

CHILLI

Apr 13, 2007

SPOT MARKETS

Domestic red chillies markets remained on an average stable during Thursday's trade. It was offered in the previous price range in Guntur markets amidst higher arrivals as well as offtake. Recent rally in chilli prices came to a halt as higher prices have dented buyers' interest in the markets. Demand, both domestic as well as overseas was the major supportive feature for the recent rally. 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 consolidation in the coming days.

FUTURES MARKETS

Chilli futures at NCDEX opened lower than previous settlement and the most active June contract traded downwards initially to test an intraday low of 5775. The futures recovered on increased buying support at the lower price levels and tested an intraday high of Rs. 6051. June contract finished near unchanged level in late action. Most active June contract traded in the range of Rs. 5775-6051 during Thursday'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. Forthcoming crop is expected good due to higher 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 opening and initial uptrend. Stochastic is moving downwards in the neutral region, leaving scope for further downtrend. MACD is 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 upwards following a steady opening with possibility of downward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/04/12 - Daily B:5908.00 A:5915.00
O 5870.00 H 6051.00 L 5775.00 C 5913.00 V 39,255 I 14,465 +10
EMA(9) 5933.4 (18) 5722.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5604	5748	5913	6130	6285

TRADE RECOMMENDATION

Buy NCDEX June Chilli near Rs. 5900 with a target of Rs. 5975 and then Rs. 6050 with a strict stop loss of Rs. 5825. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	4200-5000	80000-90000

■ BLACK PEPPER

■ Apr 13, 2007

SPOT MARKETS

Domestic pepper markets witnessed a steady trend during Thursday's trade. It was quoted unchanged in Kochi markets amidst arrivals as well as offtake of 28 MT. Pepper prices have rallied on the back of good domestic demand as well as firm global trend. Vietnam continues to lead the global market, where prices are reported on the upward move despite the country's harvest is at its peak. Vietnamese farmers are in no hurry to sell their produce at any price lower than expectations. However, buyers preferred to wait and watch for the prices to ease. Apart from global market trend, domestic fundamentals are also supportive for the prices as production estimated well below the demand.

FUTURES MARKETS

Black pepper futures at the NCDEX opened higher than previous settlement and traded upwards to test an intraday high of Rs. 16868. Profit taking capped further advances and the futures slide to test an intraday low of Rs. 16258 later in the session. However, the futures pared the losses to finish with some gains in final action. Most active May contract traded in the range of Rs. 16258-16868 during Thursday'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 opening and initial uptrend. Stochastic is moving indecisively in the overbought region, leaving scope for both way movements. MACD is also moving flat in positive territory. Prices closed above 9-day as well as 18-day EMA, hinting firm prices. Volume has declined, while open interest has increased as compared to previous settlement. Black pepper futures are likely to trade upwards following a steady opening with possibility of some downward movements early in the session.

Pepper 0705(NCPEPK7)2007/04/12 - Daily B:16539.00 A:16540.00
O 16571.00 H 16865.00 L 16262.00 C 16540.00 V 62,372 I 17,345 -32
EMA(9) 15828 (18) 15092



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	15857	16149	16540	17000	17286

TRADE RECOMMENDATION

Buy NCDEX May Pepper near Rs. 16450-16500 with a target at Rs. 16600 and then Rs. 16750 with a strict stop loss at Rs. 16300. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14800	28
	Ungarbled	15400	

CUMIN

■ Apr 13, 2007

SPOT MARKETS

Domestic jeera markets remain firm during Thursday's trade. It was offered in a higher price range in Unjha markets amidst reduced arrivals, while offtake was higher. Sellers preferred to hold back on expectations of further rise in prices over the coming few days. 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. Some unconfirmed reports of adverse weather conditions in Syria and Turkey also added to the firmness. Jeera prices are likely to remain firm 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. 13975 at the opening session of trade. The futures traded sharply upwards thereafter on increased buying interest and surged up to test an intraday high of Rs. 14462. The futures finished with hefty gains. Most-active May contract traded in the range of Rs. 13975-14462 during Thursday'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

Mainly dry weather is likely over the region. Gradual rise in day temperature over the region. Dry weather is favourable at this stage of the crop.

