



## ■ BLACK PEPPER

■ Dec 17, 2007

### SPOT MARKETS

Pepper physical markets improved on buying support. There was buying by European Union and US buyers from India a \$3500 a tonne, which activated the market. Good domestic demand was featured and buyers were active. However, much of the domestic demand was being covered by direct buying from the primary markets. The international market remained quite without much activity, while prices at other origins remained steady. Indian parity remained marginally out-priced in the global market. However, depleting inventories with the major origins is likely to result in more overseas buying from India. The delayed harvest in India is further adding to the supply crunch. Indian pepper is expected to hit the markets by early January.

### FUTURES MARKETS

NCDEX pepper futures ended higher on fresh buying. The most active January contract opened Rs. 17 weak at Rs. 12990 and traded steadily up to test a high of Rs. 13231. The contract ended 1.02% firm at Rs. 13140 amidst gain in open interest as well as volume traded, indicating accumulation of long positions.

### PRICE DRIVERS

#### Bullish:

1. Global supply shortage is estimated at 55,000 tonnes in 2007
2. Global production estimated lower by 20%
3. Indian pepper out-priced in global market
4. Depletion of inventories at major origins

### WEATHER

Advance of North East Monsoon may hamper the standing crop.

### TECHNICALS

Candlestick formation suggests uptrend with profit booking at higher levels. Close above 9 day EMA and upward bound RSI suggest near term firmness in the market. Stochastic is also reversing its direction and is ascending to make a bullish crossover in oversold region, further supporting the uptrend. However, close below 18 day EMA and steadily declining MACD in the negative territory indicate the underlying bearish posture of the market. Pepper futures are likely to see some upward movement in the next session with chances of weakness towards the close.

Pepper 0801(NCPEPF8)2007/12/15 - Daily B:13135.00 A:13140.00  
O 12990.00 H 13231.00 L 12990.00 C 13140.00 V 8,710 I 10,098 +184  
EMA(9) 13103 (18) 13310



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12501	12701	12976	13441	13730

### TRADE RECOMMENDATION

**Buy** NCDEX January Black Pepper below 13125-13175 with a target of Rs. 13275 then at Rs. 13325 with a strict stop loss of Rs. 13125. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,200	0
	Ungarbled	12,600	



## ■ CARDAMOM

■ Dec 17, 2007

### SPOT MARKETS

Cardamom prices remained steady at the domestic auctions. Poor crop has resulted in decline in arrivals, which in turn has resulted in propping up cardamom prices. This has resulted in prompting the dealers to buy the spice. Limited export buying was also reported. The prices are likely to remain steady to firm in the coming weeks on good buying by upcountry dealers who are holding very thin inventory. The weather conditions have been good in the growing areas and rains in the season could result in fresh pod setting, thereby compensating the lag in picking. The fourth round of picking is due to start and is likely to extend till mid-January.

### FUTURES MARKETS

Cardamom futures traded weak on short accumulation. The most active January contract opened Rs. 6 firm at Rs. 606 and traded steadily down to test a low of Rs. 597. The contract ended 0.50% firm at Rs. 603 amidst gain in volume traded and open interest, suggesting accumulation of short positions.

### PRICE DRIVERS

#### Bearish:

1. Higher prices limiting export queries

#### Bullish:

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

### WEATHER

Prevailing weather with intermittent rains and sun shine is seen favourable for the crop growth.

### TECHNICALS

Candlestick formation suggests firm opening and further downtrend. Prices remain above the short term EMAs, suggesting firmness in the market. Rising RSI and Stochastic in the neutral zone support further uptrend. MACD is declining in the positive territory, indicating decrease in bullish momentum of the market. Cardamom futures are likely to trade firm in the next session with some late profit booking.

CARDAMOM 0801(MKCAMF8)2007/12/15 - Daily B:602.50 A:603.00  
O 606.00 H 606.00 L 597.00 C 603.00 V 563 T 420 I 499 +3

EMA(9) 597.11 (18) 594.34



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	581.5	589	603	614	624

### TRADE RECOMMENDATION

**Buy** MCX January Cardamom below 600-602 with a target of Rs. 606 and then 608 with a strict stop loss above Rs. 598. Trade with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Vandanmedu

550

18,300

## CUMIN

Dec 17, 2007

### SPOT MARKETS

Jeera prices traded firm at the benchmark Unjha market on low arrivals as well as emerging demand in the domestic as well as overseas counter. The arrivals remained low at 1000 bags due to the ongoing elections at Gujarat whereas offtake stood at 4000 bags. The prices for the spice improved further by Rs.20 per 20 kg to Rs.2645-2765 per 20kg for machine cleaned variety. Sowing at Rajasthan has been initiated and is reported to be higher around 10-15% this year as jeera prices remained higher during the year. The sowing is likely to continue for a fortnight. Weather is a crucial factor at present and is likely to have an impact on the prices of the spice.

### FUTURES MARKETS

Jeera January futures at the NCDEX counter traded in a positive territory after starting weak. The contract moved in the range of Rs.9630 and Rs.9795. The contract then closed firm at Rs.9715 up by 0.56% and witnessed covering of short positions.

### PRICE DRIVERS

#### Bullish:

1. Reduced global production
2. Concerns of less domestic production
3. Decline in acreage for the coming season

#### Bearish:

1. April-October 2007 Jeera exports in qty terms fell 21% as against last year

### WEATHER

Fall in minimum temperature by 3-4°C over Rajasthan and Gujarat leading to development of cold wave conditions. Such severe conditions are not favourable for the sensitive crop.

