



## ■ BLACK PEPPER

■ Dec 26, 2007

### SPOT MARKETS

Pepper physical markets traded steady amidst improved arrivals. The arrivals at Kochi market stood a 5 tonnes, which matched the offtake. The domestic demand was reported to be strong, while overseas demand remained subdued on availability of cheaper pepper at other origins as well as most of the exporters remained quiet on Christmas and New Year holidays. The new crop in India has not yet started arriving and even the primary markets are reporting lower arrivals. The new pepper is expected to arrive by mid-January. Indian output is likely to fall below 50000 tonnes this season with internal demand around this level, leaving not much exportable surplus. Given this scenario, until April/May 2008 and depending upon the arrivals of Vietnam pepper, the prices are unlikely to witness any sharp decline.

### FUTURES MARKETS

Pepper futures traded weak at NCDEX. The most active February contract opened Rs. 36 firm at Rs. 14038 and traded up initially to test a high of Rs. 14148, before active selling pressurized the market, pushing the contract down to test a low of Rs. 13702. The contract ended 1.84% weak at Rs. 13744. Open interest and volume improved, suggesting fresh buying.

### 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 with gain in volumes suggests weak prices. RSI is falling sharply in the neutral region, leaving room for further weakness, while MACD is rising hesitantly in the negative territory, indicating a marginal decrease in bearishness of the market. However, the downtrend is likely to be capped by close above the short term EMAs and rising Stochastic in the overbought region. Pepper futures are likely to trade range-bound to weak in the next session.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX February	13030	13176	13744	14169	14400

### TRADE RECOMMENDATION

**Sell** NCDEX February Black Pepper above 13725-13775 with a target of Rs. 13625 then at Rs. 13575 with a strict stop loss of Rs. 13825. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13400	5
	Ungarbled	12800	



## ■ C A R D A M O M

■ Dec 26, 2007

### SPOT MARKETS

Domestic cardamom at the auction traded firm as the arrivals were low. The prices for the capsules were quoted high at Rs.570 per kg. Arrivals of 5000 kg's were sold completely. The arrivals at the auctions have lowered down and have declined considerably. However the recent rainfall during the month of October at the Idukki districts is has been proved beneficial and has encouraged formation of capsules. The fresh arrivals are likely to gain its pace during the month of January. Demand for the spice is reported to be subdued due to the Christmas and New Year celebrations. However it is traders anticipate demand to pick up after the New Year. Prices for the spice is likely to trade steady during the days ahead.

### FUTURES MARKETS

Cardamom futures at MCX traded in the negative territory and witnessed selling pressure. The most active January contract started firm by Rs.3 at Rs.608.5. The contract moved in the range of Rs.603.5 and Rs.609 and witnessed selling at higher levels. The futures settled marginally weak by 0.08% at Rs.605 in comparison with prior close price.

### PRICE DRIVERS

#### Bearish:

1. Higher prices limiting export queries.

#### Bullish:

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

### WEATHER

Mainly dry weather likely over Kerala where as isolated rain and shower is likely over Tamil Nadu crop growing regions favourable for the crop during this stage.

### TECHNICALS

Candlestick is suggesting selling pressure at the higher levels. The surge in volumes as well as open interest is favouring the weakness in the prices so does the dipping RSI in the neutral region. MACD is flat in the positive territory and lacks direction. However the close above the EMA's is suggesting further rise in price. Cardamom futures are likely to trade range bound to firm with a possibility of slight weakness during the early hours.

CARDAMOM 0801(MXCAMF8)2007/12/24 - Daily B:603.50 A:605.00  
O 608.50 H 609.00 L 603.50 C 605.00 V 262 T 62,416 I 563 -0.5  
EMA(9) 601.32 (18) 598.36



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	587	593	605	617	622

### TRADE RECOMMENDATION

Buy MCX January Cardamom below 603.5 with a target of Rs. 606 and then 609.5 with a strict stop loss below Rs. 602 levels. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm )	Arrivals (Kg )
Bodinayakanur	570	5000

## CUMIN

Dec 26, 2007

### SPOT MARKETS

Jeera at the Unjha markets witnessed active buying in the market. The prices were quoted firm by Rs.20/20kg at Rs.2685-2805/20kg for machine cleaned variety. Domestic demand is seen emerging in the market. From all over India however it is likely to improve further during the days ahead. Overseas enquiries from China, Bangladesh, Singapore and European nations are seen emerging in the market. Sowing in Rajasthan has commenced and is reported to be higher around 10-15% this year as jeera prices remained higher during the year in comparison with year ago levels. Weather conditions at jeera growing areas are reported to be favourable for the crop. Low stock position at around 4-5 lakh bags in comparison with year ago levels of around 8-9 lakh bags is likely to favour uptrend in prices.

### FUTURES MARKETS

Jeera February futures at NCDEX counter witnessed a volatile trade and finished negative. The futures started firm at Rs.10715 and rallied in the range of Rs.10590 and Rs.10898. The contract then settled at Rs.10371 down by 1.18 % and witnessed short accumulation.

### PRICE DRIVERS

#### Bullish:

1. Withdrawal of additional margin.
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 where as at south Rajasthan jeera growing areas; there is possibility of isolated rain / thunder shower during next 24 hrs and fog conditions for next 48 hrs.

