



■ BLACK PEPPER

■ Dec 29, 2007

SPOT MARKETS

Spot pepper traded firm at the physical markets to the tune of Rs. 1/kg. The markets witnessed bullish sentiments following reduction in the margin to 5% from 10% of contract value. NCDEX has issued a circular saying that all commodities future contracts shall be subject to a minimum of 5% of the contract value, except that in case of gold and the revised margin would be applicable from January 1, 2008. The trading sources alleged that the decision would help only the speculators. Indian parity remains much above the other origins and international markets reported quiet trade on Christmas and New Year holidays. Arrival of the new crop is expected at the terminal market from next week. Vietnam new crop also would arrive in the markets by March/April, 2008.

FUTURES MARKETS

NCDEX Pepper most active February recovered after initial weakness and witnessed a volatile trade. The futures started Rs.22 weak at Rs.13551 and after testing an intraday low at Rs.13412, surged up to Rs.13670 towards the late hours of trading session. The surge in open interest along with the firm close at Rs.13619 up by 0.34% suggests long accumulation. The larger volumes traded session supported bulls.

PRICE DRIVERS

Bullish:

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

WEATHER

Dry weather is likely over the major pepper growing tracts, which is favouring the growth of the crop.

TECHNICALS

Candlestick pattern suggests active participation of bulls and bears in the market, leading to indecision. Prices closed above the short term EMAs, suggesting near-term firmness, while RSI is also moving slightly up to support the uptrend. MACD is rising steadily in the negative territory, suggesting decreasing bearishness in the market. However, the uptrend is likely to be capped by a south-bound Stochastic in the neutral region. Pepper futures are likely to trade range-bound to firm in the next session.

Pepper 0802(NCPEPC8)/2007/12/28 - Daily B:13615.00 A:13621.00
C 13551.00 H 13670.00 L 13415.00 C 13619.00 V 7,503 B 589 +88
EMA(9) 13605 (18) 13575



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX February	13030	13180	13619	14148	14400

TRADE RECOMMENDATION

Buy NCDEX February Black Pepper below 13600-13650 with a target of Rs. 13750 then at Rs. 13800 with a strict stop loss of Rs. 13550. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13500	0
	Ungarbled	12900	



■ CARDAMOM

■ Dec 29, 2007

SPOT MARKETS

Cardamom prices at the auctions traded steady as against prior trading session. The prices remained firm at Rs.600/ kg. Around 8900 kg's were sold out of arrivals of 9700 bags. The arrivals at the auctions have declined considerably in comparison with week ago. 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 and is likely to gain its pace there after. Prices for the spice is likely to trade steady to firm during the days ahead. Low production estimates for the spice at 9700 tonnes for the season is a supportive feature for firmness in prices in long run.

FUTURES MARKETS

MCX Cardamom most active January futures traded in a range amidst active buying. The contract started steady at Rs.620 and there after traded firm after initial weakness in the range of Rs.618 and Rs.626. The open interest improved marginally amidst low volumes. The contract then finished up at Rs.621.50 or 0.24% as against prior close price.

PRICE DRIVERS

Bearish:

1. Higher prices limiting export queries.
2. Exports during April- Nov 2007 declined by 23% in quantity terms over last year

Bullish:

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

WEATHER

Mainly dry weather likely over Kerala and Tamil Nadu however mild showers at crop growing regions favourable for the crop during this stage.

TECHNICALS

Formation of candlestick is suggesting initial uptrend and thereafter profit booking towards the close. The close above the EMA's is suggesting that the trend is likely to remain firm during the days ahead. The marginal surge in open interest amidst firm close is indicating active buying however low volumes traded are not supportive feature. Rising RSI in the neutral region amidst MACD in the positive territory is supportive to the firm trend in the market. Cardamom futures are likely to trade firm with a possibility of profit booking towards the close.

CARDAMOM 0801(MXCAMF8)2007/12/28 - Daily B:621.00 A:623.50
O 620.00 H 626.00 L 618.00 C 621.50 V 324 T 100,926 I 552 +1.5
EMA(9) 611.25 (18) 604.99



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	593	600	621.5	640	643.5

TRADE RECOMMENDATION

Buy MCX January Cardamom below 620 with a target of Rs. 624.5 and then 629.5 with a strict stop loss below Rs. 618 levels. Trade with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakanur	600	9700

CUMIN

Dec 29, 2007

SPOT MARKETS

Jeera at the Unjha markets witnessed a quiet session. The prices remained steady at Rs.2685-2805/20kg for machine cleaned variety. The arrivals declined to 2500 while offtake stood steady at 5000 bags respectively. Domestic demand is reported to be stable. However it is anticipated to improve during mid January. 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 in 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 most active February futures at the NCDEX counter witnessed a volatile trade and long accumulation. The contract started firm at Rs.10645. The futures rallied in the range of Rs.10475 and Rs.10800 on active buying and finished at Rs.10722 up by 0.91% as against prior close price. The gain in volumes traded and open interest favoured the bulls.

