

■ BLACK PEPPER

■ Dec 20, 2007

SPOT MARKETS

Pepper markets traded steady despite good domestic demand amidst lack of ready supplies. Much of the domestic demand was met by direct sales from the primary markets. International market is reported to be quiet on Christmas and New Year holidays and is expected to reactivate only in early January. Weakening of rupee against dollar contributed positively to the price. Indian parity remained out-priced in the global market. The higher prices in India are mainly attributed to high volatility in the futures market. The potential demand in 2008 amidst lower production estimates and depleting stocks is likely to support the market. The global pepper output in 2007 is estimated at 280,000 tonnes, while consumption is pegged at 340,000 tonnes.

FUTURES MARKETS

NCDEX pepper futures traded range-bound to firm on some short covering. The most active January contract opened Rs. 22 firm at Rs. 12936 and traded down to test a low of Rs. 12875. The contract recovered towards the close to test a high of Rs. 13115, before closing 1.21% firm at Rs. 13070. Open interest dipped amidst gain in volumes, suggesting short liquidation.

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

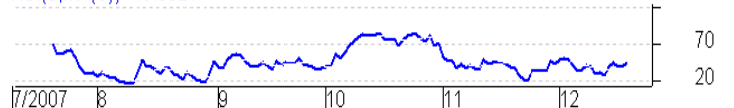
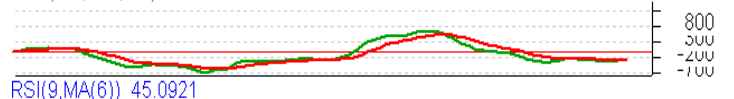
Candlestick pattern and supporting volumes suggest higher price. Prices closed above 9 day EMA, suggesting firmness in the near-term. The rising Stochastic and RSI in the neutral region are also supportive of the uptrend. MACD is almost steady in the negative territory, indicating bearish tendency of the market. The close below the 18 day EMA also supports the underlying bearish posture of the market. Pepper futures are likely to see some volatile trade in the next session with firm tone.

Pepper 0801(NCPEPF8)2007/12/19 - Daily B:13065.00 A:13079.00
O 12936.00 H 13114.00 L 12875.00 C 13070.00 V 7,050 I 9,512 +140

EMA(9) 13047 (18) 13217



DAV(12, 26, 12) -270.317 MACD -279.784



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12603	12790	13070	13225	13417

TRADE RECOMMENDATION

Buy NCDEX January Black Pepper below 13050-13100 with a target of Rs. 13200 then at Rs. 13225 with a strict stop loss of Rs. 13000. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,100	0
	Ungarbled	12,500	



■ CARDAMOM

■ Dec 20, 2007

SPOT MARKETS

Cardamom prices at the auctions continued to trade steady previous trading session. The prices for the capsules remained unchanged at Rs.555 per kg. Around 26500 kg's were sold out of total arrivals of 27000kg. Limited export buying was also reported however, demand is anticipated to gain its momentum during the days ahead. The prices are likely to witness slight weakness during the days ahead due to rains at the Idukki districts are favourable formation of capsules. 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 at MCX recovered marginally and closed in positive territory. The most active January contract started a Re. weak at Rs.594.5 and traded in the range of Rs.591 and Rs.599.5. The contract ended 0.25% firm at Rs.597 and witnessed long accumulation amidst good volumes traded.

PRICE DRIVERS

Bearish:

1. Higher prices limiting export queries

Bullish:

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

WEATHER

Rain and thundershower are likely over Kerala and Tamil Nadu during next 48 hrs and decrease thereafter crop growing regions favourable for the crop during this stage.

TECHNICALS

Candlestick is suggesting initial weakness and thereafter active buying in the market. The firm close is supported with gain in open interest and good volumes traded. The EMA's are indecisive while the MACD in the positive territory is favouring the firmness in prices. Rising RSI in the neutral region is leaving room for further firmness in prices. Cardamom futures are likely to move range bound to slightly firm during next trading session.

CARDAMOM 0801(MXCAMF8)2007/12/19 - Daily B:597.50 A:599.50
O 594.50 H 599.50 L 591.00 C 597.00 V 395 T 105,113 I 536 +2

EMA(9) 597.07 (18) 595.15



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	575	583	597	608	615

TRADE RECOMMENDATION

Buy MCX January Cardamom below 595.5 with a target of Rs. 598 and then 601.5 with a strict stop loss above Rs. 594. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Vandanmedu	555	27000

CUMIN

Dec 20, 2007

SPOT MARKETS

Jeera prices traded steady at the Unjha physical markets. The prices for the spice remained unchanged at Rs.2665-2785 per 20kg for machine cleaned variety. The arrivals remained steady at 2500 bags while the offtake declined marginally to 6000 bags. Demand was reported to be steady. Sowing at Rajasthan has commenced 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 next 10 days. Weather conditions at jeera growing areas are reported to be favourable for the crop. Weather is a crucial factor at present and is likely to impact the prices of the spice.

