

SPICES

Agriwatch
DAILY

CHILLI

Apr 12, 2007

SPOT MARKETS

Domestic red chillies markets extended previous weakness further during Wednesday's trade. It was quoted in a lower price range amidst lack of buying support, though the arrivals were lower than previous trading day. Chilli export during April-February 2006-07 of current fiscal has increased by 9 percent to 1.12 lakh tonnes valued at Rs. 596.5 crore, up 65 percent over the same period of last fiscal. Export potential of Indian chillies has in turn minimized the bearish impact of 20 percent higher production estimates for this season. Chilli prices are likely to remain weak in the coming days.

FUTURES MARKETS

Chilli futures at NCDEX opened lower than previous settlement and tested an intraday high of Rs. 6010 at the early hours of trade. Increased selling interest pressurised the futures thereafter and traded downwards to test an intraday low of Rs. 5810. The futures settled lower after paring some losses in final action. Most active June contract traded in the range of Rs. 5810-6010 during Wednesday's trade.

PRICE DRIVERS

Bullish:

1. Moderate demand in the markets
2. India exported 1.12 lakh tonnes chilli during April-February 2006-07

Bearish:

1. Forthcoming crop is expected good due to higher acreage
2. Crop arrivals increasing in the markets

WEATHER

Rain/thundershowers are likely at many places over south Tamil Nadu and Kerala during next 48 hours and decrease thereafter. Rain/thundershowers is likely at a few places over north Tamil Nadu during next 48 hours and decrease thereafter. 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 in the neutral region, hinting 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 downwards following a steady to weak opening with possibility of some upward movements later in the session.

CHLL334GTR 0706(MCGTRM7)20070411 - Daily B 5904.00 A 5910.00
O 5970.00 H 6010.00 L 5810.00 C 5903.00 V 27,260 I 13,260 -105
EMA(9) 5938.5 (18) 5790.5



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5604	5772	5903	6118	6285

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 6000 with a target of Rs. 5875 and then Rs. 5850 with a strict stop loss of Rs. 6075. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	4200-5000	70000-80000

■ BLACK PEPPER

■ Apr 12, 2007

SPOT MARKETS

Domestic pepper markets firmed up once again. It was quoted higher by Rs. 300 per quintal in Kochi markets amidst no arrivals as well as offtake. Apart from tight domestic supply situation, recent trend in global pepper markets in general and Vietnam in particular can be attributed to the sharp rise in domestic quotes. Vietnam's harvest is at its peak, yet no sign of selling pressure was visible. 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.

FUTURES MARKETS

Black pepper futures at the NCDEX opened higher than previous settlement and traded downwards initially to test an intraday low of Rs. 15760 at the early hours of trade. Increased buying interest at the lower price levels supported the futures thereafter and the futures surged up to hit the 4 percent upper circuit level. The May contract finished near day's high of Rs. 16573. Most active May contract traded in the range of Rs. 15760-16573 on Wednesday.

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 many places over south Tamil Nadu and Kerala during next 48 hours and decrease thereafter. Rain/thundershowers is likely at a few places over north Tamil Nadu during next 48 hours and decrease thereafter. Isolated rain/thundershowers are likely over rest region. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Stochastic is moving indecisively in the overbought region, leaving scope for both way movements. MACD is moving flat in positive territory. Prices closed above 9-day as well as 18-day EMA, hinting firm prices. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to trade upwards following a firm opening. However, possibility of some late downward movements can not be ruled out.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	15563	15948	16572	17000	17359

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	-
	Ungarbled	15400	-

CUMIN

Apr 12, 2007

SPOT MARKETS

Domestic jeera markets remain quiet during Wednesday's trade. It was quoted in an unchanged price range in Unjha markets amidst higher arrivals. 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. Meanwhile, jeera exports have increased by 154 percent in quantity at 24,250 tonnes worth Rs. 185.80 crore, up 158 percent in value during April-February 2006-07. Jeera markets are expected to show some weakness on likely increasing arrivals.

FUTURES MARKETS

Jeera futures at the NCDEX opened higher than previous settlement and the most-active May contract tested an intraday low of Rs. 13775 at the early hours of trade. The futures traded upwards thereafter on increased buying interest and tested an intraday high of Rs. 14000. The futures finished in positive territory in final action. Most-active May contract traded in the range of Rs. 13775-14000 on Wednesday.

