



■ BLACK PEPPER

■ Dec 04, 2007

SPOT MARKETS

Pepper prices improved at the domestic markets on strong domestic demand, while export demands were not featured as Indian parity continued to remain out-priced in the global market. The strong demand from grinding industry following commencement of winter season has contributed to the hike in domestic price. Most of the domestic demand is met by direct sales from the primary market. Indian industry engaged in value addition and export has reportedly bought substantial quantity of black pepper from other origins at lower prices. This has led to apprehension that part of the imported pepper could enter the domestic market and depress the price here. Depletion of stocks in the major origins and late harvesting in India is likely to squeeze the supply situation.

FUTURES MARKETS

NCDEX pepper futures traded volatile to end marginally higher. The most active January contract opened Rs. 22 firm at Rs. 13760 and traded volatile within a range of Rs. 13630-13937, before ending at Rs. 13820, 0.60% higher than the previous close. The open interest and volume traded improved as compared to the previous session, 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. Sellers ready to sell at higher price
4. Indian pepper out-priced in global market

WEATHER

Advance of North East Monsoon may hamper the standing crop.

TECHNICALS

Candlestick pattern suggests indecision in the market. MACD and RSI are flat and inconclusive, while close at par with 18 day EMA support indecision. Close above 9 day EMA and rising RSI in the neutral region support near-term firmness in the market. Close above the immediate resistance at 13730 as well as 23.6% retracement levels leaves room for further uptrend. Pepper futures are likely to trade range-bound to firm in the next session.

Pepper 0801(NCPEPF8)2007/12/03 - Daily B:13815.00 A:13820.00
O 13760.00 H 13935.00 L 13645.00 C 13820.00 V 9,267 I 10,393 +69
EMA(9) 13653 (18) 13821



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12600	12974	13820	14230	14565

TRADE RECOMMENDATION

Buy NCDEX January Black Pepper near 13800-13850 with a target of Rs. 13950 then at Rs. 14000, with a strict stop loss of Rs. 13750. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,600	5
	Ungarbled	13,000	



■ CARDAMOM

■ Dec 04, 2007

SPOT MARKETS

Prices weakened further at the domestic auctions. Good quality colored capsules were quoted lower by Rs. 15 a kg, while all the other lots were weak by Rs. 20/kg. The arrivals are showing a decline for the second season on end, reflecting a poor crop for the second consecutive year. The squeeze in arrivals has led to active buying from the auctions, which is keeping the prices stable at higher levels. Exporters are reportedly buying from the domestic auctions, with selected overseas buyers at the current price. No significant fall in prices is likely in the medium to long term on account of the lower production at the major producing centres. Indian cardamom continues to remain outpriced in the global market.

FUTURES MARKETS

Cardamom futures traded volatile at MCX. The most active December contract opened steady at Rs. 585 and traded down to test a low of Rs. 583.5, before improving on some buying support to test a high of Rs. 590. The contract ended at opening levels of Rs. 585. Open interest and volume traded dipped as compared to the previous session.

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 pattern suggests indecision in the market. All the indicators are flat and provide no direction to the future trend of the market, except MACD which is rising in the positive territory, suggesting medium-term firmness. Prices closed above the short term EMAs, supporting firm market. Cardamom futures are likely to trade range-bound to firm in the next session.

CARDAMOM 0712(MXCAMZ7)2007/12/03 - Daily B:584.50 A:585.00
O 585.00 H 590.00 L 583.50 C 585.00 V 153 T 44,839 I 368 0
EMA(9) 580.67 (18) 569.53



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX December	565	570	585	600	605.5

TRADE RECOMMENDATION

Buy MCX December Cardamom below 583-585 with a target of Rs. 589 and then 591 with a strict stop loss of Rs. 581. Trade cautiously with intraday outlook.

Auction Centre	Prices/Kg (7mm)	Arrivals (Kg)
Bodinayakannur	550	11,000

CUMIN

SPOT MARKETS

Domestic jeera, spot trade during the first day of the week continued to witness a quiet session in the Unjha market. Demand from the domestic as well as the overseas counters remained steady and prices too remained unchanged. The arrivals were steady at 2500 bags while the offtake declined to 5000 bags. Overseas buying from Bangladesh, Europe and Singapore is seen less active in the market and improve after a fortnight. Jeera sowing has started in Saurashtra and the acreage is reportedly lower by 10-20 % as per trade sources. Low stock level for the season at around 3.5 lakh bags is likely to support uptrend in prices in the long term.

FUTURES MARKETS

NCDEX Jeera most active January contract started weak at Rs.9700. The contract moved in the narrow range of Rs.9651 and Rs.9824. The contract then closed at Rs.9768 firm by 0.58% as against previous close price 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
4. Low stock position

Bearish:

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

WEATHER

Dry weather is likely over Gujarat as well as Rajasthan, sowing is yet to be started. Dry weather is favourable during the initial sowing stage.