### TECHNICALS

Formation of candlestick with long upper shadow is suggesting selling pressure at higher levels in the market. The surge in open interest amidst fall in price is supportive feature to the weakening prices in the market. However the close above the EMA's is still in the favour of the firm trend and bulls in the market so does the MACD in the positive territory suggests. The RSI is dipping in the overbought region is leaving scope for further fall in price. Jeera futures are likely to trade range bound during next trading session with positive bias.

JEERA 0802(NCJEEG8)2007/12/24 - Daily B:10591.00 A:10620.00  
O 10715.00 H 10898.00 L 10590.00 C 10592.00 V 7,623 I 7,065 -73  
EMA(9) 10305 (18) 10201



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	10180	10345	10592	10994	11081

### TRADE RECOMMENDATION

Buy NCDEX February Jeera near Rs.10500 with a target of Rs. 10575 and then of Rs.10695 with a strict stop loss near Rs.10445. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2410-2430	
	Ganesh	2605-2645	2000
	Machine Cleaned	2685-2805	





## ■ TURMERIC

■ Dec 26, 2007

### SPOT MARKETS

Firm demand for Turmeric from all the sectors amidst stockist holding back the inventories in anticipation of further improvement of prices pushed up the prices in all physical markets. The price at Nizamabad surged significantly by Rs.250/qtl to Rs.2700. At Erode it surged by Rs.100 to Rs.3100-3200/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 witnessed a volatile trade amidst good volumes traded. The futures started firm at Rs.2854 and traded in the range of Rs.2815 and Rs.2878 testing fresh contract high. The contract then finished at Rs.2829 weak by 0.81 % and witnessed profit booking in the market.

### 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 maturing now and excess rain is likely to damage the crop, with isolated showers over Tamil Nadu and dry weather over Andhra Pradesh.

### TECHNICALS

Formation of candlestick is suggesting initial uptrend and thereafter active bears in the market. The marginal gain in open interest amidst good volumes traded is supportive feature to the fall in close price. The close above the EMA's is signaling that trend is still favouring the bulls so does the MACD trading in the positive territory. However weakening RSI in the overbought region is leaving room for further weakness in prices. Turmeric futures are likely to trade in a range with a positive bias.

Turmeric 0804(NCTMCJ8)2007/12/24 - Daily B:2829.00 A:2831.00

O 2854.00 H 2878.00 L 2815.00 C 2829.00 V 39,820 I 29,190 -18

EMA(9) 2756.1 (18) 2696.8



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2693	2723	2829	2888	2931

### TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2820 with a target of Rs. 2832 and then Rs.2848 with a strict stop loss below Rs.2814. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2700	Nil
	Gattah	2740	
Erode	Finger	3100-3200	Nil
	Gattah	3000-3100	

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

### SPOT MARKET

Red chillies at the benchmark Guntur markets traded steady as that of previous trade. The prices were quoted steady at Rs.3400-3900/qtl. The arrivals and offtake stood around 30000 and 20000 bags respectively. In domestic front the demand for the spice was reported to be good for the good quality spice. The current stock level is reported to be around 10-12 lakh bags at the Guntur markets. The lower availability of the good quality spice amidst emerging demand from the traditional overseas Bangladeshi, Malaysian and Singapore buyers is likely to push up the prices further. Chilli prices are likely to trade firm during the days ahead on improving demand.

### FUTURES MARKETS

NCDEX chilli February futures traded volatile and witnessed short accumulation. The contract started weak at Rs.3850 and moved weak in the range of Rs.3850 and Rs.3754 on active bears. The contract then finished firm at Rs.3815 weak by 1.27% amidst low volumes traded in comparison with prior close price.

### 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.

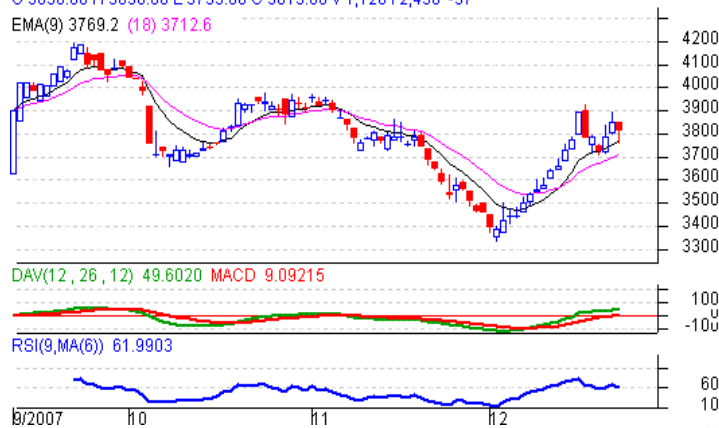
### WEATHER

Chilli crop is at its maturity stage, dry weather at the Andhra Pradesh is favourable for the crop.

### TECHNICALS

Formation of candlestick with long lower shadow is suggesting initial weakness and thereafter active buying in the market. However the fall in close price as against prior close price amidst gain in open interest is favouring the weakness in prices so does the weakening RSI in the neutral region. The close above the EMA's and MACD in the positive region are in the favour of the bulls in the market. Chilli futures are likely to move sideways with a positive bias.

CHLL334GTR 0802(NGTRG8)2007/12/24 - Daily B:3796.00 A:3819.00  
O 3850.00 H 3850.00 L 3755.00 C 3815.00 V 1,120 I 2,450 -37  
EMA(9) 3769.2 (18) 3712.6



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3643	3711	3815	3892	3945

### TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3800 or below with a target of Rs. 3828 and then Rs.3857 with a strict stop loss of Rs. 3788. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3400-3900	30000

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