

SPOT MARKETS

Domestic red chillies markets in Guntur remained bearish during Thursday's trade. It was quoted in a lower price range amid mostly steady arrivals. Trading activity was lacklustre ahead of the summer holidays in Guntur market starting this weekend. 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 higher production estimates for the season.

FUTURES MARKETS

Chilli futures at NCDEX opened higher than previous settlement and most active June contract tested an intraday high of Rs. 5045 at the opening session of trade. The futures traded downwards thereafter on increased selling interest and tested an intraday low of Rs. 4986 during late hours of trading. The futures settled near day's low in final action. Most active June contract traded in the range of Rs. 4986-5045 during Thursday's trade.

PRICE DRIVERS

Bullish:

1. 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 a few places over Kerala. 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 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 downwards following a steady to weak opening with possibility of some upward movements later in the session.

CHLL334GTR 0706(NCGRM7)2007/05/10 - Daily B:4981.00 A:4990.00
O 5045.00 H 5045.00 L 4986.00 C 4990.00 V 3,415 I 9,395 -49
EMA(9) 5064.0 (18) 5151.8



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4812	4921	4990	5137	5245

TRADE RECOMMENDATION

Sell NCDEX June Chilli near Rs. 5000-5025 with a target of Rs. 4975 and then Rs. 4925 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	3500-4300	50000

■ BLACK PEPPER

■ May 11, 2007

SPOT MARKETS

Domestic black pepper markets maintained previous steadiness during Thursday's trade. It was quoted unchanged in Kochi markets amid arrivals as well as offtake of 10 MT. Contradictory reports of pepper prices in Vietnam has lead to several confusions in domestic trade circle. Harvest of pepper in Vietnam is near completion and some decline was witnessed on some stock clearance there. Moreover, buyers seem sidelined after the recent sharp rally in pepper 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 traded upwards to test an intraday high of Rs. 15725 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 15425 at the final hours of trade. The June contract finished at day's low after trading in the range of Rs. 15425-15725 during Thursday'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 a few places over Kerala. It would help the young vines.

TECHNICALS

Candlesticks pattern indicates weak opening and initial downtrend. 14-day RSI is neither oversold nor overbought, leaving scope for both way movements. MACD remains 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 has declined, while open interest has increased as compared to previous settlement. Black pepper futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.

Pepper 0706(NCPEPM7)2007/05/10 - Daily B:15425.00 A:15430.00
O 15615.00 H 15724.00 L 15425.00 C 15425.00 V 20,992 I 18,781 -237
EMA(9) 15821 (18) 15904



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	14945	15138	15425	15816	16000

TRADE RECOMMENDATION

Sell NCDEX June Pepper near Rs. 15500 with a target at Rs. 15400 and then Rs. 15350 with a strict stop loss at Rs. 15575. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14700	10
	Ungarbled	14100	

SPOT MARKETS

Domestic jeera markets at Unjha remain lacklustre during Thursday's trade. It was quoted in an 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 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 high of Rs. 12650 at the early hours of trade. The futures traded downwards thereafter to test an intraday low of Rs. 12475 during late hours of trading. The futures settled near day's low in final action. Most active June contract traded in the range of Rs. 12475-12650 during Thursday'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 weak opening and initial downtrend. 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 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)2007/05/10 - Daily B:12489.90 A:12500.00
O 12580.00 H 12649.00 L 12476.00 C 12493.00 V 15,027 I 18,669 -87
EMA(9) 12886 (18) 13220



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12200	12361	12493	12699	12848

TRADE RECOMMENDATION

Sell NCDEX June Jeera near Rs. 12500-12525 with a target of Rs. 12400 and then Rs. 12375 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	2220-2300	3000
	Ganesh	2320-2400	
	Machine Cleaned	2520-2600	

TURMERIC

May 11, 2007

SPOT MARKETS

Turmeric prices at all the spot markets were trading mixed, up or down by Rs.25-50 / quintal as compared to previous trading session. Arrivals at the Duggirala market were 3000 bags and the prices were firm by Rs.25/quintal. Warangal markets remained closed due to indefinite strike. Local traders say that NCDEX warehouse at Erode has been opened and the delivery will be started within a day or two.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed at lower levels as against Wednesday's trading session. In most active June futures, we witnessed liquidation of 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 with a gap on a higher side at Rs.2274/quintal, the contract failed to sustain the initial intraday high at Rs.2286/quintal, and closed at Rs.2240 down by 1.06% against Wednesday's close price. We witnessed liquidation of short position for May futures contract amidst significant gain in the 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

Dark candlestick in the chart is indicating weakness in the market. The volumes were low as against previous trade. Stochastic oscillator is neutral. 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.

Turmeric 0706(NCTMCM7)2007/05/10 - Daily B:2237.00 A:2243.00
O 2274.00 H 2286.00 L 2238.00 C 2240.00 V 25,910 I 19,920 -24
EMA(6) 2218.5 (14) 2224.1 (26) 2235.7



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	2175	2206	2240	2271	2302

TRADE RECOMMENDATION

We recommend intraday sell for NCDEX June contract at 2240-2245 or at market open price with a target of Rs.2230 and Rs.2215 and then 2203 with a stop loss of Rs.2265 or above.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1850-1925	3000
	Gattah	1800-1825	
Erode	Finger	2050-2150	9000
	Gattah	2000-2050	



■ CARDAMOM

■ May 11, 2007

SPOT MARKETS

Cardamom arrivals at Bodinayakanur auctions were around 27000kg and offtake of 23000kg prices were traded between Rs.410-430/kg against the previous week's prices of Rs.450-460/kg. The local demand was reported to be good and the arrivals were good as compared to last week's arrivals of 16000 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 tested fresh lows on selling pressure. We witnessed creation of fresh short position for the June contract, the market closed slightly down by 0.20% at Rs.489/kg against previous settlement price along with significant gain in open interest however, and the change in close and open interest was not significant to prove our assumptions right. The volumes were marginally low and did not support the price movement. In May contract, we witnessed liquidation of long 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 a short-term bearish trend in the market. Volumes were marginally low 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.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX June	481.0	483	489	491.2	496.3

TRADE RECOMMENDATION

We recommend intraday sell for the MCX cardamom June contract at Rs.489.1-490 or market open price with a first target of Rs486.5 Then Rs.483.6 with a stop loss of Rs.494.3 or above

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

410-430

27000

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