TECHNICALS

Candlestick is suggesting a range bound price trend. Marginal gain in volumes is supporting the firm close. RSI is ascending in the neutral region favouring the firm ness in prices of a medium term. However the close below the EMA's and MACD in the negative region is favouring the weakness in prices. Fall in open interest is also not favouring the firm close. Jeera futures are likely to move range bound during the next trading session with a positive bias.

JEERA 0801(NCJEEF8)2007/12/03 - Daily B:9761.00 A:9768.00
O 9700.00 H 9824.00 L 9651.00 C 9768.00 V 4,362 I 7,449 +66



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9446	9573	9768	10083	10235

TRADE RECOMMENDATION

Buy NCDEX January Jeera near Rs.9730 with a target of Rs. 9801 and then of Rs.9845 with a strict stop loss near Rs.9692. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2335-2345	2500
	Ganesh	2525-2565	
	Machine Cleaned	2605-2725	



■ TURMERIC

■ Dec 04, 2007

SPOT MARKETS

Bulls dominated domestic turmeric spot prices and prices for the spice improved significantly at physical markets. At Nizamabad the prices improved by Rs.60 to Rs.2250 per qtl amidst sale of around 1000 bags. At Erode the prices remained steady at Rs.2550-2625 amidst 75% sale out of 3500 bags arrived. Domestic retail buying is reported to be active amidst sellers not ready to offload their stock in anticipation of further improvement in the prices. Overseas demand from Gulf, Japan and Europe is also reported to be firm. Emerging demand from U. K and South Africa is also adding to the positive tone. Turmeric prices may be steady to moderately firm in the near term on improving demand in the market.

FUTURES MARKETS

NCDEX Turmeric most active April futures closed firm hitting 4 % upper circuit and witnessed long accumulation amidst significant gain in volumes. The futures moved in the range of Rs.2605 and Rs.2704 and then closed at Rs.2704 firm by 4% in comparison with previous close price.

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

Rain/thundershowers are likely at a few places over Tamil Nadu and isolated over Kerala, and Andhra Pradesh. Rains at present are beneficial for the growth of the crop.

TECHNICALS

A bullish marubuzu is suggesting active buying in the market. Surge in volumes and open interest is favouring the bulls and firm close. The close above the EMA's and MACD rising in the positive territory is favouring the firm trend. Rising RSI in the overbought region is also supportive feature in the market. Technically turmeric futures are highly overbought and hence a correction is due very soon.

Turmeric 0804(NCTMCJ8)2007/12/03 - Daily B:2704.00 A:2704.00
O 2605.00 H 2704.00 L 2605.00 C 2704.00 V 28,410 I 26,150 +88



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2454	2513	2704	2749	2799

TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2691 with a target of Rs. 2703 and then Rs.2716 with a strict stop loss below Rs.2685. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2250	1000
	Gattah	2250	
Erode	Finger	2550-2625	3500
	Gattah	2600-2625	

SPOT MARKET

Lack of buying interest continued to dominate chilli physical market at Guntur. The prices slashed further by Rs.200 per qtl and tested fresh lows for the season at Rs.2800-3500 per qtl. The arrivals and offtake were reported to be steady at 50000 bags and 20000 bags respectively. The new season crop has also started arriving in the market and in a period of month is likely to hit the market in full swing is also adding to the weakness in prices. Overseas buying was also reported to be negligible from the domestic buyers. Chilli prices are likely to trade range bound to weak on due to sluggish demand for the spice amidst huge stock piles at around 23 lakh bags at Guntur.

FUTURES MARKETS

NCDEX Chilli most active February futures tested fresh contract lows. The contract moved in the range of Rs.3334 and Rs.3400 after starting weak at Rs.3351. The contract then closed at Rs.3385 low by 0.51 % as against prior close price and witnessed short accumulation.

PRICE DRIVERS

Bullish:

1. Exports during April- Oct 2007 improved by 77% in qty as against last year
2. Lower global production estimates

Bearish:

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

WEATHER

Mainly dry weather is likely over Andhra Pradesh. Rain at present is beneficial for the crop in its growing stage

TECHNICALS

Candlestick is suggesting initial weakness and thereafter active buying in the market. The close below the EMA's and MACD in the negative territory is still favouring the weak trend. RSI is still hesitant to rise in the oversold region. However low volumes traded are not a supportive feature to the weak close. Technically chilli futures are extremely oversold and hence a correction is due very soon. Chilli futures are likely to trade range bound to weak during next session.

CHLL334GTR 0802(NCGTRG8)2007/12/03 - Daily B:3380.00 A:3390.00
O 3351.00 H 3400.00 L 3334.00 C 3385.00 V 38012,010 -10

EMA(9) 3496.7 (18) 3589.2



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3249	3290	3385	3496	3554

TRADE RECOMMENDATION

Sell NCDEX February Chilli near Rs. 3400 or below with a target of Rs. 3365 and then Rs.3330 with a strict stop loss of Rs. 3418. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	2800-3500	50000

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