TECHNICALS

Candlestick pattern is indicating firm opening and initial uptrend. Stochastic is moving indecisively in the neutral 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, supporting the firmness. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a firm opening with possibility of downward movements later in the session.

JEERA 0705(NCJEEK7)2007/04/12 - Daily B:14401.00 A:14420.90
O:13975.00 H:14461.00 L:13975.00 C:14419.00 V:56,637 I:21,366 +465.8
EMA(9) 13864 (18) 13543



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13829	14108	14419	14772	15022

TRADE RECOMMENDATION

Buy NCDEX May Jeera near Rs. 14400 with a target of Rs. 14500 and then Rs. 14550 with a strict stop loss of Rs. 14325. 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
	Ganesh	2550-2650	
	Machine Cleaned	2650-2750	

TURMERIC

■ Apr 13, 2007

SPOT MARKETS

Spot arrivals at the major Sangli Market in Maharashtra was reported to be at marginally on a higher side against Wednesday's arrivals at 4670 bags and prices were reported to be lower by Rs.75-100/quintal against Wednesday's spot prices for all the varieties. Rajapuri, best variety was quoted between Rs.2400-3000/quintal and Salem was quoted at Rs.2750-3400. At the Warangal centers at AP the arrivals were 5000 bags and the prices were steady at previous trade's level of Rs.1700-2050/Quintal. The prices at Erode spot market were weak by Rs.25/quintal amidst good arrivals. The overall demand was reported to be weak and lacked interest among the traders in the physical market.

FUTURES MARKETS

On Thursday the trading at the NCDEX turmeric futures contract lacked luster as the market was less volatile as against previous trading session. Although we witnessed liquidation of Short position for the May contract the change in the closing price at Rs.2271/quintal marginally higher by Rs.9 was not significant to prove our assumptions correct. The contract however made an intraday high of Rs.2288/quintal. The significant gain in the volumes by 35.56% against Wednesday's trade supported the price movement for the day.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. Low demand in the physical market.

WEATHER

Weather conditions at Andra Pradesh is reported to be normal whereas 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 positive opening the buying support led the market to close at the higher levels. Stochastic is trading below the signal line downwards indicating a sell signal. MACD is also moving steady in the positive territory, supporting the weakness. Prices closed slightly above the 6-day EMA, and are currently neutral. We expect the futures contract to be range bound and steady.

Turmeric 0705(NCTMCK7)2007/04/12 - Daily B:2270.00 A:2271.00
O 2262.00 H 2288.00 L 2262.00 C 2271.00 V 23,290 127,580 +9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2247	2259	2271	2285	2299

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	1900-1950	7000
	Gattah	1750-1800	
Erode	Finger	2025-2150	15000
	Gattah	2075-2200	

■ CARDAMOM

■ Apr 13, 2007

SPOT MARKETS

Mild showers at the cardamom growing areas since two days quenched the thirst of the crop and will prove beneficial to the crop. Further if it rains in Kerala will have a positive impact on the crop. The spot prices were almost steady mild fluctuation was witnessed. Currently the demand is steady in the market. The average price of cardamom at Bodinayakannur auction held on Thursday was reported around Rs.430/kg. Arrivals were around 30 tons were all sold.

FUTURES MARKETS

The cardamom MCX May futures contract though closed on a positive note, but the volumes were very low for all the contracts. We witnessed creation of fresh short position; the change in the open interest as compared to the open interest in the Wednesday's trading session is not significant to prove our assumption. The contract opened marginally weak at Rs.488.10/kg. The bulls however tried to pull the prices and made a high of Rs.493.9/kg. The contract close marginally higher than the previous close at Rs.490.6/kg

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala

Bullish:

1. Steady domestic demand
2. Supply to tighten ahead

WEATHER

Mild shower was witnessed at Kerala, the major cardamom growing area in India since last two days. This is beneficial for the crop.

TECHNICALS

Cardamom charts are giving a positive signal for the prices as a small white candle has formed on Thursday the volume has however made a steep fall which is not 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 expect the contract to trade weak.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	483.33	486.4	490.1	493.16	496.9

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)
Bodi (STCL)	430	30000

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