

### SPOT MARKETS

Domestic red chillies markets in Guntur witnessed a firm trend during Wednesday's trade. It was offered in a higher price range owing to improved offtake amid higher arrivals. Demand for the good quality chillies continues to remain higher, though the availability of the same is not enough. Demand from cold storages remains supportive for the markets at present. However, most of the cold storages are reportedly out of storage capacity. With 20 percent higher production estimates for the season, long-term outlook on chillies remains bearish.

### FUTURES MARKETS

Chilli futures at NCDEX opened higher than previous settlement and most active June contract tested an intraday low of Rs. 4955 at the early hours of trade. The futures traded upwards thereafter on increased buying support and tested an intraday high of Rs. 5072. The futures settled in positive territory in late action. Most active June contract traded in the range of Rs. 4955-5072 during Wednesday's trade.

### PRICE DRIVERS

#### Bullish:

1. Diversion of crop arrivals towards cold storage
2. Moderate demand for good quality chillies

#### 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 many places over Kerala and at a few places over Tamil Nadu, south Karnataka and north Coastal Andhra Pradesh. Weather is not a crucial factor at present.

### TECHNICALS

Candlesticks pattern indicates steady opening and indecision in the market. 14-day RSI is moving flat in neutral region, leaving scope for both way movements. 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 opening with possibility of some downward movements later in the session.

CHLL334GTR 0706(NCGTRM7)2007/05/09 - Daily B:5039.00 A:5040.00  
O 5010.00 H 5072.00 L 4956.00 C 5039.00 V 9,435 I 9,550 +38  
EMA(9) 5082.5 (18) 5170.9



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4768	4907	5039	5198	5337

### TRADE RECOMMENDATION

Buy NCDEX June Chilli near Rs. 5000-5025 with a target of Rs. 5075 and then Rs. 5100 with a strict stop loss of Rs. 4950. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3700-4400	50000-60000

## ■ BLACK PEPPER

■ May 10, 2007

### SPOT MARKETS

Domestic black pepper markets remain steady during Wednesday's trade. It was quoted unchanged in Kochi markets amid arrivals as well as offtake of 8 MT. Traders attributed speculative activities at the futures market as the major reason behind the recent decline in prices. Even the International Pepper Community cited "unknown reason" behind the fall in prices in the recent time. The short-term situations seem murky at present with contradictory reports of pepper prices in Vietnam. Harvest of pepper in Vietnam is near completion and prices remained at a higher level. 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 traded downwards to test an intraday low of Rs. 15240 at the early hours of trade. The futures retraced back on improved buying support at lower price levels and tested an intraday high of Rs. 15747. The futures settled in positive territory in late action. Most active June contract traded in the range of Rs. 15240-15747 during Wednesday's trade.

### PRICE DRIVERS

#### Bullish:

1. Global supplies 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 physical markets
3. Strong rupee making Indian prices costlier for overseas buyers

### WEATHER

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

### TECHNICALS

Candlesticks pattern indicates steady to firm opening and initial uptrend. 14-day RSI has started moving upwards in neutral region, leaving scope for further uptrend. MACD remains in the negative territory. 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 upwards following a steady to firm opening with possibility of some downward movements later in the session.

Pepper 0706(NCPEPM7)2007/05/09 - Daily B:15662.00 A:15675.00  
O 15480.00 H 15745.00 L 15240.00 C 15662.00 V 33,167 I 18,031 +126  
EMA(9) 15921 (18) 15961



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	15000	15332	15662	16082	16397

### TRADE RECOMMENDATION

Buy NCDEX June Pepper near Rs. 15550-15600 with a target at Rs. 15750 and then Rs. 15800 with a strict stop loss at Rs.15425. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	8
	Ungarbled	14100	

### SPOT MARKETS

Domestic jeera markets at Unjha remained steady during Wednesday's trade. It was offered in a mostly unchanged price range amid steady arrivals as well as offtake. Trading volume continues to remain thin and has dented buyers' interest in the market. Traders are expecting some short-term uptrend in prices if arrivals continue to remain lower. Long-term fundamentals remain supportive with the 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. 12360 at the early hours of trade. The futures traded upwards thereafter to test an intraday high of Rs. 12684 during late hours of trading. The futures settled with some gains in final action. Most active June contract traded in the range of Rs. 12360-12684 during Wednesday'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, indicating that the market may have bottomed. Jeera futures are likely to trade upwards following a steady to firm opening with possibility of some downward movements early in the session.

