

## CHILLI

May 17, 2007

### SPOT MARKETS

Domestic red chillies markets in Guntur remained closed for summer holidays. Market will resume normal trading activities from June 4, 2007 again.

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 marginally higher than previous settlement and most active June contract tested an intraday high of Rs. 4966 during mid-session. The futures traded downwards thereafter to test an intraday low of Rs. 4851 only to recover back again. The futures finished with some gains in final action. Most active June contract traded in the range of Rs. 4851-4966 during Wednesday's trade.

### PRICE DRIVERS

#### Bullish:

1. Market closed for next 3 weeks due to summer holidays

#### Bearish:

1. Domestic production is estimated higher by 20 percent due to increased acreage

### WEATHER

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

### TECHNICALS

Candlesticks pattern indicates steady opening and initial uptrend. 14-day RSI is neutral, leaving scope for both way movements. MACD remains in the negative territory, supporting the weakness. Prices closed below the 9-day as well as 18-day EMA, indicating bearish trend in the market. Volume as well as open interest has declined. Red chillies futures are likely to trade upwards following a steady opening initially with possibility of downward movements later in the session.

CHLL334GTR 0706(NCGRM7)2007/05/16 - Daily B:4935.00 A:4947.00  
O 4910.00 H 4966.00 L 4851.00 C 4946.00 V 9,455 I 8,965 +36  
EMA(9) 4994.9 (18) 5071.0



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4684	4800	4946	5091	5186

### TRADE RECOMMENDATION

Sell NCDEX June Chilli at Rs. 4975-5000 with a target of Rs. 4925 and then Rs. 4875 with a strict stop loss of Rs. 5060. 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 17, 2007

### SPOT MARKETS

Domestic black pepper markets extended previous weakness further during Wednesday's trade. It was quoted lower by Rs. 200 per quintal in Kochi markets amid no arrivals as well as offtake. Reports of Vietnam slashing its pepper prices have dampened the domestic market sentiments. Domestic demand remains weak as buyers are eyeing prices to fall further. However, the longer-term fundamentals remain strong with estimated global supply shortage. Pepper prices may witness some short-term weakness on weak demand for the commodity.

### FUTURES MARKETS

Black pepper futures at NCDEX opened lower than previous settlement and most active June contract tested an intraday high of Rs. 15299 at the early hours of trade. The futures traded sharply downwards thereafter on increased selling interest and tested an intraday low of Rs. 14660. The futures finished significantly lower after paring some of the losses. Most active June contract traded in the range of Rs. 14660-15299 during Wednesday's trade.

### PRICE DRIVERS

#### Bullish:

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

#### Bearish:

1. Increasing stocks at exchange accredited warehouses
2. Weak domestic as well as export demand

### WEATHER

Isolated rain/thundershowers are likely over Kerala. It would help the newly planted vines.

### TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. MACD is moving downwards in the negative territory, supporting the weakness. Prices closed below the 9-day as well as 18-day EMA, indicating that the trend still remains bearish. Volume has increased, while 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.

Pepper 0706(NCPEPM7)2007/05/16 - Daily B:14801.00 A:14810.00  
O 15108.00 H 15299.00 L 14670.00 C 14806.00 V 27,097 I 17,663 -289  
EMA(9) 15421 (18) 15632



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	14151	14528	14806	15316	15650

### TRADE RECOMMENDATION

Sell NCDEX June Pepper near Rs. 14850-14900 with a target at Rs. 14750 and then Rs. 14700 with a strict stop loss at Rs.15000. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14400	-
	Ungarbled	13800	

## CUMIN

May 17, 2007

### SPOT MARKETS

Domestic jeera markets at Unjha continue to remain quiet. It was quoted in an unchanged price range amid steady arrivals as well as offtake in the markets. No significant development at the demand front has kept the prices in a narrow range over the past couple of days. However, sharp decline in futures prices has to some extent dampen the market sentiments. 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 high of Rs. 12647 at the early hours of trade. Increased selling interest has pressurised the futures and the futures traded downwards thereafter to test an intraday low of Rs. 12258. The futures finished lower after paring some losses in final action. Most active June contract traded in the range of Rs. 12258-12647 during Tuesday's trade.

