

■ BLACK PEPPER

■ Dec 07, 2007

SPOT MARKETS

Pepper traded weak at the spot market taking cues from the futures counter. The Centre's reported decision to reduce import duty on pepper to 50% from 70% has cast a bearish spell on the pepper markets. Though this decision will not have an immediate impact, there could be a possibility of Vietnam pepper coming to India in large quantity when the harvesting takes place there early next year. Besides, the overseas report says that Indonesia has slashed its prices. Though Indian parity dropped to \$3650 a tonne, it continued to remain out priced. Meanwhile, Brazilian pepper has recorded a 51% increase in imports to India in terms of value during January to September, while the volumes rose by 18%.

FUTURES MARKETS

NCDEX Pepper futures ended lower on some short accumulation. The most active January contract opened Rs. 23 weak at Rs. 13480 and traded up initially to test a high of Rs. 13555. The contract slipped thereafter on increased selling pressure to test a low of Rs. 13080, before closing 2.76% weak at Rs. 13130. Open interest and volume traded improved as compared to the previous day, suggesting short accumulation.

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

WEATHER

Advance of North East Monsoon may hamper the standing crop.

TECHNICALS

Candlestick formation as well as close below the short term EMAs suggests weak prices in the near-term. RSI is dipping in the neutral region, supporting the downtrend. MACD is flat in the negative territory, indicating bearish tendency, while RSI is rising in the neutral zone, capping the downside. Pepper futures are likely to trade sideways with weak tone in the next session. A strong support is seen emerging at 12975 levels.

Pepper 0801(NCPEPF8)2007/12/07 - Daily B:13127.00 A:13140.00

O:13480.00 H:13554.00 L:13080.00 C:13130.00 V:9,002 I:10,879 -389

EMA(9) 13543 (18) 13716



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12475	12581	13130	13730	13968

TRADE RECOMMENDATION

Sell NCDEX January Black Pepper near 13100-13150 with a target of Rs. 13000 then at Rs. 12950, with a strict stop loss of Rs. 13200. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,200	4
	Ungarbled	12,600	



■ CARDAMOM

■ Dec 07, 2007

SPOT MARKETS

Cardamom auctions were steady to slightly firm amidst good arrivals at Bodinayakannur. The prices are likely to stay high for the season on account of 40% shortfall in production. The market remains supported by strong fundamentals.. However, Indian cardamom is quoted at a premium in the international market, which is seen restricting the entry of exporters and overseas buyers into the domestic market. Negligible export orders are seen trickling in the domestic auctions. Meanwhile, the cheaper Guatemalan capsules are also brought into the country through illegal imports to cash in on the higher domestic prices. The second e auction centre for cardamom will be launched at Vandanmettu in Kerala on December 8th.

FUTURES MARKETS

Cardamom futures traded weak at MCX. The most active December contract opened Rs. 1.5 weak at Rs. 581 and traded steadily down to close at the day's low of Rs. 576. Open interest dipped amidst very low volumes traded as compared to the previous day.

PRICE DRIVERS

Bearish:

1. Higher prices limiting export queries

Bullish:

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

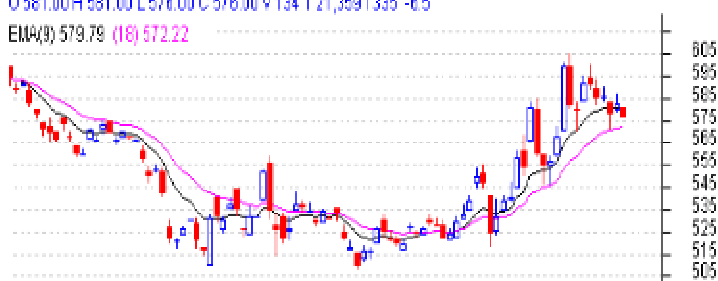
WEATHER

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

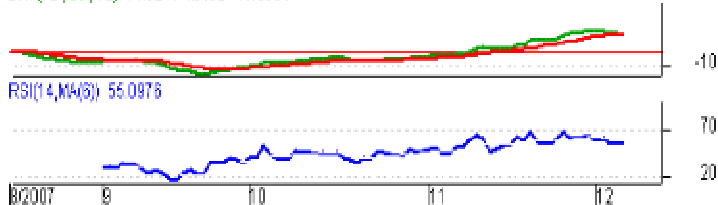
TECHNICALS

Candlestick pattern and close below 9 day EMA suggest near-term weakness. RSI is also dipping in the neutral zone, supporting the downtrend. RSI is flat and inconclusive in the neutral region. However, a rising MACD and close above 18 day EMA favour bulls in the market. Cardamom is likely to trade range-bound to weak in the next session.

CARDAMOM 0712(MCXAMZ7)2007/12/07 • Daily B:575.00 A:578.50
O:581.00 H:581.00 L:576.00 C:576.00 V:134 T:21,359 | 335 -6.5
EMA(9): 579.79 (18) 572.22



DAW(12, 26, 12) 11.8241 MACD: 11.9004



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX December	565	570	576	600	605.5

TRADE RECOMMENDATION

Sell MCX December Cardamom above 576-578 with a target of Rs. 572 and then 570 with a strict stop loss of Rs. 580. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakannur

560

33,000

CUMIN

Dec 07, 2007

SPOT MARKETS

Active buying was witnessed at Unjha market for jeera. The prices for the spice were quoted firm by Rs.20 per 20 kg in comparison with previous trading session. The arrivals and offtake remained steady at 2500 bags and 7000 bags respectively. The demand in the domestic front is reported to be improved from Calcutta and eastern states. Overseas buyers from Bangladesh, Europe and Singapore were reported to be less active however slight improvement is anticipated during the days ahead. Jeera sowing has started in Saurashtra and the acreage is reportedly lower by 10-20% as per trade sources. As per trade sources cloudy weather at the jeera growing areas is likely to affect the crop growth and favour firmness in prices.

