

CHILLI

May 02, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur remained closed on Tuesday. On Monday, it was quoted in a stable price range amidst higher arrivals. 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. 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. 5165 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 5040 during late hours of trading. The futures finished with significant losses in final action. Most active June contract traded in the range of Rs. 5040-5165 during Tuesday'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 weak opening and initial downtrend. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. 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 some upward movements later in the session.

CHLL334GTR 0706(NC6TRM7)2007/05/01 - Daily B:5045.00 A:5064.00
O 5150.00 H 5165.00 L 5040.00 C 5051.00 V 13,645 I 10,530 -74
EMA(9) 5121.2 (18) 5271.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4780	4911	5051	5186	5318

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5075-5100 with a target of Rs. 5025 and then Rs. 5000 with a strict stop loss of Rs. 5150. 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 02, 2007

SPOT MARKETS

Domestic pepper markets remained closed on Tuesday. On Monday, it was quoted higher by Rs. 100 per quintal in Kochi markets. Demand continues to remain weak from domestic as well as overseas buyers. However, the international price trend has supported the domestic markets. Prices in Vietnam as well as other sources are reported higher recently. 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. 15444 at the early hours of trade. Increased buying interest at the lower price levels supported the futures thereafter and the futures traded sharply upwards to test an intraday high of Rs. 15931. The futures finished with significant gains in final action. Most active June contract traded in the range of Rs. 15444-15931 during Tuesday'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 at higher price levels
2. Weak demand in the physical markets

WEATHER

Isolated rain/thundershower is likely over the region. Dry weather conditions are favourable for the crop.

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 is moving indecisively in the negative territory. Prices closed below the 9-day as well as 18-day EMA, hinting that short-term as well as intermediate trend remain bearish. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to trade upwards following a steady to firm opening.

Pepper 0706(NCPEPM7)2007/05/01 - Daily B:15867.00 A:15885.00
O 15500.00 H 15930.00 L 15450.00 C 15870.00 V 20,552 I 13,565 +410
EMA(9) 15918 (18) 15927



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	15259	15574	15870	16373	16688

TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 15800-15850 with a target at Rs. 15975 and then Rs. 16100 with a strict stop loss at Rs. 15650. Trade cautiously with intra day outlook.

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

SPOT MARKETS

Domestic jeera markets remained firm during Tuesday's trade. 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 are likely to consolidate amidst thin trading activities, though the long-term fundamental remains supportive.

FUTURES MARKETS

Jeera futures at the NCDEX opened lower than previous settlement and most active June contract traded downwards to test an intraday low of Rs. 13221.2. The futures recovered back on improved buying support at lower price levels and tested an intraday high of Rs. 13425, only to retreat again. The futures finished with some losses in late action. Most active June contract traded in the range of Rs. 13221.2-13425 during Tuesday'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 physical 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 weak opening and indecision in the market. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. MACD is indicating further weakness. Prices closed below the 9-day as well as 18-day EMA, indicating bearish trend in the market. Volume has declined, while 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 early in the session.

JEERA 0706(NCJEE7)2007/05/01 - Daily B:13300.00 A:13310.00
O 13346.00 H 13421.00 L 13222.30 C 13300.00 V 18,303 I 15,990 -35
EMA(9) 13604 (18) 13795



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12881	13088	13300	13589	13784

TRADE RECOMMENDATION

Sell NCDEX June Jeera near Rs. 13325-13350 with a target of Rs. 13275 and then Rs. 13250 with a strict stop loss of Rs. 13400. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2275-2325	2000-2500
	Ganesh	2475-2525	
	Machine Cleaned	2575-2625	

TURMERIC

May 02, 2007

SPOT MARKETS

All the major spot markets remained closed because of International Labour Day. However, the arrivals for the season have started to decline amidst low demand in the physical market. Currently there is no export demand and no fresh orders are placed as per traders and exporters however, inquiries are going on. Lack of export demand is due to the strengthening of the rupee against the dollar. We anticipate stockists to enter at the market at the lower level of prices.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric settled at lower levels. In the May futures contract, the change in the close price and the open interest is suggesting accumulation of short positions. The contract opened previous settlement price at Rs.2215/quintal. The contract made an intraday high at Rs.2222 and made a low at Rs.2184 on selling pressure. The contract however, closed at Rs.2190/quintal down by 1.12% against previous close price. The volumes gained significantly as compared to Monday's settlement. For June contract, we witnessed accumulation of short position amidst good volumes as compared to Monday'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 neither overbought nor over sold and heading towards the oversold region. We expect the contract to trade weak at lower levels.

Turmeric 0705(NCTMCK7)2007/05/01 - Daily B:2189.00 A:2192.00
O 2215.00 H 2222.00 L 2184.00 C 2190.00 V 22,880 I 21,030 -25
EMA(6) 2213.9 (14) 2227.0 (26) 2228.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2160	2175	2190	2213	2236

TRADE RECOMMENDATION

Sell NCDEX May contract at 2215-2210 with a target of Rs.2200 and Rs.2189 then Rs.2177 with a stop loss of Rs.2240.

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



■ CARDAMOM

■ May 02, 2007

SPOT MARKETS

As per the local auction traders currently, the climatic is cloudy and normal at the Idukki districts as well as IMD stated that thundershowers are expected at Kerala. The spot arrivals at the Nedukandum auctions were around 11000 kg Prices were traded at Rs.435-440 levels marginally up as compared to last week's prices. The domestic is very low to support the prices along with no export orders.

FUTURES MARKETS

The MCX benchmark cardamom May futures lacked luster. The volumes failed to sustain the previous trade levels did not support the price movements. We witnessed creation of fresh long position for the May contract as the market closed marginally up by 0.81% at Rs.472.5/kg as compared to previous settlement price along with the marginal gain in open interest however the change in the open interest was not significant to prove our assumptions right. The June contracts traded between Rs.502.5 and Rs.494.3 amidst 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 a short-term correction in the market. The fall in the volumes did support the prices. The contract closed below short term EMAs, indicating bearish trend in the market. MACD is in trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is neutral n trading steady. We can expect the contract to trade firm in next trading session.

CARDAMOM 0705(MXCAMK7)2007/05/01 - Daily B:471.10 A:473.00
O 467.90 H 475.00 L 466.00 C 472.50 V 747 T 21,436 I 3,227 +3.8

EMA(6) 474.76 (14) 482.78 (26) 491.55



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	462.1	467.3	472.5	476.3	480.1

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom May contract at Rs.468-470 with a first target of Rs.474 then Rs.480 and Rs.488 with a stop loss of Rs.458.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Nedukandum

435-440

11000

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.