

CHILLI

Apr 24, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur witnessed a bearish trend at the start of this week. Prices were quoted in a lower range amidst higher arrivals as compared to previous trading day. 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 further weakness in the coming days.

FUTURES MARKETS

Chilli futures at NCDEX opened lower than previous settlement and the most active June contract tested an intraday high of Rs. 5475 at the opening session of trade. The futures traded sharply downwards thereafter and breached 4 percent lower circuit level to test an intraday low of Rs. 5180. The futures finished at day's low in final action. Most active June contract traded in the range of Rs. 5180-5475 during Monday's trade.

PRICE DRIVERS

Bullish:

1. India exported 1.12 lakh tonnes chilli during April-February 2006-07

Bearish:

1. Domestic production is estimated higher due to increased acreage
2. Poor buying support in the markets
3. Higher arrivals in the markets

WEATHER

Isolated rain/thundershower is likely over South Interior Karnataka, Rayalaseema, Coastal Andhra Pradesh, Tamil Nadu and Kerala. 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 supporting the weakness. Prices closed below the 9-day as well as 18-day EMA, hinting weak prices. Volume has increased, while open interest has declined as compared to previous settlement. Red chillies futures are likely to trade downwards following a weak opening with possibility some upward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/04/23 - Daily B:5176.00 A:5181.00
O 5475.00 H 5475.00 L 5180.00 C 5180.00 V 22,655 I 12,020 -305
EMA(9) 5544.5 (18) 5581.1



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4792	4983	5180	5401	5604

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5175-5200 with a target of Rs. 5125 and then Rs. 5100 with a strict stop loss of Rs. 5250. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3500-4200	50000-60000

■ BLACK PEPPER

■ Apr 24, 2007

SPOT MARKETS

Domestic pepper markets remained firm at the start of this week. It was quoted up by Rs. 300 per quintal amidst no arrivals as well as offtake. Traders reported presence of some buying support as a major supportive feature for the markets. Vietnam prices are reported higher, though prices in other sources remained mostly rangebound. 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 opened higher than previous settlement and most active May contract tested an intraday low of Rs. 15840 at the early hours of trade. The futures traded sharply upwards thereafter to test an intraday high of Rs. 16419. The futures finished significantly higher after paring some of the gains. Most active May contract traded in the range of Rs. 15840-16419 on Monday.

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. Moderate demand, both domestic as well as overseas

WEATHER

Isolated rain/thundershower is likely over South Interior Karnataka, Rayalaseema, Coastal Andhra Pradesh, Tamil Nadu and Kerala. Dry weather conditions are favourable for the crop.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. MACD is moving indecisively in the positive region. Prices closed above the 9-day as well as 18-day EMA, indicating firm prices. Volume has increased, while open interest has declined as compared to previous settlement. Black pepper futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0705(NCPEPK7)2007/04/23 - Daily B:16291.00 A:16300.00
O 15890.00 H 16414.00 L 15840.00 C 16300.00 V 28,416 I 13,994 +449
EMA(9) 15867 (18) 15505



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	15650	15913	16300	16733	17000

TRADE RECOMMENDATION

Buy NCDEX May Pepper near Rs. 16200-16250 with a target at Rs. 16375 and then Rs. 16450 with a strict stop loss at Rs. 16075. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	-
	Ungarbled	15300	

CUMIN

Apr 24, 2007

SPOT MARKETS

Domestic jeera markets witnessed a firm trend during Monday's trade. It was quoted higher on improved offtake amidst steady arrivals. Traders reported moderate buying support as the major reason behind the rise in prices. 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 tested an intraday low of Rs. 13562.9 at the early hours of trade. The futures pared the losses and traded upwards to test an intraday high of Rs. 13849. The futures finished in positive territory in final action. Most-active May contract traded in the range of Rs. 13562.9-13849 during Monday'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. Dry weather is favourable at this stage of the crop.

