

CHILLI

Apr 20, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur remained on an average stable during Thursday's trade. It was offered in previous range amidst reduced arrivals as well as offtake. Demand, both domestic as well as overseas remained subdued and continue to dampen the market sentiments. Higher export of chilli from India in recent time, 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. However, with supply offsetting demand, 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. 5400 at the early hours of trade. The futures retraced back on improved buying support and tested an intraday high of Rs. 5577 during late hours of trading. However, the June contract settled near the unchanged level in final action. Most active June contract traded in the range of Rs. 5400-5577 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. Domestic production is estimated higher due to increased acreage
2. Poor buying support in the markets

WEATHER

Isolated rain/thundershowers are likely over the region. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates steady opening and likely trend reversal, though confirmation is required. 14-day RSI is moving flat in neutral region, leaving scope for both ways movement. MACD is supporting the weakness. Prices closed below the 9-day as well as 18-day EMA, hinting weak prices. Red chillies futures are likely to trade downwards initially following a steady opening with possibility of reversal of the trend.

CHLL334GTR 0706(NCGTRM7)2007/04/19 - Daily B:5501.00 A:5504.00
O 5497.00 H 5571.00 L 5400.00 C 5501.00 V 18,640 | 13,215 -14
EMA(9) 5690.6 (18) 5659.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5234	5377	5501	5724	5867

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5550-5575 with a target of Rs. 5475 and then Rs. 5425 with a strict stop loss of Rs. 5650. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3700-4500	35000

■ BLACK PEPPER

■ Apr 20, 2007

SPOT MARKETS

Domestic pepper markets maintained previous position during Thursday's trade. It was quoted unchanged in Kochi markets amidst arrivals as well as offtake of 75 MT. Contradictory reports of Vietnam prices have dampened the market sentiments. All eyes are on Vietnam at present and any minute development is playing large on global prices. At the domestic front, lack of buying support has softened the prices in past few days. However, the long-term fundamentals continue to remain supportive for the markets.

FUTURES MARKETS

Black pepper futures at the NCDEX opened slightly lower than previous settlement and most active May contract tested an intraday high of Rs. 15920 at the early hours of trade. The futures traded downwards thereafter and tested an intraday low of Rs. 15460 during late hours of trading. The futures finished with significant losses in final action. Most active May contract traded in the range of Rs. 15460-15920 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 at higher price levels
2. Weak demand, both domestic as well as overseas

WEATHER

Isolated rain/thundershowers are likely over the region. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. MACD is indicating bearish trend to continue. Prices closed below 9-day EMA, indicating short-term weakness in prices. Volume has declined, while open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a steady to weak opening with possibility of some upward movements later in the session.

Pepper 0705(NCPEPK7)2007/04/19 - Daily B:15549.00 A:15551.00
O 15727.00 H 15920.00 L 15475.00 C 15550.00 V 29,702 I 18,463 -150
EMA(9) 15721 (18) 15353



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	15000	15302	15550	16083	16332

TRADE RECOMMENDATION

Sell NCDEX May Pepper near Rs. 15600-15650 with a target at Rs. 15500 and then Rs. 15450 with a strict stop loss at Rs. 15750. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14200	75
	Ungarbled	14800	

CUMIN

■ Apr 20, 2007

SPOT MARKETS

Domestic jeera markets remained steady during Thursday's trade. It was offered in previous price range amidst reduced arrivals as well as offtake. Traders reported presence of some demand at the lower price levels. 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 may consolidate near the present levels and witness some short-term uptrend if arrivals fail to improve further.

FUTURES MARKETS

Jeera futures at the NCDEX opened higher than previous settlement and the most active May contract tested an intraday high of Rs. 14074 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 13841 and finished near day's low in final action. Most-active May contract traded in the range of Rs. 13841-14074 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
3. Declining arrivals in the markets

Bearish:

1. Profit taking at higher price levels

WEATHER

Isolated duststorm/thunderstorm is likely over Rajasthan during next 24 hrs. Mainly dry weather is likely over the rest region. Dry weather is favourable at this stage of the crop.