FUTURES MARKETS

Jeera futures at NCDEX traded weak with the most active January contract opening Rs. 87 firm at Rs. 10060. After trading up to test a high of Rs. 10160, the contract slipped steadily to test a low of Rs. 9876. The contract ended 0.83% weak at Rs. 9890. Open interest dipped, while volumes improved, suggesting long liquidation.

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 gain momentum. Dry weather is favourable during the initial sowing stage.

TECHNICALS

Prices closed below the EMAs, suggesting weak market; as does a dipping RSI in the neutral region. Stochastic is flat in the oversold region and indecisive. MACD is falling in the negative territory, indicating increasing bearishness of the market. Overall, technicals indicate a weak market. Jeera futures are likely to see weak trade in the next session with some late recovery. However, caution is advised as market is oversold.

JEERA 0801(NCJEEF8)2007/12/06 - Daily B:9885.00 A:9890.00
Q:10060.00 H:10160.00 L:9880.00 C:9890.00 V:6,955 I:7,281 -148
EMA(3):9932.9 (18):10157



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9601	9777	9890	10395	11020

TRADE RECOMMENDATION

Sell NCDEX January Jeera near Rs.9960 with a target of Rs. 9870 and then of Rs. 9825 with a strict stop loss near Rs. 10005. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2375-2385	
	Ganesh	2565-2605	2500
	Machine Cleaned	2645-2765	



■ TURMERIC

■ Dec 07, 2007

SPOT MARKETS

Lack of buying interest at higher level as well as correction at the futures counter weakened domestic turmeric prices at the major spot market. The prices weakened by Rs.50 per qtl and were quoted at Rs.2225 per qtl amidst sale of 600 bags. However the prices at Erode remained steady at Rs. 2650-2700 per qtl. Domestic buying is likely to emerge in slight weakness in prices on good demand from all the sectors as well as stockists are hesitant to offload their stocks in anticipation of further improvement in the prices. Overseas demand from Gulf, Japan and Europe is also reported to be firm. 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 contract opened Rs. 14 weak at Rs. 2674 and after trading up to test a high of Rs. 2690, crashed on active selling to test a low of Rs. 2571. The contract ended 4.17% weak at Rs. 2577. Open interest dipped amidst larger volumes traded as compared to the previous day, suggesting short covering.

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 dry weather over Andhra Pradesh. Rains at present are beneficial for the growth of the crop.

TECHNICALS

Candlestick formation and close below 9 day EMA suggests near-term weakness in prices; as does a sharply dipping RSI in the neutral region. However, a rising MACD in the positive region as well as close above 18 day EMAs indicate the inherent bullishness of the market. Turmeric futures are likely to trade range-bound to weak in the next session. A good support is seen emerging at 2533 levels.

Turmeric (804/NCDEX)3(2007)1206 - Daily B:2578.00 A:2583.00
O 2674.00 H 2690.00 L 2571.00 C 2577.00 V 28,350 I 21,780 -112

EMA(9) 2608.8 (13) 2548.3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2417	2452	2577	2733	2770

TRADE RECOMMENDATION

Sell NCDEX April Turmeric above Rs. 2582 with a target of Rs. 2562 and then Rs. 2552 with a strict stop loss below Rs. 2592. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2225	600
	Gattah	2225	
Erode	Finger	2650-2700	4800
	Gattah	2600-2650	

SPOT MARKET

Chilli trade at the physical market continued to witness a quiet session. The prices for the spice remained unchanged at Rs.3000-3400 per qtl. Around 20000 bags were old lot of the total arrivals of 40000 bags. Buying in small quantity was seen for the high grade chillies. Ample inventories as well as fresh arrivals of current season cause concern amongst the sellers and they are likely to offload the stock in the market very soon. Overseas buying was also reported to be negligible. Chilli prices are likely to trade range bound to weak due to sluggish demand for the spice amidst huge stock piles at around 22 lakh bags at Guntur as well as expectations of fresh arrivals for the season.

FUTURES MARKETS

NCDEX chilli most active February contract traded volatile to close marginally above the opening levels. The contract opened Rs. 18 weak at Rs. 3443 and traded up initially to test a high of Rs. 3482, before slumping to test a low of Rs. 3431. The contract ended at Rs. 3445. Open interest improved amidst lower volumes.

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 formation as well as steady RSI in the neutral region suggests indecision in the market. Prices closed below the short term EMAs, suggesting weakness. The southward MACD in the negative territory and dipping Stochastic in the oversold region support the underlying bearishness in the market. The chilli futures tend to trade range-bound to weak in the next session. However, the oversold nature is likely to support the upmove.

CHLL334GTR 0802(NCOTR08)20071206 + Daily B 3441.00 A:3460.00
O 3443.00 H 3482.00 L 3431.00 C 3445.00 V 21511,985 +3



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3283	3326	3445	3545	3574

TRADE RECOMMENDATION

Sell NCDEX February Chilli near Rs. 3455 or above with a target of Rs. 3425 and then Rs. 3410 with a strict stop loss of Rs. 3470. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3000-3400	15,000

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