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 in Rajasthan; there is possibility of fog like conditions. Dry weather is favorable for the crop.

TECHNICALS

Jeera futures at continues to trade in a range bound trend in the market. The formation of candlestick with a long lower shadow is suggesting buying at lower levels towards the close supported with surge in volumes traded as well as open interest. The close above the EMA's is also favouring further rise in price so does the rising RSI in the overbought region. Jeera futures are likely to trade firm amidst slight weakness during the early hours.

JEERA 0802(NCJEEG8)2007/12/28 - Daily B:10722.00 A:10730.00
O 10645.00 H 10790.00 L 10475.00 C 10722.00 V 7,788 I 7,734 +112
EMA(9) 10508 (18) 10360



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	10148	10353	10722	10959	11103

TRADE RECOMMENDATION

Buy NCDEX February Jeera near Rs.10675 with a target of Rs. 10765 and then of Rs.10845 with a strict stop loss near Rs.10625. 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 29, 2007

SPOT MARKETS

Turmeric at the physical markets traded steady to weak. The price at Nizamabad declined further by Rs. 50 to Rs.2650/ qtl amidst good arrivals of 1430 bags as well as buyers anticipated the prices to decline further. At Erode it remained steady at Rs.2800-2900/ctl. Domestic as well overseas demand from Gulf, Japan and Europe are reported to be good. 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 traded volatile and witnessed buying at lower levels. The futures started down at Rs.2771 and traded firm in the range of Rs.2754 and Rs.2849. The contract then finished at Rs.2846 up by 2.19% on long accumulation.

PRICE DRIVERS

Bullish

1. Demand from domestic & overseas markets.
2. Fall in acreage around 25%

Bearish:

1. Good stock level for the season at the major growing areas.
2. Apr-Nov 2007 export down 3% in terms of quantity

WEATHER

Turmeric crop is maturing now and excess rain is likely to damage the crop, dry weather over T N and A P is favourable for the crop.

TECHNICALS

Candlestick is suggesting active bulls in the market so does the rising RSI in the neutral region is leaving scope for further uptrend in prices. The significant surge in volumes as well as open interest is also a supportive feature to the positive price movement in the prices. The close above the EMA's is favouring the firm trend in prices so does the MACD in the positive territory. Turmeric futures are likely to extent the up trend in prices with a possibility of profit booking towards the close.

Turmeric 0804(NCTMCJ8)2007/12/28 - Daily B:2842.00 A:2846.00
O 2771.00 H 2849.00 L 2759.00 C 2846.00 V 48,560 I 29,830 +57
EMA(9) 2795.6 (18) 2742.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2623	2699	2846	2916	2962

TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2840 with a target of Rs. 2852 and then Rs.2868 with a strict stop loss below Rs.2834. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2650	1430
	Gattah	2700	
Erode	Finger	2800-2900	7500
	Gattah	2750-2850	

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

SPOT MARKET

Red chillies at the benchmark Guntur markets continued to trade steady. The prices remained unchanged at Rs.3400-3900/qtl. The arrivals and offtake stood around 25000 and 20000 bags respectively. On the 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 10-11 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 steady to firm during the days ahead on improving demand.

FUTURES MARKETS

NCDEX chilli February futures traded sluggish in a narrow range. The contract started weak at Rs.3820 and during the early hours surged up to Rs.3839 and thereafter witnessed a low at Rs.3789. The contract closed marginally down by Rs.3 at Rs.3825 in comparison with prior close price.

PRICE DRIVERS

Bullish:

1. Exports during April- Nov 2007 improved by 56% 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 doji during the second consecutive day is suggesting indecision in the market. The futures are moving in a tight range of Rs.3795 and Rs.3847 and hence a breakout beyond this range on either range is necessary to establish a trend. However the close above the EMA's is a supportive feature to the near term firm trend in the market so does the MACD in the positive region. RSI is flat in the neutral region and lacks direction in the market. Chilli futures are likely to trade in a range with positive bias.

CHLL334GTR 0802(NCGTRG8)2007/12/28 - Daily B:3815.00 A:3822.00
O 3820.00 H 3839.00 L 3789.00 C 3825.00 V 51512,535 -5
EMA(9) 3803.3 (18) 3753.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3682	3738	3825	3901	3962

TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3820 or below with a target of Rs. 3834 and then Rs.3851 with a strict stop loss of Rs. 3814. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3400-3900	25000

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