

SPOT MARKETS

Domestic red chillies markets in Guntur remained closed on Saturday for summer holidays. Market will resume normal trading activities from June 4, 2007 again. On Friday, it was offered in a higher price range amid pre-holiday trading. Traders are anticipating trading volume to increase once the holidays are over. Chilli fundamentals continue to remain bearish with 20 percent higher production estimates for the season.

FUTURES MARKETS

Chilli futures at NCDEX opened higher than previous settlement and most active June contract tested an intraday low of Rs. 4921 at the opening session of trade. The futures traded upwards thereafter on increased buying interest and tested an intraday high of Rs. 5058. The futures finished with significant gains in final action. Most active June contract traded in the range of Rs. 4921-5058 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Market to remain close for next 3 weeks starting Saturday

Bearish:

1. Domestic production is estimated higher by 20 percent due to increased acreage
2. Supply continue to offset physical market demand

WEATHER

Isolated rain/thundershowers are likely over Kerala, Lakshadweep, Tamil Nadu and Coastal Andhra Pradesh. Weather is not a crucial factor at present.

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 remains in the negative territory, supporting the weakness in the markets. Prices closed below 9-day as well as 18-day EMA, indicating that short-term as well as intermediate-term trend remains bearish. Volume as well as open interest has declined as compared to previous settlement. Red chillies futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/05/12 - Daily B:5011.00 A:5015.00
O 4925.00 H 5058.00 L 4921.00 C 5013.00 V 7,245 I 8,835 +93
EMA(9) 5030.7 (18) 5115.4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4763	4894	5013	5180	5300

TRADE RECOMMENDATION

Buy NCDEX June Chilli at Rs. 4975-5000 with a target of Rs. 5070 and then Rs. 5100 with a strict stop loss of Rs. 4920. Trade cautiously with intra day outlook.

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

■ BLACK PEPPER

■ May 14, 2007

SPOT MARKETS

Domestic black pepper markets remained firm at the weekend. It was quoted higher by Rs. 200 per quintal in Kochi markets amid arrivals as well as offtake of 12 MT. Moderate buying support at the lower price levels has supported the market sentiments. Contradictory reports of Vietnam pepper prices have created confusions in the domestic trade circle. Vietnam's harvest is near completion with almost 90 percent of the crop in Southern region already harvested and the harvest will end late this month. Activity was weak as buyers in America and Europe preferred to be sidelined eyeing further decline in prices. The short-term outlook for domestic pepper prices are murky at present, though the long-term fundamentals remain supportive.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active June contract tested an intraday low of Rs. 15315 at the opening session of trade. The futures traded upwards thereafter to test an intraday high of Rs. 15750. The futures settled higher after paring some of the gains in late action. Most active June contract traded in the range of Rs. 15315-15750 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Global supplies remain tight
2. Vietnam crop size projected lower by 10-20 percent

Bearish:

1. Profit taking at higher price levels
2. Moderate domestic and export demand in physical markets

WEATHER

Isolated rain/thundershowers are likely over Kerala, Lakshadweep, Tamil Nadu and Coastal Andhra Pradesh. It would help the young vines.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. 14-day RSI is neither oversold nor overbought, leaving scope for both way movements. MACD is about to make a bullish crossover in the negative territory. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend still remains bearish. Volume has declined, while open interest has increased 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 early in the session.

Pepper 0706(NCPEPM7)2007/05/12 - Daily B:15555.00 A:15558.00
O 15400.00 H 15750.00 L 15315.00 C 15557.00 V 16,015 I 18,858 +157
EMA(9) 15701 (18) 15820



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	14945	15240	15557	16010	16324

TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 15400-15450 with a target at Rs. 15600 and then Rs. 15650 with a strict stop loss at Rs.15375. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14800	12
	Ungarbled	14200	

SPOT MARKETS

Domestic jeera markets at Unjha extended previous advances further during Saturday's trade. It was quoted in a higher price range owing to improved offtake amid steady arrivals. Traders reported presence of some demand at the lower price levels as the major supportive feature for the markets. Traders are expecting some short-term uptrend in prices if trading volume increases in the coming days. Long-term fundamentals continue to remain supportive with the estimated fall in production this year.

FUTURES MARKETS

Jeera futures at NCDEX opened higher than previous settlement and most active June contract tested an intraday low of Rs. 12585 at the opening session of trade. The futures surged up to breach the 4 percent upper circuit levels and tested an intraday high of Rs. 13250. The futures settled with hefty gains in final action. Most active June contract traded in the range of Rs. 12585-13250 during Saturday's trade.