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. Heat wave conditions are likely to continue over some parts of Rajasthan. Dry weather is favourable at this stage of the crop.

TECHNICALS

Candlestick pattern is indicating steady to firm opening and initial uptrend. Stochastic is moving downwards and the %K-line has just entered in the neutral region. MACD is moving indecisively in the positive territory. Prices closed above the 9-day as well as 18-day EMA, supporting the firmness. Volume has declined, while open interest has increased as compared to previous settlement. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13442	13683	13953.2	14165	14383

TRADE RECOMMENDATION

Buy NCDEX May Jeera near Rs. 13900 with a target of Rs. 14000 and then Rs. 14050 with a strict stop loss of Rs. 13825. 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	12000
	Ganesh	2530-2630	
	Machine Cleaned	2630-2730	

TURMERIC

Apr 12, 2007

SPOT MARKETS

Spot arrivals at the major Sangli Market in Maharashtra was reported to be marginally lower against Tuesday's trade at 4370 bags and prices were at the same range as that of Tuesday's trade at Rs.2500-3000 for Rajapuri variety and at Rs.2800-3500 for Salem variety. At the Warangal and Duggirala centers in AP, the arrivals were 6000 and 2000 bags respectively and traded between Rs. 1700-2050 levels. The prices at Erode spot market were weak by Rs.50 amidst good arrivals. The overall demand was reported to be weak and lacked interest among the traders in the physical market.

FUTURES MARKETS

On Wednesday we witnessed mixed trading activity for all the turmeric contracts at NCDEX. Most active Turmeric May futures opened firm on a positive note by Rs.10 against the previous close. We witnessed liquidation of short positions amidst steep fall in the volumes by 30.33 % against previous trading session. Where as for April contract, which is nearing the expiry we witnessed liquidation of long position, the fall in volumes did not support the price movement.

PRICE DRIVERS

Bearish:

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

Bullish:

1. If expected rains turn out to be heavy, it may delay the post harvest activity at Duggirala and Warangal regions.

WEATHER

Although there are predictions about rain in AP, but till now no rain fall is witnessed in this region.

TECHNICALS

Candlesticks pattern indicated a positive opening and buying support led the market to close at higher levels. Stochastic is below the signal line and moving downwards, indicating a sell signal. MACD is also moving downwards in the positive territory, supporting the weakness. Prices closed below the 6-day EMA, indicating a short term bearish signal. We expect the futures contract to be range bound.

Turmeric 0705(NCTMCKT)2007/04/11 - Daily B:2262.00 A:2264.00
O:2263.00 H:2273.00 L:2245.00 C:2262.00 V:17,1801 29,650 +4
EMA(6):2267.3 (1B)2252.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2231	2246	2262	2275	2289

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	10000
	Gattah	1750-1800	
Erode	Finger	2050-2150	14000
	Gattah	2100-2200	

■ CARDAMOM

■ Apr 12, 2007

SPOT MARKETS

Mild showers were witnessed Kerala, the major cardamom producing region. The rains at this stage will support the crop growth and improve the yield. Currently the demand is steady in the market. The average price of cardamom at Wednesday's auction held in Kumily was reported in the range of Rs.228-410 per kg. Arrivals were around 46 tons and were all sold.

FUTURES MARKETS

In MCX Cardamom May futures contract though we witnessed creation of fresh short position, the change in the open interest as compared to the open interest in the Tuesday's trading session is not significant to prove our assumption. The low volumes did not support the price movement. The contract opened at lower levels at Rs.489/kg, the bulls however tried to pull the prices and made a high of Rs.494/ kg but could not sustain at these levels due to selling pressure and closed lower than the previous close by Rs.1.5/kg at Rs.489.80/kg.

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala

Bullish:

1. Steady domestic demand
2. Supply to tighten ahead
3. Poor production expected in Kerala as well as Guatemala

WEATHER

Mild shower was witnessed at Kerala, the major cardamom growing area in India. This is beneficial for the crop growth at this stage.

TECHNICALS

Cardamom charts are giving bearish signals as depicted by long dark candle on Monday. 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	479.4	484.6	489.3	494.5	499.2

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)

Kumily

410

46,000

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