### TECHNICALS

Formation of candlestick is suggesting weak opening and initial uptrend. The prices are facing a strong resistance around 9880 levels and close above this level is likely to leave room for further recovery in prices during the days ahead. The volumes were moderately good and supportive to the firm close. However the close price was marginally below the EMA's is still favouring the weak trend. The RSI is rising in the neutral region leaving room for further firmness in prices. MACD is trading flat in the negative territory lacks direction. Jeera futures are likely to move range bound with a positive bias.

JEERA 0801(NCJEEF8)2007/12/15 - Daily B:9713.00 A:9730.00  
O 9630.00 H 9792.00 L 9630.00 C 9715.00 V 2,718 | 6,360 +94



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9338	9431	9715	9933	10075

### TRADE RECOMMENDATION

Buy NCDEX January Jeera near Rs.9670 with a target of Rs. 9755 and then of Rs.9830 with a strict stop loss near Rs.9648. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2370-2380	
	Ganesh	2565-2605	1000
	Machine Cleaned	2645-2765	

## TURMERIC

Dec 17, 2007

### SPOT MARKETS

Turmeric major physical markets remained closed due to weekly off. The prices for the spice during the week ruled firm at the physical markets as well as wholesale markets in Delhi. Emerging demand from the retailers as well as the stockist's inspite of off season pushed up the prices for the spice. Overseas demand from Gulf, Japan and Europe is also reported to be firm. Unconfirmed reports of pest attacks at Nizamabad and Warangal turmeric growing areas is likely to affect the yield of the crop. Turmeric prices are likely to be moderately firm in the near term on improving demand and lower acreage for the season.

### FUTURES MARKETS

Turmeric April futures at NCDEX counter finished firm after initial weakness. The futures moved in the positive territory in the range of Rs.2664 and Rs.2700. The futures then closed at Rs.2700 firm by 1.17% and witnessed accumulation of long positions.

### PRICE DRIVERS

#### Bullish

1. Demand from domestic & overseas markets
2. Apr-Oct 2007 export up 4% in terms of qty

#### Bearish:

1. Good stock level for the season at the major growing areas.

### WEATHER

Turmeric crop is at its maturity stage excess rain is likely to damage the crop. Rains and thunder shower are likely over the coastal and interior Tamil Nadu and isolated over south coastal Andhra Pradesh.

### TECHNICALS

Formation of candlestick with the long lower shadow is suggesting active bulls in the market supported with good volumes traded. MACD in positive territory and close above the EMA's is favouring the firm trend in the prices. The firm close in comparison with previous close price amidst gain in open interest is suggesting fresh buying in the market. Ascending RSI as well as stochastic in the neutral region is leaving room for further rise in price. Turmeric futures are likely to trade firm with a possibility of recovery towards the close.

Turmeric 0804(NCTMCJ8)2007/12/15 - Daily B:2700.00 A:2701.00  
O 2683.00 H 2700.00 L 2664.00 C 2700.00 V 14,820 I 26,120 +28  
EMA(9) 2644.5 (18) 2604.2



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2580	2603	2700	2740	2778

### TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2689 with a target of Rs. 2701 and then Rs.2715 with a strict stop loss below Rs.2683. Trade cautiously with intraday outlook.

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

### SPOT MARKET

Chilli prices at the physical markets during the week traded firm on good demand for the premium quality spice in the markets. The prevailing demand from the retailers as well as traditional overseas buyers is likely to continue during the days ahead. As per trade sources there are reports of European Union banning the imports from Pakistan as the spice was found infected with post harvest fungal disease. As per trade sources the high grade chillies are available at the Guntur markets and the fresh arrivals of similar variety are likely to hit the market only during late January. The current scenario is likely to support the near term firmness in prices.

### FUTURES MARKETS

Chilli February futures at NCDEX closed firm and witnessed active buying. The prices after starting slightly weak at Rs.3731 and moved in a range of Rs.3731 and Rs.3785. The contract then closed at Rs.3775 firm by 1.06% and witnessed long accumulation.

### PRICE DRIVERS

#### Bullish:

1. Exports during April- Oct 2007 improved by 77% in qty as against last year
2. Improving demand in domestic.

#### Bearish:

1. Higher acreage and output at A.P
2. Huge stocks in cold storage.

### WEATHER

Chilli crop is at its maturity stage however isolated rain and thundershower are likely at the chilli growing areas of south coastal Andhra Pradesh is not favourable for the crop.

### TECHNICALS

Chilli at charts continued to display a firm trend supported with gain in open interest and good volumes traded supportive to the trend. The close above the EMA's and MACD ascending towards the positive territory is leaving room for further firmness in prices. However the rising RSI as well as stochastic in the overbought region is cautioning the investors. Chilli futures are likely to extend the firm trend with a possibility of profit booking towards the close.

CHLL334GTR 0802(NCGTRG8)2007/12/15 - Daily B:3775.00 A:3781.00  
O 3731.00 H 3785.00 L 3731.00 C 3775.00 V 43011990 +45

EMA(9) 3633.8 (18) 3604.7



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3600	3654	3775	3867	3941

### TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3769 or below with a target of Rs. 3795 and then Rs.3818 with a strict stop loss of Rs. 3755. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	Closed	-

### Disclaimer

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