

CHILLI

May 04, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur witnessed on an average a steady trend during Thursday's trade. It was offered at an unchanged price range after quoting higher at the morning session of trade. Prices have eased recently owing to weak demand. The bearish impact of 20 percent higher production estimates for the season is clearly visible in the markets at present. However, diversion of chillies towards cold storage is providing some element of support to prices. With supply offsetting demand, chilli prices are likely to continue the bearish trend in the coming days.

FUTURES MARKETS

Chilli futures at NCDEX opened higher than previous settlement and the most active June contract tested an intraday high of Rs. 5275 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 5110 during late hours of trading. The futures finished with some losses in final action. Most active June contract traded in the range of Rs. 5110-5275 during Thursday's trade.

PRICE DRIVERS

Bullish:

1. Moderate buying support at lower price levels
2. Diversion of crop arrivals towards cold storage

Bearish:

1. Domestic production is estimated higher due to increased acreage
2. Supply continue to offset physical market demand

WEATHER

Rain/thundershowers are likely at a few places over Rayalaseema, south Coastal Andhra Pradesh, Tamil Nadu and Kerala. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. 14-day RSI is moving flat in neutral region, leaving scope for both way movements. MACD has made a bullish crossover in negative territory. Prices closed below 9-day as well as 18-day EMA, hinting that short-term trend remains bearish. Volume as well as open interest has declined as compared to previous settlement. Red chillies futures are likely to trade downwards following a steady to weak opening with possibility upward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/05/03 - Daily B:5120.00 A:5123.00
O 5157.00 H 5275.00 L 5110.00 C 5120.00 V 16,645 I 10,660 -21
EMA(9) 5127.5 (18) 5245.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4792	4959	5120	5246	5400

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5150 with a target of Rs. 5075 and then Rs. 5050 with a strict stop loss of Rs. 5200. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3500-4200	30000-35000

■ BLACK PEPPER

■ May 04, 2007

SPOT MARKETS

Domestic pepper markets witnessed some weakness. It was quoted lower in Kochi markets amidst arrivals as well as offtake of 50 MT. Traders attributed the decline in prices to profit taking. The firm international price trend has supported the domestic markets to a greater extent. Prices in Vietnam as well as other sources are reported higher. Vietnam farmers are reported to have holding back their produce, while most of the other sources are out of stock at present. The long-term fundamentals continue to remain supportive for the markets.

FUTURES MARKETS

Black pepper futures at NCDEX opened higher than previous settlement and most active June contract traded sharply upwards to test an intraday high of Rs. 16924 at the early hours of trade. Profit taking capped further advances and the futures traded downwards to test an intraday low of Rs. 16199. The futures finished with significant loss in final action. Most active June contract traded in the range of Rs. 16199-16924 during Thursday's trade.

PRICE DRIVERS

Bullish:

1. Global supplies continues to remain tight
2. Vietnam crop size projected lower by 10-20 percent
3. Vietnam farmers holding back stocks

Bearish:

1. Profit taking likely at higher price levels
2. Moderate demand in physical markets

WEATHER

Rain/thundershowers are likely at a few places over Rayalaseema, south Coastal Andhra Pradesh, Tamil Nadu and Kerala. It would help the young vines.

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 about to make a bullish crossover. Prices closed above the 9-day as well as 18-day EMA, hinting that short-term as well as intermediate trend is positive. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to downwards following a weak opening initially and upwards thereafter.

Pepper 0706(NCPEPM7)2007/05/03 - Daily B:16240.00 A:16249.00
O 16639.00 H 16920.00 L 16200.00 C 16240.00 V 39,937 I 14,970 -359
EMA(9) 16091 (18) 16023



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	15500	15792	16240	16712	17050

TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 16000-16050 with a target at Rs. 16300 and then Rs. 16400 with a strict stop loss at Rs. 15800. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14900	50
	Ungarbled	14300	

CUMIN

May 04, 2007

SPOT MARKETS

Domestic jeera markets at Unjha remained lacklustre during Thursday's trade. It was offered at a lower price range after some higher quotes at the morning session of trade. Trading volumes continue to remain thin in the markets and traders expect the prices to move up on declining arrivals. 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 uptrend on declining arrivals, while the long-term fundamental continues to remain supportive.

FUTURES MARKETS

Jeera futures at the NCDEX opened slightly lower than previous settlement and most active June contract traded upwards to test an intraday high of Rs. 13769 at the early hours of trade. The futures retreated on increased selling interest at higher price levels and slide to test an intraday low of Rs. 13282. The futures finished with significant loss in late action. Most active June contract traded in the range of Rs. 13282-13769 during Thursday's trade.

