

CHILLI

May 03, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur witnessed a stable trend during Wednesday's trade. It was offered in previous price range amidst lower arrivals as well as offtake. 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 lower than previous settlement and the most active June contract tested an intraday low of Rs. 4944 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 5189 during late hours of trading. The futures finished with gains in final action. Most active June contract traded in the range of Rs. 4944-5189 during Wednesday'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

Isolated rain/thundershower is likely over the region. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. 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 above 9-day EMA, hinting that short-term trend is turning positive. Volume as well as open interest has increased as compared to previous settlement. Red chillies futures are likely to trade upwards following a steady to firm opening with possibility some downward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/05/02 - Daily B:5139.00 A:5142.00
O 5060.00 H 5185.00 L 4944.00 C 5140.00 V 22,385 I 10,940 +63
EMA(9) 5129.1 (18) 5259.9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4800	4923	5140	5318	5437

TRADE RECOMMENDATION

Buy NCDEX June Chilli near Rs. 5100 with a target of Rs. 5175 and then Rs. 5200 with a strict stop loss of Rs. 5050. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3500-4200	35000-40000

■ BLACK PEPPER

■ May 03, 2007

SPOT MARKETS

Domestic pepper markets firmed up once again on Wednesday. It was quoted higher in Kochi markets amidst arrivals as well as offtake of 35 MT. Domestic markets are taking cues from global pepper prices. 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 downwards initially to test an intraday low of Rs. 15713 at the early hours of trade. Increased buying interest supported the futures thereafter and the futures surged up to test an intraday high of Rs. 16660, breaching the 4 percent upper circuit level. Most active June contract traded in the range of Rs. 15713-16660 during Wednesday'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 the physical markets

WEATHER

Isolated rain/thundershower is likely over the region. It would help the young vines.

TECHNICALS

Candlesticks pattern indicates firm opening and initial uptrend. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. 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 turning positive again. Volume as well as open interest has increased along with increase in prices, strengthening the current firm trend. Black pepper futures are likely to upwards following a firm opening.

Pepper 0706(NCPEPM7)2007/05/02 - Daily B:16605.00 A:16620.00
O 15894.00 H 16658.00 L 15716.00 C 16607.00 V 33,474 I 14,308 +739
EMA(9) 16056 (18) 15998

**SUPPORT / RESISTANCES**

Contract	S2	S1	PCP	R1	R2
NCDEX June	15889	16203	16607	16954	17269

TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 16550-16600 with a target at Rs. 16700 and then Rs. 16750 with a strict stop loss at Rs. 16450. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	15100	35
	Ungarbled	14500	

SPOT MARKETS

Domestic jeera markets at Unjha remained closed on religious festival. On Tuesday, it was offered in a higher price range amidst reduced arrivals and higher offtake. Trading volumes continue to remain thin in the markets and traders expect the prices to move up further 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 higher than previous settlement and most active June contract traded downwards to test an intraday low of Rs. 13130 at the early hours of trade. The futures recovered back on improved buying support at lower price levels and surged up to test an intraday high of Rs. 13693. The futures finished with significant gains in late action. Most active June contract traded in the range of Rs. 13130-13693 during Wednesday'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 steady to firm opening and initial uptrend. 14-day RSI is moving upwards in neutral region, leaving scope for further uptrend. MACD is about to make a bullish crossover. Prices closed above the 9-day EMA, indicating that the short-term trend is turning to positive. Volume has increased, while open interest has declined as compared to previous settlement. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements later in the session.

JEERA 0706(NCJEE7)2007/05/02 - Daily B:13642.00 A:13651.00
O:13338.00 H:13693.00 L:13130.00 C:13648.50 V:30,417 I:15,792 +323.9
EMA(9) 13617 (18) 13782



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	13088	13271	13648.5	13930	14138

TRADE RECOMMENDATION

Buy NCDEX June Jeera near Rs. 13575-13610 with a target of Rs. 13700 and then Rs. 13725 with a strict stop loss of Rs. 13500. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	Closed	
	Ganesh	Closed	-
	Machine Cleaned	Closed	

TURMERIC

May 03, 2007

SPOT MARKETS

All the spot markets resumed trade with bearish sentiments underpinned by low demand in the market. The arrivals at Sangli markets were 3840 bags the prices were low by Rs.100 Rajapuri variety were sold 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 3000 and 8000 bags respectively and the prices were down by Rs.50-75 at Rs.1650-1850 and Rs.1600-1900 /quintal

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed in negative territory. 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.2195/quintal. The contract failed to sustain the higher levels at Rs.2196 and made a low at Rs.2140 on selling pressure. The contract however, closed at Rs.2155/quintal down by 1.59% against previous close price. The volumes were marginally low as compared to Tuesday's settlement. For June contract, we witnessed accumulation of short position amidst good volumes as compared to Tuesday'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 candlestick formed a medium black candle after a doji indicating a bearish trend in the market amidst significant gain in volumes. Stochastic oscillator is steady in neutral zone. MACD is in positive territory heading downwards. 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.

Turmeric 0705(NCTMCK7)2007/05/02 - Daily B:2151.00 A:2157.00

O 2195.00 H 2196.00 L 2140.00 C 2155.00 V 22,950 I 20,760 -38

EMA(6) 2197.7 (14) 2217.7 (26) 2223.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2107	2131	2155	2187	2219

TRADE RECOMMENDATION

Sell NCDEX May contract at 2153-2157 or at market open price with a target of Rs.2143 and Rs.2138 then Rs.2135 with a stop loss of Rs.2185.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1800-1850	8000
	Gattah	1700-1750	
Erode	Finger	1950-2050	11000
	Gattah	1950-2000	



■ CARDAMOM

■ May 03, 2007

SPOT MARKETS

Arrivals at the Kumily auctions today were very low at 25000 kg as compared to last weeks arrivals of 53000 kg. Prices were firm by Rs.5-10/kg. Local traders say that as the season is coming to end the arrivals will gradually decrease. The qualities of the capsules were reported to be inferior. Rainfall since last two days was witnessed at growing areas in Karnataka. Where as at Kerala the climate is dry is showers are expected.

FUTURES MARKETS

The MCX benchmark cardamom May futures closed on a positive note. The volumes gained and supported the price movements. We witnessed liquidation of short positions for the May contract as the market closed up by 2.37% at Rs.483.5/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 short positions marginal gain 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

White candlestick indicates fresh buying coming in the market. The significant gain the volumes supported the prices. 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 upwards. We can expect the contract to trade firm in next trading session.

CARDAMOM 0705(MXCAMK7)2007/05/02 - Daily B:483.40 A:484.30
O 471.30 H 488.00 L 471.20 C 483.50 V 1,672 T 64,421 I 3,113 +11.2
EMA(6) 477.21 (14) 482.85 (26) 490.94



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	464.1	473.8	483.5	490.6	497.7

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom May contract at Rs.481.5 with a first target of Rs.486. Then Rs.490.3 and Rs.494 with a stop loss of Rs.468.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Kumily

455-470

25000

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