

SPOT MARKETS

Domestic red chillies markets in Guntur remained on an average firm during Friday's trade. It was offered in a higher price range ahead of the summer holidays in Guntur market starting this Saturday. Market will resume normal trading activities from June 4, 2007 again. Traders are anticipating trading volume to increase once the summer 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 lower than previous settlement and most active June contract tested an intraday high of Rs. 4980 at the opening session of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 4836. The futures finished significantly lower after some of the losses in final action. Most active June contract traded in the range of Rs. 4836-4980 during Friday'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 and Tamil Nadu. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and possibility of some uptrend. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. 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 has increased, while 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 of some upward movements early in the session.

CHLL334GTR 0706(NCGTRM7)2007/05/11 - Daily B:4915.00 A:4926.00
O 4970.00 H 4980.00 L 4836.00 C 4920.00 V 8,100 I 9,240 -70
EMA(9) 5036.2 (18) 5128.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4689	4808	4920	5127	5233

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 4975 with a target of Rs. 4875 and then Rs. 4825 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	3600-4400	50000

■ BLACK PEPPER

■ May 12, 2007

SPOT MARKETS

Domestic black pepper markets witnessed some weakness during Friday's trade. It was quoted lower by Rs. 100 per quintal in Kochi markets amid arrivals as well as offtake of 5 MT. Domestic traders attributed some decline in Vietnam pepper prices as the major reason behind the fall in domestic prices. 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 continue to remain supportive for the markets.

FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active June contract tested an intraday low of Rs. 15264 at the early hours of trade. The futures tested an intraday high of Rs. 15535 during late hours of trade, but finished in negative territory. Most active June contract traded in the range of Rs. 15264-15535 during Friday'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. Weak domestic and export demand in physical markets

WEATHER

Isolated rain/thundershowers are likely over Kerala and Tamil Nadu. It would help the young vines.

TECHNICALS

Candlesticks pattern indicates steady to weak opening and indecision in the market. 14-day RSI is neither oversold nor overbought, leaving scope for both way movements. MACD is moving downwards in the negative territory, supporting the weakness in the markets. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend still remains bearish. Volume as well as open interest has declined as compared to previous settlement. Black pepper futures are likely to trade downwards following a steady to weak opening with possibility of upward movements later in the session.

Pepper 0706(NCPEPM7)2007/05/11 - Daily B:15400.00 A:15405.00
O 15405.00 H 15535.00 L 15270.00 C 15400.00 V 16,342 I 18,578 -25
EMA(9) 15737 (18) 15851



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	14850	15100	15400	15775	16000

TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 15300-15350 with a target at Rs. 15450 and then Rs. 15500 with a strict stop loss at Rs.15200. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14600	5
	Ungarbled	14000	

SPOT MARKETS

Domestic jeera markets at Unjha witnessed a firm trend during Friday's trade. It was offered in a higher price range owing to improved offtake amid reduced 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 lower than previous settlement and most active June contract tested an intraday low of Rs. 12413 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 12618 during late hours of trading. The futures settled with gains in final action. Most active June contract traded in the range of Rs. 12413-12618 during Friday'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/thunderstorm accompanied with squall is likely over Rajasthan. Weather is not crucial at present as most of the harvesting is over.

TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. Prices closed well below 9-day as well as 18-day EMA, indicating that the trend remains bearish. MACD is supporting the weakness in the markets. 14-day RSI is neither oversold nor overbought, leaving scope for both way movements. Volume as well as open interest has increased 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(NCJEE07)2007/05/11 - Daily B:12580.00 A:12589.00
O 12500.00 H 12616.00 L 12415.00 C 12586.90 V 16,830 I 19,125 +93.9
EMA(9) 12826 (18) 13154



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12200	12361	12586.9	12826	12999

TRADE RECOMMENDATION

Buy NCDEX June Jeera near Rs. 12550-12575 with a target of Rs. 12625 and then Rs. 12650 with a strict stop loss of Rs.12500. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2240-2320	2500
	Ganesh	2340-2420	
	Machine Cleaned	2540-2620	

TURMERIC

May 12, 2007

SPOT MARKETS

Turmeric prices at all the spot markets were trading down by Rs.25-50 / quintal as compared to previous trading session. Arrivals at the Duggirala market were 2500 bags and the prices were weak by Rs.50/quintal at Rs.1650-1900/quintal. 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 at lower levels as against Thursday's close price. In most active June futures, we witnessed creation of fresh short position amidst fall in volumes and open interest. However, the change in open interest was not significant to prove our assumptions right. The contract opened steady at Rs.2240/quintal, the contract failed to sustain the initial intraday high at Rs.2255/quintal and made a low at Rs.2213/quintal, finally closed at Rs.2234 marginally down by 0.26% against Thursday's close price. We witnessed liquidation of long 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 equal participation of both bulls and bears the market. The volumes were low as against previous trade. Stochastic oscillator is neither over bought nor oversold. MACD is in negative territory indicating sell signal. 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 n moving downwards. We expect the contract to trade weak in next trading session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2171	2192	2234	2276	2297

TRADE RECOMMENDATION

We recommend intraday sell for NCDEX June contract at 2234-2240 or at market open price with a target of Rs.2220 and Rs.2205 and then 2192 with a stop loss of Rs.2260 or above.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-1900	2500
	Gattah	1750-1800	
Erode	Finger	2050-2100	10000
	Gattah	2000-2050	



■ CARDAMOM

■ May 12, 2007

SPOT MARKETS

Cardamom arrivals at Vandanmedu auctions were around 15500kg and were traded between Rs.470-480/kg against the previous week's prices of Rs.430-470/kg. The local demand was reported to be good and the arrivals were good as compared to last week's arrivals of 13500 kg. The Local traders say that as the season is coming to end the arrivals will gradually decrease. The traders said that rainfall is expected at the cardamom growing regions at in Kerala.

FUTURES MARKETS

The MCX cardamom futures contract settled slightly firm. We witnessed short covering for the June contract, the market closed slightly up by Rs.0.6 at Rs.489/kg as compared to Thursday's settlement price along with marginal fall in open interest however, the change in close and open interest was not significant to prove our assumptions right. The volumes made a steep fall and did not support 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. Low demand in the market.

Bullish:

1. Low Production in India

WEATHER

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

TECHNICALS

Candlesticks indicate an indecisive trend in the market. Volumes made a steep fall and did not support the price movements. The contract closed below short term EMAs, indicating a short-term bearish trend. MACD is in trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is oversold. Stochastic is oversold. A correction is likely very soon. However, the trend still favours the bears.

CARDAMOM 0706(MXCMM7)2007/05/11 - Daily B:487.60 A:489.70
O 488.00 H 489.00 L 485.80 C 489.00 V 270 T 13,148 I 1,680 +0.6
EMA(6) 491.43 (14) 499.50 (26) 510.52



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	483.6	484.7	489	493.3	496.3

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom June contract at Rs.489.1-488.6 or market open price with a first target of Rs492.5 Then Rs.495.8 with a stop loss of Rs.484.3 or below.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Vandanmedu

470-480

15500

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