TECHNICALS

Candlestick pattern is indicating weak opening and initial downtrend. 14-day RSI is moving downwards in the neutral region, leaving scope for further downtrend. MACD is indicating further weakness. Prices closed below the 9-day EMA, hinting weak prices. 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.

JEERA 0705(NCJEEK7)2007/04/19 - Daily B:13845.00 A:13850.00
O 13939.40 H 14074.00 L 13841.00 C 13848.00 V 26,223 I 20,817 -138
EMA(9) 13954 (18) 13754



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13260	13570	13848	14095	14357

TRADE RECOMMENDATION

Sell NCDEX May Jeera near Rs. 13850-13875 with a target of Rs. 13775 and then Rs. 13725 with a strict stop loss of Rs. 13950. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2280-2340	5000
	Ganesh	2510-2610	
	Machine Cleaned	2610-2710	

TURMERIC

■ Apr 20, 2007

SPOT MARKETS

Sangli spot market was closed on account of 'Akshay Trithiya' festival. However, regular trading activities were witnessed at other spot markets. The arrivals at the Erode markets were reported to be 13000 bags and the markets were firm by Rs.30-40 /quintal amidst good demand from the stockiest. The stockists have just begun to stock at the Erode markets whereas elsewhere they are not willing to enter the market at this price level. The arrivals at the Warangal and Duggirala were reported to be at 6000 and 1300 bags respectively and the prices were steady.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric surged and closed on a positive note on account of fresh buying support. In the most active May futures contract, the change in the close price and the open interest is suggesting accumulation of long positions amidst significant gain in the volumes as compared to the Wednesday's trading session. The contracts opened at Rs.2198/quintal and made an intraday high at Rs.2248 /quintal to close at Rs.2230 /quintal up by 1.78% as compared to previous closing price.

PRICE DRIVERS

Bearish:

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

WEATHER

Isolated rains and thunder showers is likely at the Tamil Nadu and Andhra Pradesh 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

Candlesticks pattern indicated a correction in the prices. MACD is also moving above the signal line steady in the positive territory. The 6-day EMA has cut the 26-day EMA from above and is currently trading below the long term (26-day) and the short term (14-day) EMA indicating a bearish trend in the market. RSI is in the neutral zone and moving upwards. Fresh buying is expected in next trading session however the overall trend still favours the bears.

Turmeric 0705(NCTMCK7)2007/04/19 - Daily B:2229.00 A:2233.00
O 2191.00 H 2248.00 L 2179.00 C 2230.00 V 34,390 I 26,360 +43
EMA(9) 2233.8 (18) 2238.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2150	2190	2230	2259	2288

TRADE RECOMMENDATION

We recommend sell NCDEX May as well as the June contracts at every rise for medium term basis. However for the short term we expect the prices to trade firm and we recommend intraday buy for the traders.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-1925	8000
	Gattah	1750-1825	
Erode	Finger	1950-2050	13000
	Gattah	1950-2050	

CARDAMOM

Apr 20, 2007

SPOT MARKETS

According to the local auction traders, currently the climatic conditions is reported to be bright and clear, however rains are expected by next week at the cardamom growing areas Kerala as well as IMD stated that thunder showers are expected at Kerala. The spot arrivals at the Bodinayakanur auctions were reported at 19000 kg with an off take of Rs.16000 kg and the prices were trading firm between the ranges of Rs.470-480/kg. The domestic demand was reported to be good in the market.

FUTURES MARKETS

The trade in the MCX cardamom contract was lackluster for the day. The volumes made a steep fall far for all the contracts. We witnessed fresh short being developed for the May contracts at the initial trading session how the change in the close price and the open interest is not significant to prove our assumptions right. The contracts traded between Rs.501.8/kg and Rs.495/kg and closed at Rs.495.1/kg lower than the Wednesdays close by 0.56%.

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala.

Bullish:

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

WEATHER

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

TECHNICALS

Cardamom charts are indicating a short term upward trend in the market. The volume is however low and 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. RSI is 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	490.5	492.8	495.1	499.6	504.1

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom May contract at Rs.494-496 with a target of Rs.502.8/kg and Rs.504 with a stop loss of Rs.489.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

470-480

19000

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