

■ BLACK PEPPER

■ Oct 26, 2007

SPOT MARKETS

Black pepper traded steady at the benchmark Kochi markets on good buying support. The domestic demand for the spice is seen steady, while export orders are declining following outpricing of Indian pepper in the global market. Indian Asta grade pepper is priced at \$4000/tonne, compared with \$3500 in Indonesia. Apprehensions of a fall in output in 2007-08 boosted pepper price. Raw pepper exporters are reportedly opting out of committed deals by reaching an understanding with overseas buyers.

FUTURES MARKETS

Pepper futures traded volatile at NCDEX to close lower. The most active December contract opened firm at Rs. 15415/qtl, Rs. 34 above the previous close and traded up in the opening session to test an intraday high of Rs. 15520/qtl. Prices dipped thereafter on active selling to test an intraday low of Rs. 15214/qtl. Buying support at lower levels pushed the prices back to revisit the high before settling at Rs. 15310/qtl. Open interest improved amidst lower volumes traded as compared to the previous day.

PRICE DRIVERS

Bullish:

1. Global supply shortage is estimated at 60,000 tonnes in 2007
2. Vietnam pepper output estimated lower by 10-20 per cent in 2007
3. Good domestic and overseas demand

Bearish:

1. Sellers active at higher price levels

WEATHER

Good sunshine and occasional rains are conducive for the growth of the vines. However progress of North East monsoon is casting a shadow on standing crop.

TECHNICALS

Candlestick pattern suggests indecision in the market. Prices remain above the short term EMAs, suggesting bullish posture of the market. MACD is rising in the positive territory, while Stochastic is rising in the overbought region. RSI is dipping slightly in the overbought zone, suggesting short term sluggish market. The market is extremely overbought, increasing the probability of a technical correction.

Pepper0712(NCPEPZ7)20071025 - Daily B:15310.00 A:15320.00
O:15415.00 H:15512.00 L:15214.00 C:15310.00 V:17,553 I:11,938 -81

EMA(5):14893 (13):14390



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX December	13515	14052	15310	16244	16400

TRADE RECOMMENDATION

Sell NCDEX December Black Pepper near 15300-15340, with a target of Rs. 15180, then at Rs. 15150, with a strict stop loss of Rs. 15400. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	14,700	Nil
	Ungarbled	14,100	



■ CARDAMOM

■ Oct 26, 2007

SPOT MARKETS

Cardamom price ruled steady at the e-auction at Bodinayakanur amidst lower arrivals as compared to the previous week. The arrivals stood at 25000 kg. The domestic demand for good quality colored capsules is seen steady till Diwali, after which the prices are expected to take a downward course till December when the peak arrivals hit the market. The lower price of Guatemalan capsules is luring the dealers to import. The favourable weather conditions in the cardamom growing tracts of Kerala and Tamil Nadu has ruled out further reduction in the production estimates.

FUTURES MARKETS

Cardamom futures traded weak at MCX. The most active November contract opened steady at Rs. 513/kg and traded up marginally to test an intraday high of Rs.513.5 before slumping on increased selling activity to test an intraday low of Rs. 506.5. The contract settled at Rs. 510/kg. Open interest improved, while volume traded is very low as compared to the previous session.

PRICE DRIVERS

Bearish:

1. Higher prices limiting export queries

Bullish:

1. Domestic and global production estimated lower
2. Improved domestic demand

WEATHER

Good sunshine and intermittent light showers are seen favouring the standing crop.

TECHNICALS

Candlestick pattern suggests a steady opening and further downtrend. MACD is dipping in the negative territory, while RSI is falling in the neutral region, supporting further downtrend. Prices closed below the short term EMAs, suggesting weakness. Stochastic is almost flat in the oversold region and is about to make a bullish crossover. Cardamom futures are technically bound to trade weak in the next trading session with some late upward movement.

CARDAMOM 0711(MCXAMX7)200710/25 - Day: B:509.00 A:511.00
O:513.00 H:513.50 L:506.50 C:510.00 V:136 T:21,399 I:499 -3

EMA(9) 511.85 (16) 516.03



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX Nov	495	503	510	528	543

TRADE RECOMMENDATION

Sell MCX November Cardamom near Rs. 510-512 with a target of Rs. 505 and then 503 with a strict stop loss of Rs. 515. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakanur

460

25,000

CUMIN

Oct 26, 2007

SPOT MARKETS

Jeera prices in Unjha market firmed following less arrivals and high export and domestic festive demand. The market saw arrivals of 2500 bags against Wednesday's 4000 bags. The outflow was thousand bags more compared to 8000 bags on Wednesday. Moreover political disturbances in Turkey restricted arrival of Turkey's jeera in international markets thus helped the domestic jeera prices firm. Spices Board of India recently revealed India's Apr-Sep Jeera exports fell 33.6% on year to 11,250 mt. NCDEX warehouse Jeera total stock reduced by 3 mt to reach 3215 mt Wednesday. MCX Jeera total stock was unchanged at 145.354 mt. Jeera prices may continue firm on low output concerns, scarcity of premium quality jeera in global markets, supply disturbance in Turkey, and reducing already low stock position of about 8 lakh bags.

FUTURES MARKETS

NCDEX Jeera prices continued its uptrend. December expiry Jeera futures contract hit a fresh high of Rs 11713. The contract opened firm at Rs 11458 and thereafter traded mostly high between Rs 11450-11713. The trading for the day culminated at Rs 11660 up by Rs 219. Near month November expiry Jeera futures ended Rs 249 up at Rs 11231 in the range of Rs 10991-11265.

