness further. It was quoted lower by Rs. 100 per quintal in Kochi markets amidst no arrivals as well as offtake. Traders attributed lacklustre trading activities as the reason behind the decline in prices. Vietnam pepper prices are on an uptrend, though prices at other origins are more or less stable. Market players are closely watching developments in Vietnam to take cues for further direction. The long-term fundamentals continue to remain supportive for the markets.

FUTURES MARKETS

Black pepper futures at the NCDEX saw slight recovery during Saturday's session. NCDEX May month's futures contract prices opened Rs 65 below at Rs 14675 as against previous day's settlement price of Rs 14740. The prices thereafter traded within the band of Rs 14420 - 14990. The trading for the day finally culminated at Rs 14928. Both Volumes traded and open interest numbers declined during the short session.

PRICE DRIVERS

Bullish:

1. Global supplies expected to remain tight
2. Vietnam crop is likely to fall by 10-20 percent
3. Vietnam farmers holding back stocks

Bearish:

1. Profit taking at higher price levels
2. Weak demand in the markets

WEATHER

Rain/thundershowers are likely at a few places over south Tamil Nadu and Kerala. Isolated rain/thundershower is likely over north Tamil Nadu, Karnataka and Coastal Andhra Pradesh. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates continued weakness in the prices. The prices closed well below short term EMAs; which suggests weakness is intact. Stochastic is favoring bears in normal region. Falling MACD in positive region indicated decreasing bullish momentum. Volume and open interest both declined during the session. Black pepper futures are likely to trade downwards after some initial firmness.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	14223	14420	14928	15370	15612

TRADE RECOMMENDATION

Sell NCDEX May Pepper below Rs. 15100-15150 with a target at Rs. 14760 and then Rs. 14500 with a strict stop loss at Rs. 15350. Trade cautiously with intra day outlook.

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

Apr 30, 2007

JEERA

SPOT MARKETS

Domestic jeera markets continue to remain bearish. It was quoted in a lower price range in Unjha markets owing to reduced offtake. Lack of buying support has resulted in dampening the market trend. Concerns of crop output in this year continue to remain as a supportive feature for the markets. Production is projected lower this year owing to lower acreage in Gujarat and adverse weather conditions in Rajasthan. Prices are likely to remain weak in the coming days amidst weak buying support.

FUTURES MARKETS

Jeera too participated in the recovery of spices category. NCDEX May delivery Jeera prices opened Rs 2 up at Rs 12633 as against previous days close of Rs 12631. The prices thereafter traded mostly firm and moved in the range of Rs 12505 -12856. The trading for the day ended in green at Rs 12840. The volumes traded and open interest both decreased when compared with that on Friday.

PRICE DRIVERS

Bullish:

1. Estimations of lower acreage, lower production

Bearish:

1. Lacklustre trading activities in the market
2. Lack of buying support at physical markets

WEATHER

Isolated duststorm/thunderstorm is likely over Rajasthan. Mainly dry weather is likely over the rest region. Dry weather is favourable at this stage of the crop.

TECHNICALS

Charts are giving mixed signals at this stage. Candlestick pattern is indicating firm opening and initial downtrend. 14-day RSI is moving towards oversold region, leaving scope for further downtrend. MACD is indicating further weakness. Prices closed below the 9-day as well as 18-day EMA, indicating weakness in the market. Volume as well as open interest has declined as compared to previous settlement. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	12343	12486	12840	13062	13240

TRADE RECOMMENDATION

Sell NCDEX May Jeera near Rs. 13000-13050 with a target of Rs. 12670 and then Rs. 12520 with a strict stop loss of Rs. 13200. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	1800-2200	
	Ganesh	2350-2450	4000-5000
	Machine Cleaned	2450-2750	

Apr 30, 2007

TURMERIC

SPOT MARKETS

Turmeric major spot markets remained closed on weekly off. Through out the week we witnessed lower arrivals along fall in the prices, because of fading demand for the season. Currently there is no export demand and no fresh orders are placed as per traders and exporters however, inquiries are going on. Lack of export demand is due to the strengthening of the rupee against the dollar. We anticipate stockists to enter at the market at the lower level of prices.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed on a positive note. In the May futures contract, the change in the close price and the open interest is suggesting liquidation of short positions. The volumes made a steep fall and failed to sustain Friday's high volumes. The contract opened marginally high at Rs.2204/quintal as compared to previous settlement. The contract traded between Rs.2229 and Rs.2191 to close at Rs.2217/quintal slightly up by 0.48% against previous close price. For June contract, we witnessed accumulation of log position amidst low volumes as compared to Friday's trading session.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. No fresh export orders
3. Low demand in the physical market.

WEATHER

Isolated rains and thunder showers is likely at the Tamil Nadu and Karnataka region, this will not affect the crop as most of the harvest and post harvest activity have already been carried out in these areas.

TECHNICALS

The technical charts indicated a small correction in the current bearish trend in the market amidst very low volumes. Stochastic oscillator is steady in neutral zone. MACD is also moving above the signal line steady in the positive territory. The contract settled below the short term that is the 6-day EMA and is trading below the long term and medium term EMA indicating a short-term bearish trend in the market. RSI is neither overbought nor over sold and heading towards the oversold region. We expect the contract to trade weak at lower levels.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2174	2195	2217	2233	2250

TRADE RECOMMENDATION

Sell NCDEX May contract at 2198-2202 with a target of Rs.2188 and Rs.2172 then Rs.2168 with a stop loss of Rs.2238.

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

Apr 27, 2007

SPOT MARKETS

As per the local auction traders currently, the climatic is cloudy and normal at the Idukki districts as well as IMD stated that thundershowers are expected at Kerala. The spot arrivals at the Pulianmalai auctions were around at 10000 kg with an offtake of 9000 kg. Prices were traded significantly lower at Rs.350-400 levels as compared to last week's prices. Very low demand in the domestic market failed to support the prices along with no export orders.

FUTURES MARKETS

The MCX benchmark cardamom May futures settled firm as compared to Friday's settlement. The volumes made a steep fall and did not support the price movements. We witnessed creation of fresh long position for the May contract as the market closed up by 1.45% at Rs.473.1/kg as compared to previous settlement price along with the marginal gain in open interest however the change in the open interest was not significant to prove our assumptions right. For the June contract, we witnessed accumulation of long position amidst very low volumes.

PRICE DRIVERS

Bearish:

3. Expected rains in Kerala.
4. Low demand in the market.

Bullish:

2. Low Production in India

WEATHER

Rains and thundershower is likely over Kerala

TECHNICALS

Cardamom candlestick close has indicated much awaited correction. The volume was low and failed to breach the previous trade levels. The contract closed below short term EMAs, indicating bearish trend in the market. MACD is in trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is neither overbought nor oversold. We can expect the contract to trade test lower levels.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	458.9	462.6	466.3	472.2	478.1

TRADE RECOMMENDATION

We recommend intraday sell for the MCX cardamom May contract at Rs.470-474 with a first target of Rs.465, then 458 and 450 with a stop loss of Rs.484.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	350-400	10000

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