

CHILLI

Apr 18, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur continue to remain bearish. It was quoted in a lower price range amidst lack of buying support, despite lower arrivals as compared to previous day. Demand was subdued from domestic as well as international markets. Increased 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 high of Rs. 5722 at the early hours of trade. The futures traded sharply downwards thereafter to test an intraday low of Rs. 5603 at close. The futures finished with significant losses in final action. Most active June contract traded in the range of Rs. 5603-5722 during Tuesday'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. Higher crop arrivals in the markets

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. 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 as well as 18-day EMA, hinting weak prices. Red chillies futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/04/17 - Daily B:5601.00 A:5604.00
O 5706.00 H 5720.00 L 5603.00 C 5603.00 V 17,190 I 13,565 -117
EMA(9) 5792.6 (18) 5696.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	5330	5461	5603	5748	5879

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5625-5650 with a target of Rs. 5560 and then Rs. 5525 with a strict stop loss of Rs. 5715. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3700-4500	60000-70000

■ BLACK PEPPER

■ Apr 18, 2007

SPOT MARKETS

Domestic pepper markets remained weak during Tuesday's trade. It was quoted lower by Rs. 300 per quintal in Kochi markets amidst no arrivals as well as offtake. Contradictory reports of Vietnam prices have dampen 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 resulted in lowering the prices. However, the long-term fundamentals continue to remain supportive for the markets.

FUTURES MARKETS

Black pepper futures at the NCDEX opened marginally higher than previous settlement and most active May contract tested an intraday high of Rs. 16154 at the early hours of trade. The futures traded sharply downwards thereafter on increased selling interest and tested an intraday low of Rs. 15481. The futures finished with significant losses in final action. The near-month April contract closed below the 4 percent lower circuit level ahead of its exodus on Friday this week. Most active May contract traded in the range of Rs. 15481-16154 during Tuesday'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

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. Stochastic is moving downwards in the neutral region, hinting further downtrend. MACD is moving downwards in positive territory, supporting the weakness. Prices closed below the 9-day EMA, hinting weak prices. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0705(NCPEPK7)2007/04/17 - Daily B:15512.00 A:15522.00
O 16138.00 H 16150.00 L 15489.00 C 15512.00 V 41,103 I 19,132 -625
EMA(9) 15778 (18) 15284



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	14863	15110	15512	16077	16307

TRADE RECOMMENDATION

Sell NCDEX May Pepper near Rs. 15525-15550 with a target at Rs. 15400 and then Rs. 15350 with a strict stop loss at Rs. 15650. Trade cautiously with intra day outlook.

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

CUMIN

■ Apr 18, 2007

SPOT MARKETS

Domestic jeera markets extended previous weakness further. It was offered in a lower price range in Unjha markets on reduced offtake amidst steady arrivals. Demand reported lower on back of prevailing higher 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 witness some further decline on likely increase in arrivals 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. 14235 at the early hours of trade. The futures traded sharply downwards thereafter to test an intraday low of Rs. 13753. The futures finished with hefty losses in final action. Most-active May contract traded in the range of Rs. 13753-14235 during Tuesday'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

Isolated duststorm/thunderstorm is likely over Rajasthan. Isolated rain/thundershowers are likely over Marathwada and Madhya Maharashtra. Mainly dry weather is likely over the rest region. 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 downwards and the %K-line has just entered in the neutral region, leaving scope for further downtrend. MACD is also moving downwards in the positive territory after a bearish crossover. Prices closed below the 9-day EMA, hinting weak prices. Volume as well as 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 some upward movements later in the session.

JEERA 0705(NCJEEK7)2007/04/17 - Daily B:13815.00 A:13823.00
O 14151.00 H 14230.00 L 13760.00 C 13815.00 V 35,373 I 22,302 -363
EMA(9) 13979 (18) 13715



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	13141	13451	13815	14118	14405

TRADE RECOMMENDATION

Sell NCDEX May Jeera near Rs. 13825-13850 with a target of Rs. 13725 and then Rs. 13700 with a strict stop loss of Rs. 13925. 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	8000
	Ganesh	2510-2610	
	Machine Cleaned	2610-2710	

TURMERIC

■ Apr 18, 2007

SPOT MARKETS

On Tuesday except for Duggirala turmeric spot market where the arrivals were witnessed at 3000 bags each bag of 75 kg and the arrivals were traded between Rs.1675-1975/quintal down by Rs.25/quintal amidst gain in the arrivals as compared to previous trading session. All the major mandis across the India were closed on account of 'Amavas'. However the Erode markets at the Tamil Nadu were closed as one of the senior member of the association expired.

FUTURES MARKETS

In the NCDEX futures contracts for Turmeric we witnessed mixed openings for all the contracts but later on we observed that the selling pressure led the contracts to close in the red zone, lower than the previous close levels for all the contracts. In the most active May contract we witnessed liquidation of the long positions as the contract closed at Rs.2207/quintal and made a low at 2201 after making an intraday high at Rs.2233/quintal the open interest also closed low as compared to previous trading session amidst gain the volumes supporting the price movement. June contracts witnessed creation of fresh short positions amidst marginal gain in the 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

Candlesticks pattern indicated a low opening selling pressure led the market to close at the lower levels. Stochastic is trading below the signal line downwards indicating a sell signal. MACD is also moving above the signal line steady in the positive territory. Prices closed below the 6-day EMA, and are currently neutral. RSI is in the oversold zone. 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)2007/04/17 - Daily B:2206.00 A:2209.00
O 2233.00 H 2233.00 L 2201.00 C 2207.00 V 20,230 I 27,930 -22
EMA(9) 2246.9 (18) 2246.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2181	2194	2207	2226	2245

TRADE RECOMMENDATION

We recommend selling NCDEX May futures at every rise, however a correction is expected very soon and so the fresh call will be given once the market opens on the next trading session.

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



■ CARDAMOM

■ Apr 18, 2007

SPOT MARKETS

The climate is reported to be cloudy and rains are expected at the cardamom growing areas Kerala as per the traders as well as IMD stated that thunder showers are expected at Kerala. The spot arrivals at the Nedukandum auctions were reported at around 12000 kg. The demand was reported to be steady.

FUTURES MARKETS

All the cardamom MCX closed on a negative note. The benchmark May contract opened marginally low at Rs.500.5/kg against the Mondays close. But however due to selling pressure and profit booking the contract closed lower at Rs.494.5/kg as compared to the previous close of Rs.501/kg and made in intraday low at Rs.493.1/kg and amidst low volume. The change in the closing price and the open interest is suggesting liquidation of long positions but the change is not significant to prove our assumptions right.

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 still not giving clarity on the trend we will have to wait for another trading close in order to determine a 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. 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	485.3	489.9	494.5	502.3	510.1

TRADE RECOMMENDATION

Currently there is still no clarity in the market trend for the cardamom futures therefore an intraday call will be given on after the market opens for the next trading session.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Nedukandum	NA	12000

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