

CHILLI

May 05, 2007

SPOT MARKETS

Domestic red chillies markets in Guntur witnessed marginal firmness during the Friday's trade on slight decline in arrivals. The recent fall in prices proved attractive enough to rekindle some demand. Demand for good quality Chillies in the market was seen well. Though, estimates of 20% higher production during the year seem has made the demand price sensitive as bargaining power of buyers is higher. Demand from cold storages however is providing some element of support to prices. With the price sensitive demand, any upside movement in the prices would be short lived.

FUTURES MARKETS

Chilli futures at NCDEX opened higher than previous settlement and the most active June contract tested an intraday high of Rs. 5233. The futures traded downwards thereafter to test an intraday low of Rs. 5070 during late hours of trading. The futures finished with some gains in final action. Most active June contract traded in the range of Rs. 5070-5233 during Friday'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

Rain/thundershowers are likely at a few places over Rayalaseema, south Coastal Andhra Pradesh, Tamil Nadu and Kerala. Weather is not a crucial factor at present.

TECHNICALS

Candlesticks pattern indicates indecision in the market as depicted by long shadows of candlestick. Rising MACD in negative region suggests decrease in bearish momentum. Prices closed above 9-day EMA hints for short-term firmness in the prices. Volume increased whereas open interest dipped during the session. Red chillies futures are likely to trade downwards following some initial firmness.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	4885	4955	5190	5308	5400

TRADE RECOMMENDATION

Sell NCDEX June Chilli below Rs. 5250 with a target of Rs. 5120 and then Rs. 5080 with a strict stop loss of Rs. 5320. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334	3600-4300	25000-30000

■ BLACK PEPPER

■ May 05, 2007

SPOT MARKETS

Domestic pepper markets witnessed steady prices on Friday despite slight fall in arrivals. Arrivals of 35 MT were seen in Kochi against 50MT on the previous day. Strong rupee continues to make Indian produce costlier for the overseas buyers. However, global shortage of the commodity and corresponding higher prices in the international market still creates hope for the Indian sellers to get overseas buyers. Prices in Vietnam as well as other sources are reported higher. 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 ended the Friday's volatile session at almost no change levels. The most active June contract of pepper opened weak at Rs 16259. The contract then saw roller coaster movements between Rs 15960-16615, before finally closing the session at almost no change levels at Rs 16300.

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 likely at higher price levels
2. Moderate demand in physical markets

WEATHER

Rain/thundershowers are likely at a few places over Rayalaseema, south Coastal Andhra Pradesh, Tamil Nadu and Kerala. It would help the young 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 about to make a bullish crossover. Prices closed above the 9-day as well as 18-day EMA, hinting that short-term as well as intermediate trend is positive. Volume as well as open interest has increased as compared to previous settlement. Black pepper futures are likely to downwards following a weak opening initially and upwards thereafter.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	15520	15740	16300	16750	17085

TRADE RECOMMENDATION

Sell NCDEX June Pepper below Rs. 16500 with a target at Rs. 16120 and then Rs. 16000 with a strict stop loss at Rs. 16650. Trade cautiously with intra day outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14900	35
	Ungarbled	14300	

CUMIN

May 05, 2007

SPOT MARKETS

Domestic jeera markets at Unjha remained steady during Friday's trade. Declining arrivals and good demand kept the prices slightly on the firmer side. Good quality Jeera witnessed healthy demand, which pushed the prices marginally higher. Sellers are seeing firm prices ahead and thus are in no hurry to sell their stuff at this juncture. Thus, 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 may witness some uptrend on declining arrivals, while the long-term fundamental continues to remain supportive.

FUTURES MARKETS

Jeera futures at the NCDEX ended the volatile session in negative column Friday. The most active June contract opened the session on a weak note at Rs 13301. The prices then inched higher to Rs 13454 during the early hours of trade. The futures retreated on increased selling interest at higher price levels and slide to test an intraday low of Rs. 12921 before finally closing the session at Rs 13062.