TECHNICALS

Candlestick pattern is indicating steady to firm opening and initial uptrend. 14-day RSI is moving flat in the neutral region, leaving scope for both way movements. MACD is indicating further weakness. Prices closed just below the 9-day EMA, but remained supported by 18-day EMA. Volume has increased, while open interest has declined. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0705(NCJEEK7)2007/04/23 - Daily B:13760.00 A:13795.00
O 13770.00 H 13846.00 L 13564.00 C 13792.00 V 21,411 I 19,026 +54.1
EMA(9) 13845 (18) 13725



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13332	13546	13792	14095	14333

TRADE RECOMMENDATION

Buy NCDEX May Jeera near Rs. 13750-13775 with a target of Rs. 13850 and then Rs. 13900 with a strict stop loss of Rs. 13675. 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	5000
	Ganesh	2530-2630	
	Machine Cleaned	2630-2730	

TURMERIC

■ Apr 24, 2007

SPOT MARKETS

All the turmeric spot mandi has opened with a sluggish note for the week. The demand is reported to be steady in the physical market. The prices were almost steady in all the major markets. At the Sangli markets, the arrivals were reported to be 3940 bags and the Rajapuri best variety was traded between Rs.2400-2900/quintal. At the Warangal markets, the prices were steady and the arrivals were of 5000 bags. Where as at the Duggirala markets the arrivals were of 2500 bags and the markets were weak by Rs.25-30/quintal as compared to previous trade.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed firm. In the most active May futures contract, the change in the close price and the open interest is suggesting liquidation of short positions amidst good volumes as compared to the Saturday's trading session. The contract opened marginally low at Rs.2236/quintal as compared to Saturday's close and made an intraday high at Rs.2276 /quintal to close at Rs.2267/quintal up by 1.11% as compared to previous trading session. Where as for the June contracts we witnessed accumulation of long positions amidst good volumes.

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

The technical charts indicated a firm closing amidst good volumes. Stochastic oscillator is in neutral zone. MACD is also moving above the signal line steady in the positive territory. The contract closed above the short term that is the 6-day indicating a bullish trend in the market. RSI is in the neutral zone. We expect the contract to trade at lower levels and a correction in the down ward price movement.

Turmeric 0705(NCTMCK7)2007/04/23 - Daily B:2265.00 A:2267.00
O 2236.00 H 2276.00 L 2235.00 C 2267.00 V 27,110 I 23,560 +25
EMA(9) 2243.1 (18) 2242.4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2218	2242	2267	2283	2300

TRADE RECOMMENDATION

Sell NCDEX May contract at Rs2265-2268 with a first target of Rs.2251, then Rs.2245 and then Rs.2238 with a stop loss of Rs.2280.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-2000	8000
	Gattah	1750-1850	
Erode	Finger	1950-2050	12000
	Gattah	1950-2050	

■ CARDAMOM

■ Apr 24, 2007

SPOT MARKETS

According to the local auction traders currently the climatic conditions is reported to be cloudy and showers are expected, however rains are expected 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 12000 kg all sold the prices were traded slightly lower at Rs.430-435 levels. The domestic demand was reported to be lower as compared to demand in Sunday's auction held at Kumily.

FUTURES MARKETS

The MCX benchmark cardamom May futures closed firm underpinned by fresh buying support in the market. The volumes gained significantly and supported the price movements. We witnessed accumulation of long position for the May contract as the market closed up by 2.75% at Rs.495.5/kg as compared to Saturdays close price making an intraday high of Rs.496.3/kg. Similar situation of long accumulation was witnessed for June contract as well amidst good volumes.

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala.

Bullish:

1. Good demand in the market
2. Supply to tighten ahead.

WEATHER

Isolated rain and thundershower is likely at the Kerala, for next two days. This will benefit the crop.

TECHNICALS

Cardamom charts are indicating that the fresh buying support coming in. 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 trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is in the neutral region. We can expect the contract to trade firm.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	472.1	483.8	495.5	501.7	507.9

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom May contract on market open price with a first target of Rs.497/kg, second target of Rs.500 and third target of 503 and with a stop loss of Rs.475.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

430-435

12000

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