



## ■ BLACK PEPPER

■ Dec 18, 2007

### SPOT MARKETS

Despite good domestic demand and emerging overseas demand, black pepper traded weak at the domestic markets on lack of physical supply. The availability remained poor even in the primary markets with depleting stocks with farmers and dealers. The harvesting, which has been delayed till December end is further delayed by another 15 days on heavy rains in the growing regions, adding to the supply crunch. Meanwhile, the lack of supplies with other origins would leave India as the sole supplier of the spices in the coming months. The lower crop expectation in all the major producing countries, including India, is likely to support the market in the long term.

### FUTURES MARKETS

NCDEX pepper traded weak on profit booking. The most active January contract opened Rs. 20 firm at Rs. 13139 and traded up initially to test a high of Rs. 13225. Sellers emerging at higher levels pressurized the market and the contract slipped to test a low of Rs. 12840, before ending 1.39% weak at Rs. 12936. Open interest dipped amidst larger volumes traded, suggesting liquidation 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 pattern with volumes supporting the price movement suggest downtrend. Close below the short term EMAs and dipping RSI in the neutral region are supporting near-term weakness. MACD is also dipping in the negative territory, favouring bearish market. However, the downside movement is likely to be capped by rising Stochastic in the neutral region. Pepper futures are technically bound to trade weak in the next session with chances of a late recovery.

Pepper 0801(NCPEPF8)2007/12/17 - Daily B:12935.00 A:12940.00  
O:13139.00 H:13225.00 L:12841.00 C:12936.00 V:8,211 19,777 -204  
EMA(9):13069 (18):13271



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12501	12603	12936	13231	13441

### TRADE RECOMMENDATION

**Sell** NCDEX January Black Pepper above 12900-12950 with a target of Rs. 12800 then at Rs. 12750 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 18, 2007

### SPOT MARKETS

Cardamom prices remained steady at the domestic auctions during the first day of the week. The prices for the capsules remained steady at Rs.555 per kg. Around 9000 kg's were arrived and sold completely at the auctions. Limited export buying was also reported. However export demand is anticipated to gain its momentum during the days ahead. 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 and witnessed long liquidation. The most active January contract opened Rs.5 weak at Rs. 608 and traded steadily down to test a low of Rs. 59.50. The contract ended 0.83% weak at Rs.598 amidst low volumes and fall in open interest 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

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

### TECHNICALS

Formation of a bearish marubuzu is suggesting active bears in the market. However the low volumes and fall in open interest is not a supportive feature to the weak close price. The close above the EMA's and MACD in the positive territory is in the favour of firmness in prices. Stochastic is ascending in neutral region in a steady pace leaving scope for further uptrend in prices. However the dipping RSI is suggesting weakness in prices. Cardamom futures are likely to trade range bound with a positive bias during next trading session.

CARDAMOM 0801(MXCAMF8)2007/12/17 - Daily B:597.00 A:598.50  
O 608.00 H 608.00 L 597.50 C 598.00 V 333 T 100,405 I 485 -5  
EMA(9) 597.28 (18) 594.72



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	582	588	598	617	621

### TRADE RECOMMENDATION

Buy MCX January Cardamom below 596.5 with a target of Rs. 599 and then 603 with a strict stop loss above Rs. 595. Trade with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Vandanmedu

555

9000

## CUMIN

Dec 18, 2007

### SPOT MARKETS

Jeera prices traded steady at the Unjha physical markets during the first day of the week. The prices for the machine cleaned variety remained unchanged at Rs.2645-2765 per 20 kg. The arrivals remained low at 1500 bags while the offtake stood at 4000 bags. 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 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 impact the prices of the spice.

### FUTURES MARKETS

Jeera January futures at the NCDEX counter traded in a positive territory in a narrow range. The contract moved in the range of Rs.9727 and Rs.9865. The contract then closed firm at Rs.9825 up by 0.89% and witnessed covering of short positions amidst good volumes supportive to the price movement.

### 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

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)2007/12/17 - Daily B:9824.00 A:9830.00  
O 9770.00 H 9860.00 L 9727.00 C 9825.00 V 4,749 I 6,237 +110  
EMA(9) 9743.3 (18) 9877.4



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9338	9431	9725	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	1500
	Machine Cleaned	2645-2765	



## TURMERIC

Dec 18, 2007

### SPOT MARKETS

Turmeric prices at all the major physical markets traded firm on active buying from the stockists. The prices at Nizamabad surged significantly to Rs.2425 per qtl and arrivals of 1500 bags were sold completely. At Erode the prices raised sharply to Rs.2800-2850 per qtl. The 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. 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 positive region after starting firm. The futures moved in the range of Rs.2701 and Rs.2754. The futures then closed at Rs.2750 firm by 2.72% 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 marubuzu is suggesting active buying in the market. The gain in volumes as and open interest remained a supportive feature to the bulls in the market. The close above the EMA's and MACD about to witness a bullish crossover in positive territory is favouring the firm trend in prices. Stochastic is ascending in neutral region is leaving room for further uptrend in prices. However, rising RSI in the overbought region is suggesting the investors to remain cautious. Turmeric prices are likely to trade firm with a possibility of profit booking towards the close.

Turmeric 0804(NCTMCJ8)2007/12/17 - Daily B:2749.00 A:2750.00  
O 2701.00 H 2754.00 L 2701.00 C 2750.00 V 25,240 I 26,240 +50  
EMA(9) 2665.6 (18) 2619.5



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2584	2614	2750	2796	2823

### TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2743 with a target of Rs. 2754 and then Rs.2769 with a strict stop loss below Rs.2738. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2425	1500
	Gattah	2445	
Erode	Finger	2800-2850	2500
	Gattah	2700-2750	

### SPOT MARKET

Chilli at the Guntur physical markets traded firm on low availability of the premium variety stock. The arrivals declined to 20000 bags where as offtake stood at 15000 bags. The prices for chillies improved to Rs.3200-3900 per qtl. 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. The demand for Indian Chilli is anticipated to improve slightly during the days ahead. 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 witnessed a volatile trade amidst gain in volume traded. The futures traded firm in the range of Rs.3794 and Rs.3892. The contract then closed at Rs.3794 up by 3.06% 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

A bullish marubazu is suggesting active buying in the market. The firm close amidst gain in open interest and significant gain in volumes is supportive to the firm trend. The close above the EMA's as well as MACD ascending towards the positive territory is favouring the uptrend in the prices. Rising RSI as well as stochastic in the overbought region is suggesting the investors to trade cautiously. Chilli futures are likely to trade firm during the next trading session with a possibility of profit booking towards the close.

CHLL334GTR 0802(NCGTRG8)2007/12/17 - Daily B:3881.00 A:3892.00  
O 3794.00 H 3892.00 L 3794.00 C 3892.00 V 1,145 I 2,065 +117

EMA(9) 3685.5 (18) 3635.0



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3603	3719	3892	3950	4024

### TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3850 or below with a target of Rs. 3875 and then Rs.3910 with a strict stop loss of Rs. 3833. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3200-3900	20000

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