PRICE DRIVERS

Bullish:

1. Estimations of lower acreage, lower production
2. Declining arrivals in the markets

Bearish:

1. Subdued export demand o strong rupee and higher prices
2. Lacklustre trading activities in market

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 indecision in the market as depicted by long shadows of candlestick. The prices closed below short term EMAs, which supports bears. MACD is also supporting the weakness. Volume dipped marginally, whereas open interest inched higher during the session. Jeera futures are likely to trade downwards following a weak opening with possibility of some upward movements later in the session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX June	12710	12810	13062	13350	13515

TRADE RECOMMENDATION

Sell NCDEX June Jeera near Rs. 13200 with a target of Rs. 12940 and then Rs. 12860 with a strict stop loss of Rs. 13350. Trade cautiously with intra day outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2250-2350	3000
	Ganesh	2350-2450	
	Machine Cleaned	2550-2650	

TURMERIC

May 05, 2007

SPOT MARKETS

The spot markets witnessed mixed price sentiments as compared to Thursday's trading session. At some centres, prices traded steady while some were trading at lower levels. At Sangli markets, around 3725 bags were sold. Rajapuri variety was quoted at Rs.2350-2775/quintal. Arrivals at the Duggirala and Warangal centres were 2700 and 1500 bags respectively and the prices were Rs.1575-1850 and Rs.1600-1900 /quintal at both the centres.

FUTURES MARKETS

All the NCDEX futures contracts for Turmeric closed in negative territory. In the May futures contract, the change in the close price and the open interest is suggesting creation of fresh short positions. However, the change in the open interest is insignificant. The contract opened marginally up at Rs.2145/quintal, failed to sustain the initial higher levels at Rs.2150, and made a low at Rs.2125 on selling pressure. The contract however, closed at Rs.2135/quintal marginally down by 0.37% against previous close price. The volumes were low as compared to Thursday's settlement. For June contract, we witnessed liquidation of long position amidst low volumes as compared to Thursday'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 candlesticks in the charts are indicating a bearish trend in the market. The volumes failed to sustain previous levels and did not support the price movement. Stochastic oscillator is in oversold region. MACD is in negative territory indicating sell signal. 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 oversold region indicating sell signal. We expect the contract to trade weak at lower levels a small correction on a positive side is likely in 1 or 2 days.

Turmeric 0705(NCTMCK7)2007/05/04 - Daily B:2135.00 A:2136.00
O 2145.00 H 2150.00 L 2125.00 C 2135.00 V 9,310 | 20,290 -8
EMA(6) 2169.2 (14) 2198.5 (26) 2211.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX May	2111	2123	2135	2150	2161

TRADE RECOMMENDATION

Sell NCDEX May contract at 2134-2137 or at market open price with a target of Rs.2127 and Rs.2118 then 2110 with a stop loss of Rs.2148 or above.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1800-1900	5000
	Gattah	1700-1750	
Erode	Finger	1950-2050	12500
	Gattah	1950-2000	



■ CARDAMOM

■ May 05, 2007

SPOT MARKETS

Arrivals at the Vandanmedu auctions today were at 13500 kg with an offtake of 13200 as compared to last weeks arrivals of 15000 kg. Prices were traded firm at Rs.430-470/kg amidst thin arrivals and steady demand. Local traders say that as the season is coming to end the arrivals will gradually decrease. Rainfall and climatic conditions are reported to be favourable at growing areas in Karnataka as well as at Kerala as per trade sources.

FUTURES MARKETS

The MCX cardamom futures contracts settled with mixed sentiments. The volumes gained significantly and supported the price movements. We witnessed accumulation of long position for the May contract as the market closed marginally up by Rs.1.3 at Rs.480.6/kg as compared to previous settlement price along with the marginal gain in open interest however the change in close and open interest was not significant to prove our assumptions right. In June contract, we witnessed liquidation of long positions amidst marginal fall in the 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

A Doji candlestick is not indicating clarity in the current market trend. The gain in volumes supported the prices movement. The contract closed above short term EMAs, indicating a short-term bullish trend. MACD is in trading in the negative zone, which is suggesting bearish trend and indicates a sell signal. RSI is neutral and moving upwards. We can expect the contract to trade steady in next trading session.

CARDAMOM 0705(MXCAMK7)2007/05/04 - Daily B:479.10 A:481.00
O 480.00 H 484.80 L 477.20 C 480.60 V 1,847 T 88,653 I 3,421 +1.3
EMA(6) 478.77 (14) 482.25 (26) 489.44



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX May	473.2	476.9	480.6	485.3	491.1

TRADE RECOMMENDATION

We recommend intraday buy for the MCX cardamom May contract at Rs.479-481 or market open price with a first target of Rs484 Then Rs.490 with a stop loss of Rs.474.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Vandanmedu

430-470

13500

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