PRICE DRIVERS

Bullish:

1. Estimations of lower production this season
2. Declining arrivals in the physical markets

Bearish:

1. Subdued export demand on strong rupee and higher prices
2. Lacklustre trading activities in physical markets

WEATHER

Isolated duststorm is likely over Rajasthan. Mainly dry weather is likely over the rest region. Weather is not crucial at present as most of the harvesting is over.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. Prices closed above 9-day as well as 18-day EMA, indicating that the trend has turned in favour of the bulls. MACD has made a bullish crossover in the negative territory. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a firm opening. However, some profit taking is expected at higher price levels

JEERA 0706(NCJEM7)2007/05/12 - Daily B:13175.80 A:13179.00
O 12594.90 H 13250.00 L 12585.00 C 13179.00 V 29,847 I 18,552 +592.1
EMA(9) 12897 (18) 13156



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12699	12916	13179	13552	13769

TRADE RECOMMENDATION

Buy NCDEX June Jeera near Rs. 13150-13175 with a target of Rs. 13300 and then Rs. 13350 with a strict stop loss of Rs.13050. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2260-2340	
	Ganesh	2360-2440	2500-3000
	Machine Cleaned	2560-2640	

TURMERIC

May 14, 2007

SPOT MARKETS

All the major spot market remained closed on weekly off except for Sangli market. At Sangli market, around 2465 bags were sold and the prices were steady. Traders say fresh export advices were made during the week. Warangal markets will resume regular trading from Monday. Local traders say that NCDEX warehouse at Erode is getting ready and the stock deposits is likely to commence from Monday onwards.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed in a positive territory. In most active June futures, we witnessed accumulation of long position amidst fall in volumes and gain in open interest. However, the change was not significant to support our analysis. The contract opened with an upward gap at Rs.2247/quintal, underpinned by fresh buying support the contract surged, made an intraday high at Rs.2268/quintal, and made a low at Rs.2235/quintal, finally closed at Rs.2250 up by 0.72% against Friday's close price. We witnessed liquidation of short position for May futures contract amidst low volumes and open interest.

PRICE DRIVERS

Bearish:

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

WEATHER

Isolated rains and thunder showers is likely at the Tamil Nadu, 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 candlestick in the chart is indicating indecisive trend in the market. The volumes were marginally low as against previous trade. Stochastic oscillator is neither over bought nor oversold. MACD is in negative territory indicating bearish trend. The contract settled slightly above the short term that is the 6-day EMA. EMA's are indicating a short-term bullish trend in the market. RSI is in neutral zone and moving upwards. We expect the contract to trade weak in next trading session.

Turmeric 0706(NCTMCM7)2007/05/12 - Daily B:2250.00 A:2251.00
O 2247.00 H 2268.00 L 2235.00 C 2250.00 V 19,620 | 20,440 +16
EMA(6) 2230.0 (14) 2227.8 (26) 2235.9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2201	2218	2250	2284	2300

TRADE RECOMMENDATION

We recommend intraday sell for NCDEX June contract at 2255-2250 or at market open price with a target of Rs.2235 and Rs.2205 and then 2192 with a stop loss of Rs.2275

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



■ CARDAMOM

■ May 14, 2007

SPOT MARKETS

Cardamom arrivals at Pulianmalai auctions were around 10457kg and around 6900kg was sold amidst weak demand. Arrivals were traded between Rs.425-450/kg against the previous week's prices of Rs.410-430/kg. Arrivals as compared to week ago were good. The Local traders say that as the season is coming to end the arrivals will gradually decrease. The traders said that currently rainfall is not witnessed however, is anticipated in coming days at the growing areas..

FUTURES MARKETS

The MCX cardamom futures closed firm in a positive territory underpinned by fresh buying support. We witnessed accumulation of long position for June contract, the contract closed up by 1.57% at Rs.495.8/kg as compared to Friday's settlement price along with gain in open interest. The volumes gained and supported the price movement. In May contract, we witnessed liquidation of short position amidst very low volumes.

PRICE DRIVERS

Bearish:

1. Expected rains in Kerala.
2. Weak 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

Candlesticks indicate fresh buying support in the market. Volumes gained significantly and supported the price movements. The contract closed above short term EMAs, indicating a short-term bull trend. MACD is in the negative zone, which is about to make a bullish crossover. RSI is neutral and moving upwards. Stochastic is oversold region. We expect the contract to trade firm.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	483.6	489.7	495.8	504.6	510.1

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom June contract at Rs.495.4-496 or market open price with a first target of Rs498.5 then Rs.502.4 with a stop loss of Rs.490.3 or below.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Pulianmalai

425-450

10457

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2007 Indian Agribusiness Systems Pvt Ltd.