PRICE DRIVERS

Bullish:

1. Reduced global production
2. Concerns of less domestic production
3. High export and domestic demand
4. Geo-political problems in Turkey
5. Low stock position

Bearish:

1. April-September Jeera exports in quantity terms fell 33.6% on year

WEATHER

Mainly dry weather is likely over Jeera growing regions of west India.

TECHNICALS

Jeera chart is showing an uptrend of prices. Candlestick pattern is showing bullish sentiments prevailing in the market. MACD is rising in positive region indicating increasing bullish momentum in the market. The prices have closed far above short and medium term EMA's showing strength in the market. Stochastic Oscillator and RSI are rising in overbought region indicating firmness. Jeera futures may trade volatile with firm bias during the session.

JEERA 0712(NCJEEZ7)2007/10/25 - Daily B:11643.00 A:116 O 11458.00 H 11713.00 L 11450.00 C 11660.00 V 1



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Dec	11230	11460	11660	11880	12105

TRADE RECOMMENDATION

Buy NCDEX December Jeera above Rs.11620 with a target of Rs. 11798 and then of Rs.11850 with a strict stop loss below Rs.11500. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2350-2360	
	Ganesh	2540-2580	2500
	Machine Cleaned	2620-2740	



■ TURMERIC

■ Oct 26, 2007

SPOT MARKETS

In Erode market Turmeric grades continued to trade at higher prices due to less arrivals and high demand these days. Sales were of 2300 bags while arrivals were of 3000 bags. The market has demand from Middle East and domestic markets ahead of festive season. The market has comfortable stock of 10-12 lakh bags. NCDEX warehouse Turmeric total stock on Wednesday reduced to 4879 from 4929 mt. MCX turmeric total stock increased to 1844.429 from 1604.336 mt. Spices board showed Apr-Sep Turmeric export rose 0.8% on yr to 25,800 mt. The prices may continue steady to slightly firm in the near term on better demand and reducing arrivals due to rains. Though, gains may be capped from ample stocks.

FUTURES MARKETS

NCDEX November delivery turmeric futures prices fell as profit booking crept in. The contract started Re 1 up at Rs 1990, the prices thereafter made an intra day high of Rs 1955, but failed to sustain near those levels and dropped down lowest to Rs- 1213. Trading for the day finally terminated Rs 28 down, at Rs 1961 from previous day's close of 1989. December futures prices dipped by Rs 35 to end in red at Rs 2024 after trading mostly weak in the range of Rs 2020-2080.

PRICE DRIVERS

Bullish

1. Demand from Middle East.
2. Improved domestic festive season demand.
3. Apr-Sep turmeric export up 0.8% on year

Bearish:

1. Good stock level for the season at the major growing areas.
2. Arrivals increased in Erode Thursday

WEATHER

Rain/thundershowers are likely over south Coastal AP, Rayalaseema, TN & Pondicherry, & Coastal & South Interior Karnataka. Rains at present are beneficial for the growth crop.

TECHNICALS

Turmeric chart is showing a downtrend of prices. Candlestick pattern is showing bearish sentiments in the market. The prices have closed below short term EMA's indicating weakness in the market. MACD is rising in negative territory showing decreasing bearish momentum in the market. RSI is falling in neutral region indicating weakness though stochastic is rising in normal zone indicating firmness. Turmeric is likely to trade volatile with bearish bias.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX November	1909	1930	1961	1990	2020

TRADE RECOMMENDATION

Sell NCDEX November Turmeric below Rs.1972 with a target of Rs. 1942 and then Rs.1932 with a strict stop loss above Rs. 1992. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	1975	1200
	Gattah	1975	
Erode	Finger	2175-2275	3000
	Gattah	2125-2200	

SPOT MARKET

Guntur red chilli markets traded weak amidst good arrivals. The domestic demand is seen weak after Diwali, while the overseas demand is limited. Demand from Bangladesh for good quality chilli is seen normal throughout the year. Arrivals from Madhya Pradesh will gain momentum after Diwali, which is likely to subdue the domestic markets. The availability of 25-27 bags in cold storage is seen weighing down the chilli markets. The long term outlook of chilli markets remains fundamentally weak.

FUTURES MARKETS

NCDEX chilli futures traded volatile to end in the positive territory. The most active November contract opened weak at Rs. 4456 against the previous close of Rs. 4473. After an initial dip in prices to test an intraday low of Rs. 4426, the contract firmed up on improved buying support to test an intraday high of Rs. 4489. The November expiry contract settled 0.1% down at Rs. 4466. Open interest improved amidst lower volumes traded as compared to the previous day.

PRICE DRIVERS

Bullish:

1. Export up by 86% on year during April-August 2007
2. Lower global production estimates

Bearish:

1. Chilli acreage and output at Andhra Pradesh is likely to go up.

WEATHER

Rain/thundershowers are likely over Karnataka and coastal Andhra Pradesh, which is beneficial for the crop growth.

TECHNICALS

An indecisive candle is formed in the charts. Priced closed above the 9 and 18 day EMAs, supporting a firm market. MACD is rising and has emerged into the positive territory, indicating increasing bullish momentum in the market. Stochastic is also ascending in the neutral region, suggesting further uptrend in place, while RSI is flat to down in the neutral region, showing some weakness in the short term. Chilli futures are likely to trade volatile with a firm tone during the next session.



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Nov	4171	4227	4466	4550	4586

TRADE RECOMMENDATION

Buy NCDEX November Chilli near Rs. 4460-4470 or below with a target of Rs. 4490 and then Rs.4500 with a strict stop loss of Rs. 4450. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3900-4300	50,000

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