

## CHILLI

Apr 16, 2007

### SPOT MARKETS

Domestic red chillies markets in Guntur remained closed on Saturday. Chilli prices have declined during the last few days of trading on the back of weak buying support as higher prices have dented buyers' interest in the markets. 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 high of Rs. 5899 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 5732. The futures settled with significant losses in final action. Most active June contract traded in the range of Rs. 5732-5899 during Saturday'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. Crop arrivals increasing in the markets

### WEATHER

Rain/thundershowers are likely at a few places over south Tamil Nadu and Kerala. 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 upward movements later in the session.

CHLL334GTR 0706(NC6TRM7)2007/04/14 - Daily B:5769.00 A:5770.00  
O 5820.00 H 5898.00 L 5732.00 C 5769.00 V 13,645 | 14,250 -78  
EMA(9) 5886.9 (18) 5739.3



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5473	5604	5759	5963	6082

### TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5790-5800 with a target of Rs. 5730 and then Rs. 5700 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	Closed	-

## ■ BLACK PEPPER

■ Apr 16, 2007

### SPOT MARKETS

Domestic pepper markets extended previous weakness further. It was quoted in a lower price range amidst no arrivals as well as offtake. Rumour of declining prices in Vietnam has dampened market sentiments. According to International Pepper Community, Vietnam FOB prices have increased by USD 400 per MT during this week. Lower arrivals of the new crop in Vietnam were poor during the week and market players are eyeing the developments in Vietnam situation for further direction. At the domestic front, weak demand at the higher price levels has softened the prices in the past couple of days.

### FUTURES MARKETS

Black pepper futures at the NCDEX opened lower than previous settlement and most active May contract tested an intraday high of Rs. 16051 at the early hours of trade. Increased selling interest has pressurised the futures thereafter and the futures traded sharply downwards to test an intraday low of Rs. 15561. The futures finished with significant loss in final action. Most active May contract traded in the range of Rs. 15561-16051 during Saturday'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 south Tamil Nadu and Kerala. 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 and the %K-line has just entered the neutral region from above, hinting further downtrend. MACD has made a bearish cross-over and moving downwards in positive territory. Prices closed below 9-day EMA, hinting weak prices. Volume as well as open interest has declined as compared to previous settlement. Black pepper futures are likely to trade downwards following a steady to weak opening with possibility of upward movements later in the session.

Pepper 0705(NCPEPK7)2007/04/14 - Daily B:15631.00 A:15636.00  
O 16001.00 H 16050.00 L 15561.00 C 15635.00 V 31,634 I 19,326 -416  
EMA(9) 15825 (18) 15238



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	14896	15224	15635	16110	16471

### TRADE RECOMMENDATION

Sell NCDEX May Pepper near Rs. 15650-15675 with a target at Rs. 15575 and then Rs. 15525 with a strict stop loss at Rs. 15750. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14300	-
	Ungarbled	14900	

## CUMIN

■ Apr 16, 2007

### SPOT MARKETS

Domestic jeera markets witnessed some weakness at the weekend. It was offered in a lower price range in Unjha markets following reduced offtake amidst slightly higher 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 lower than previous settlement and the most active May contract tested an intraday high of Rs. 14360 at the early hours of trade. The futures traded downwards for the rest of the session to test an intraday low of Rs. 14072. The futures finished significantly lower after paring some losses in final action. Most-active May contract traded in the range of Rs. 14072-14360 on Saturday.

### 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 is likely over Rajasthan. Mainly dry weather is likely over the rest region. The prevailing heat wave conditions over some parts of Rajasthan are likely to continue during next 48 hours. Dry weather is favourable at this stage of the crop.

### TECHNICALS

Candlestick pattern is indicating steady to weak opening and initial downtrend. 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 declined, while open interest has increased as compared to previous settlement. Jeera futures are likely to trade downwards following a steady to weak opening with possibility of upward movements later in the session.

JEERA 0705(NCJEEK7)2007/04/14 - Daily B:14148.50 A:14149.00  
O 14330.00 H 14360.00 L 14075.00 C 14150.00 V 22,248 I 21,582 -216.7  
EMA(9) 13980 (18) 13647



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13546	13809	14150	14476	14738

### TRADE RECOMMENDATION

Sell NCDEX May Jeera near Rs. 14200-14250 with a target of Rs. 14100 and then Rs. 14050 with a strict stop loss of Rs. 14350. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2320-2380	8000-9000
	Ganesh	2550-2650	
	Machine Cleaned	2650-2750	



## TURMERIC

■ Apr 16, 2007

### SPOT MARKETS

On Saturday all the turmeric spot markets across the India was closed. However, during the week we witnessed that the arrivals steadily gained its momentum at all the centers and the prices were steady to lower as compared to the previous week. The demand was weak throughout the week amidst low buying interest amongst the traders. The exports demand was also reported to be steady.

### FUTURES MARKETS

NCDEX turmeric futures contract closed on the red zone on the back of selling pressure. The most active May futures opened at Rs.2262 per quintal made an intraday high at Rs.2264 per quintal and low at Rs.2243 per quintal, the market then closed lower than Friday's trade at Rs. 2250 per quintal. The steep fall in the volumes by 32.61 percent as compared to previous trade did not support the price movement. The change in the closing prices and the open interest is suggesting liquidation of the long positions however the change is not significant to prove our assumptions correct. Similar situation of long liquidation was witnessed for the June and July contracts as well.

### 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 indicated a lower opening. Stochastic is trading below the signal line downwards indicating a sell signal. MACD is also moving downwards above the signal line 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)2007/04/14 - Daily B:2250.00 A:2251.00  
O 2264.00 H 2264.00 L 2243.00 C 2250.00 V 10,620 I 26,580 -12  
EMA(9) 2263.5 (18) 2254.5



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2231	2240	2250	2261	2273

### TRADE RECOMMENDATION

Our call is still open and about to meet the target. Fresh call will be given later on. Sell NCDEX May Turmeric near Rs. 2270-2275 with a target of Rs. 2240 and then Rs. 2225 with a strict stop loss at Rs. 2298. Trade cautiously with intraday outlook.

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



## ■ CARDAMOM

■ Apr 16, 2007

### SPOT MARKETS

Isolated thunder shower is expected for next two days at cardamom growing areas at Kerala and other growing region at Karnataka will prove beneficial to the crop. Further if it rains in Kerala will have a positive impact on the crop. The spot prices were firm by Rs.5 per Kg amidst low arrivals. Currently the demand is steady in the market. The prices of cardamom at Pulianmalai auction held on Saturday were reported between the ranges of Rs.375-440 per kg. Arrivals were around 11 tons were all sold.

### FUTURES MARKETS

On Friday, all cardamom MCX futures contract closed on a red zone. The most active May contract closed at Rs.487.4 per kg 0.57 percent lower against Thursday's closing price. The contract however made an intraday high at Rs.492 per kg and low at Rs.484.1 per kg. The change in the close and open interest suggests creation of fresh short positions however the change is not significant to prove our assumptions right amidst marginal gain the volumes.

### PRICE DRIVERS

#### Bearish:

1. Expected rains in Kerala.

#### Bullish:

1. Steady domestic demand.
2. 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 negative signal for the prices as a doji candle has formed on Friday. The volume has however supporting the price movement. 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. 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 May	479.9	483.6	487.4	491.5	495.7

### TRADE RECOMMENDATION

Our call is still open, fresh call will be given later. SELL MCX May cardamom at market open with a target of 480 then 478 with a stop loss of 498. Trade cautiously with intra-day outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Pulianmalai

375-440

11000

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