FUTURES MARKETS

Jeera February futures at the NCDEX counter traded volatile in a positive region. The contract rallied in the range of Rs.9890 and Rs.10300. The contract then closed firm by 3.76% and witnessed accumulation of long positions amidst good volumes traded supportive to the firmness in prices.

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

Mainly dry weather is likely over the Gujarat and Rajasthan jeera growing areas, such weather conditions are favourable for the crop during the initial growing stage.

TECHNICALS

A bullish marubuzi is suggesting active buying amidst gain in volumes and open interest supportive to the near term firmness in prices. The rising RSI in the neutral region is leaving scope for further uptrend in prices so does the stochastic. The close above the EMA's as well as the ascending MACD towards the positive territory is also favouring the firmness in prices. Jeera futures are likely to trade firm with a possibility of profit booking towards the close.

JEERA 0802(NCJEEG8)2007/12/19 - Daily B:10266.00 A:10285.00
O 9922.00 H 10300.00 L 9890.00 C 10282.00 V 3,408 I 5,028 +268

EMA(9) 9969.4 (18) 10028



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	9731	9818	10282	10538	10643

TRADE RECOMMENDATION

Buy NCDEX February Jeera near Rs.10200 with a target of Rs. 10285 and then of Rs.10395 with a strict stop loss near Rs.10165. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2390-2410	
	Ganesh	2585-2625	2500
	Machine Cleaned	2665-2785	



■ TURMERIC

■ Dec 19, 2007

SPOT MARKETS

Turmeric prices at all the major physical markets traded mixed. The buyers are hesitant to buy at higher levels looking at weakening prices at the futures counters. The prices at Nizamabad declined further by Rs.50 per qtl to Rs.2450 per qtl. At Erode the prices raised sharply to Rs.2900-3000 per qtl. Domestic as well overseas demand from Gulf, Japan and Europe are reported to be firm. Reports of pest attacks at Nizamabad and Warangal turmeric growing areas has affected the yield of the crop further lowering the production estimates around 25% in these areas. 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 in the negative territory region after starting firm at Rs.2710. The futures moved in the range of Rs.2685 and Rs.2728. The futures then closed at Rs.2691 weak by 0.60% and witnessed liquidation 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

Candlestick is suggesting active bears in the market. The fall in open interest amidst low volumes are not supportive to the weakness in close price. The close above the EMA's and MACD steady in the positive territory is in the favour of the firm trend in the market. RSI is weakening in the neutral region is leaving scope for further weakness in prices. Turmeric futures are likely to trade range bound to weak during next trading session with slight recovery towards the closing session.

Turmeric 0804(NCTMCJ8)2007/12/19 - Daily B:2690.00 A:2698.00
O 2710.00 H 2728.00 L 2685.00 C 2691.00 V 20,690 I 24,810 -14
EMA(9) 2677.0 (18) 2635.1



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2592	2615	2691	2755	2783

TRADE RECOMMENDATION

Sell NCDEX April Turmeric above Rs.2701 with a target of Rs. 2689 and then Rs.2671 with a strict stop loss below Rs.2707. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2450	1000
	Gattah	2500	
Erode	Finger	2900-3000	3600
	Gattah	2850-2900	

Note: Nizamabad spot prices are inclusive 5% taxes and Erode prices are quoted loose

SPOT MARKET

Chilli at the Guntur physical markets traded firm at the lower levels on improving demand in domestic as well as overseas market. The arrivals as well as offtake improved to 30000 bags and 20000 bags respectively. The prices for chillies improved further by Rs.100 to Rs.3500-4000 per qtl. The demand for Indian Chilli is anticipated to improve slightly during the days ahead. As per trade sources the high grade chillies are available in low quantity 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 witnessed a volatile trade. The futures started weak at Rs.3751 and witnessed a low at Rs.3713 and high of Rs.3794 towards the close. The futures closed marginally down by 0.45% at Rs.3751 and witnessed long liquidation amidst good volumes traded supporting the price movement.

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 rain and thundershower are likely at the chilli growing areas of south coastal Andhra Pradesh is not favourable for the crop.

TECHNICALS

Candlestick with long lower shadow is suggesting active buying towards the closing session supported with good volumes. The fall in close price as well as weakening RSI is indicating near term weakness. However, MACD is ascending towards the positive territory and the close is above the EMA's are leaving scope for further uptrend in prices. Chilli futures are likely to trade range bound to firm during the next trading session.

CHLL334GTR 0802(NCGTRG8)2007/12/19 - Daily B:3768.00 A:3785.00
O 3751.00 H 3794.00 L 3713.00 C 3784.00 V 1,395 I 2,105 -18
EMA(9) 3723.8 (18) 3666.4



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3613	3652	3784	3885	3940

TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3770 or below with a target of Rs. 3805 and then Rs.3835 with a strict stop loss of Rs. 3748. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3500-4000	30000

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