PRICE DRIVERS

Bullish:

1. Estimations of lower acreage, lower production
2. Declining arrivals in the markets

Bearish:

1. Lacklustre trading activities in the market
2. Lack of buying support at markets

WEATHER

Isolated duststorm/thunderstorm is likely over Rajasthan. 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 neutral region, leaving scope for further downtrend. MACD is supporting the weakness. Prices closed below the 9-day as well as 18-day EMA, indicating that the short-term trend is bearish. Volume as well as open interest has increased 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 0706(NCJEE7)2007/05/03 - Daily B:13334.50 A:13335.00
O 13615.00 H 13769.00 L 13285.00 C 13334.50 V 34,983 I 16,209 -285
EMA(9) 13556 (18) 13732



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12820	13076	13334.5	13625	13894

TRADE RECOMMENDATION

Sell NCDEX June Jeera near Rs. 13350-13375 with a target of Rs. 13275 and then Rs. 13225 with a strict stop loss of Rs. 13450. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2250-2300	4000
	Ganesh	2450-2500	
	Machine Cleaned	2550-2600	

TURMERIC

May 04, 2007

SPOT MARKETS

All the spot markets were trading at steady a level as that of Wednesday's trading session. Traders say that stockists are buying currently however the local demand has ended for the season. At Sangli markets, around 4165 bags were sold. Rajapuri variety was quoted at Rs.2350-2800/quintal. At Salem market, the mini Salem variety prices fell down to 2200-2250 down by Rs.500 since last two weeks. Arrivals at the Duggirala and Warangal centres were 1500 and 4000 bags respectively and the prices were steady Rs.50-75 at Rs.1650-1850 and Rs.1600-1900 /quintal

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric tested lower levels after initial gains. In the May futures contract, the change in the close price and the open interest is suggesting liquidation of long positions. However, the change in the open interest is insignificant. The contract opened marginally up at Rs.2159/quintal, failed to sustain the initial higher levels at Rs.2173, and made a low at Rs.2137 on selling pressure. The contract however, closed at Rs.2146/quintal marginally down by 0.41% against previous close price. The volumes were low as compared to Wednesday's settlement. For June contract, we witnessed liquidation of long position amidst low volumes as compared to Wednesday's trading session.

PRICE DRIVERS

Bearish:

1. Higher production estimates.
2. No fresh export orders
3. Low demand in the physical market.

WEATHER

Isolated rains and thunder showers is likely at the Tamil Nadu and Karnataka 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 candlesticks in the charts are indicating a bearish trend in the market. The volumes failed to sustain previous levels and did not support the price movement. Stochastic oscillator is steady in neutral zone. MACD is in negative territory indicating sell signal. The contract settled below the short term that is the 6-day EMA. EMA's are indicating a short-term bearish trend in the market. RSI is neutral and heading towards the oversold region. We expect the contract to trade weak at lower levels.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2116	2131	2146	2167	2188

TRADE RECOMMENDATION

Sell NCDEX May contract at 2143-2148 or at market open price with a target of Rs.2130 and Rs.2123 then 2115 with a stop loss of Rs.2165.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1800-1900	5000
	Gattah	1700-1750	
Erode	Finger	1950-2050	12500
	Gattah	1950-2000	



■ CARDAMOM

■ May 04, 2007

SPOT MARKETS

Arrivals at the Bodinayakanur auctions today were at 16000 kg as compared to last weeks arrivals of 17000 kg. Prices were traded firm at Rs.450-460/kg amidst good demand. Local traders say that as the season is coming to end the arrivals will gradually decrease. The quality of the capsules was reported to be inferior. Rainfall since last two days was witnessed at growing areas in Karnataka as well as at Kerala.

FUTURES MARKETS

The MCX benchmark cardamom May futures settled at lower levels. The volumes failed to breach previous highs and did not support the price movements. We witnessed creation of fresh short positions for the May contract as the market closed down by 1.05% at Rs.479.5/kg as compared to previous settlement price along with the marginal fall in open interest however the change in the open interest was not significant to prove our assumptions right. In June contract, we witnessed liquidation of long positions fall in the volumes.

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala.
2. Low demand in the market.

Bullish:

1. Low Production in India

WEATHER

Isolated rains and thundershower is likely over Kerala region. This will benefit the crop at the growing areas.

TECHNICALS

Black candlestick indicates bear dominated trading session in the market. The fall in volumes did not support the prices movement. The contract closed above short term EMAs, indicating a short-term bullish trend. MACD is in trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is neutral and moving downwards. We can expect the contract to trade firm in next trading session.

CARDAMOM 0705(MXCAMK7)2007/05/03 - Daily B:478.70 A:479.50
O 484.90 H 486.50 L 478.00 C 479.50 V 1,400 T 63,764 I 3,325 -5.1
EMA(6) 478.09 (14) 482.53 (26) 490.17



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	472.8	476.1	479.5	484.6	489.8

TRADE RECOMMENDATION

We recommend intraday sell for the MCX cardamom May contract at Rs.479-481 or market open price with a first target of Rs.474.5 Then Rs.470 and Rs.466 with a stop loss of Rs.490.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

450-460

15000

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