### PRICE DRIVERS

#### Bullish:

1. Estimations of lower production this season

#### Bearish:

1. Subdued export demand at higher price levels
2. Lacklustre trading activities in physical markets

### WEATHER

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

### TECHNICALS

Candlesticks pattern indicates steady to weak opening and initial downtrend. Prices closed below 9-day as well as 18-day EMA, indicating a bearish trend in the market. MACD remains in the negative territory, supporting the weakness. 14-day RSI is moving downwards in neutral region, leaving scope for further downtrend. 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 later.

JEERA 0706(NCJEE07)2007/05/16 - Daily B:12380.00 A:12385.00  
O 12455.00 H 12645.00 L 12258.00 C 12380.10 V 26,064 I 19,692 -81.9  
EMA(9) 12739 (18) 12997



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12000	12175	12380.1	12645	12808

### TRADE RECOMMENDATION

Sell NCDEX June Jeera near Rs. 12450-12500 with a target of Rs. 12350 and then Rs. 12300 with a strict stop loss of Rs.12600. Trade cautiously with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2280-2360	3000
	Ganesh	2380-2460	
	Machine Cleaned	2580-2660	



## TURMERIC

May 17, 2007

### SPOT MARKETS

Some of the spot markets remained closed because of 'Amavas'. While at other mandi's the prices were weak by Rs.25- 50/quintal amidst weak demand. At Warangal, around 3500 bags were sold and prices were weak by Rs.25/quintal at Rs.1700-1800. Local traders say that NCDEX warehouse at Erode as well as Warangal has opened and the stock deposits have been started.

### FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed marginally down by Rs.5 after early gains. For the most active June contract, we witnessed liquidation of long positions amidst low volumes and fall in open interest. The contract-opened steady at Rs.2220/quintal, due to initial buying support prices surged and made an intraday high at Rs.2240/quintal, however later on selling pressure the prices made a steep fall upto Rs.2211 level, finally closed at Rs.2215 down by 0.22% as compared to Tuesday's close price. We witnessed liquidation of long positions for May futures contract amidst low volumes and fall in open interest.

### PRICE DRIVERS

#### Bearish:

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

### WEATHER

Dry weather is likely over Tamil Nadu and Andhra Pradesh region. This kind of weather will not have a major effect as harvest and post harvest activities have already been carried out in these areas.

### TECHNICALS

Candlesticks indicate active bears in the market. Volumes made a steep fall as compared to last trading session. Stochastic oscillator is below the signal line and suggesting a bearish trend. MACD is in negative territory indicating bearish trend. The contract settled slightly below the short term that is the 6-day EMA. EMA's are indicating a short-term bearish trend in the market. RSI is in neutral zone and moving downwards. We expect the contract to trade weak in next trading session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2175	2193	2215	2251	2262

### TRADE RECOMMENDATION

We recommend intraday sell for NCDEX June contract at 2215-2220 or at market open price with a target of Rs.2203 and then 2190 with a stop loss of Rs.2235.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	Closed	
Erode	Finger	2000-2100	9500
	Gattah	1950-2050	



## ■ CARDAMOM

■ May 17, 2007

### SPOT MARKETS

Cardamom arrivals at Kumily auctions were around 29000kg. Traders say that, demand was good as this week is likely to be the last week for the season. Arrivals were traded between Rs.450-460/kg. 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 in a positive territory and witnessed fresh buying coming in. Long accumulation was witnessed for the most active June contract along with gain in open interest. The contract opened firm at Rs.495, jumped up to 511.4 levels after initial low of Rs.494.2, and closed up by 2.34% as compared to previous settlement. The volumes gained and reached its highest level for the contract. The May contract traded between Rs.499.7 and Rs.474. Both volumes and open interest were steady.

### PRICE DRIVERS

#### Bearish:

1. Expected rains in Kerala.
2. Weak demand in the market.

#### Bullish:

1. Low Production in India

### WEATHER

Isolated rains and thundershowers are expected over Kerala region in coming days. This will benefit the crop at the growing areas and the yield of the crop is anticipated to improve.

### TECHNICALS

Long white candlestick is indicating active bulls 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 cross over. RSI is neutral and moving upwards. Stochastic is in neutral region and moving upwards. We expect the contract to trade weak.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	486.5	496.3	505.7	520.9	530.5

### TRADE RECOMMENDATION

We recommend intraday Buy for the MCX cardamom June contract at Rs.505-505.7 or market open price with a first target of Rs.510.5 then Rs.518.6 with a stop loss of Rs.499.1.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Kumily	450-460	29000

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