JEERA 0706(NCJEE7)2007/05/09 - Daily B:12575.90 A:12590.10  
O 12524.90 H 12681.00 L 12361.00 C 12580.00 V 29,757 I 18,456 +39  
EMA(9) 12985 (18) 13305



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12200	12361	12580	12835	12997

### TRADE RECOMMENDATION

Buy NCDEX June Jeera near Rs. 12500-12550 with a target of Rs. 12650 and then Rs. 12700 with a strict stop loss of Rs.12400. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2220-2300	3000-3500
	Ganesh	2320-2400	
	Machine Cleaned	2520-2600	



## TURMERIC

May 10, 2007

### SPOT MARKETS

Turmeric remains on an average firm during Wednesday's trade. It was offered in previous price range amid reduced arrivals in the markets. Traders reported increased activity of the stockists as the major reason behind the firmness in turmeric prices after the recent bear rally. Moreover, farmers in certain regions are demanding higher prices for their produce and this has resulted in lower availability of turmeric in the markets. Though the long-term outlook still remains bearish, some short-term spike in prices can not be ruled out on the back of decline in regular arrivals in the markets.

### FUTURES MARKETS

Turmeric futures at NCDEX opened lower than previous settlement and the most active June contract tested an intraday low of Rs. 2182 at the early hours of trade. The futures surged up on increased buying support and tested an intraday high of Rs. 2275 during late hours of trading. The futures settled near day's high in final action. Most active June contract traded in the range of Rs. 2182-2275 during Wednesday's trade

### PRICE DRIVERS

#### Bullish:

1. Decline in arrivals in the markets

#### Bearish:

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

### WEATHER

Rain/thundershowers are likely at many places over Kerala and at a few places over Tamil Nadu, south Karnataka and north Coastal Andhra Pradesh. This will not affect the crop as most of the harvest and post harvest activity have already been carried out.

### TECHNICALS

Candlesticks pattern indicates a firm opening and initial uptrend. 14-day RSI is trending higher in neutral region, hinting further uptrend. Prices closed well above the 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 negative territory. Volume has increased, while open interest has declined as compared to previous settlement. Turmeric futures are likely to trade upwards following a firm opening. However, some profit taking may be witnessed at higher price levels.

Turmeric 0706(NCTMCM7)2007/05/09 - Daily B:2260.00 A:2267.00  
O 2186.00 H 2275.00 L 2182.00 C 2264.00 V 38,820 I 20,170 +74  
EMA(9) 2212.3 (18) 2228.2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2200	2227	2264	2304	2331

### TRADE RECOMMENDATION

Buy NCDEX June Turmeric near Rs. 2250 with a target of Rs. 2280 and then Rs. 2300 with a stop loss of Rs. 2225. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-1950	3000
	Gattah	1750-1850	
Erode	Finger	2025-2075	9000-10000
	Gattah	2000-2050	



## ■ CARDAMOM

■ May 10, 2007

### SPOT MARKETS

Subdued demand kept the prices on lower side in CPMC (Kumily) auction Wednesday. Arrivals of 45 MT were seen in the center. The prices of different grades of cardamom ranged between Rs 191-496 with the average of Rs 369 per kg, whereas 7mm grade Cardamom traded at Rs 450 a kg. As the season is coming to end, arrivals would deplete with time. However, according to market sources, there is ample stock of cardamom to fulfill domestic and overseas demand prior to next season. Sporadic rains in the cardamom growing regions are proving beneficial for the crop, and if monsoon comes timely, the picking of next season might start in July. Dry patch of weather earlier was expected to result in delayed picking in August.

### FUTURES MARKETS

The MCX cardamom futures retreated earlier gains to close off the session highs. June contract opened firm Rs 492 a kg and then it surged to the highs of Rs 495.2. However, lack of buying support at higher levels took the prices to Rs 488.10 before finally closing the session at Rs 489.5.

### 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 in the growing areas.

### TECHNICALS

Charts are giving mixed signals at this stage. Long upper shadow of candlestick depicts tentativeness at higher levels. MACD has turned flat and is giving no clear signal. Stochastic on the other hand is about to make bullish crossover in oversold region. Volumes dipped during the session, whereas open interest edged higher showing fresh addition to short positions. The EMA pattern however is still in favor of bears.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	483.7	486.0	489.5	497	501

### TRADE RECOMMENDATION

Sell MCX Cardamom June contract near Rs 494 with a target Rs.488, then Rs. 485, with a stop loss of Rs.497.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Needukandam	430-440	45000

### Disclaimer

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