



■ BLACK PEPPER

■ Dec 14, 2007

SPOT MARKETS

Pepper traded weak at the physical markets on lack of offtake amidst lower supplies. Spot availability of black pepper remained limited. The alleged entry of Brazilian bold berries, separated by sieving into the markets in north India is also seen imparting a bearish tendency in the domestic markets. However, the pepper prices are likely to remain firm in the coming months as delayed harvesting in India is likely to further squeeze the supply position. Meanwhile, Vietnam is reported to have very little stocks left, having sold most of it in the first 11 months of the year. Vietnam has exported 76,878 tonnes during January-December 2007, while the nation produced 90,000 tonnes in 2006-07.

FUTURES MARKETS

Pepper futures resumed weakness at NCDEX with some recovery towards the close. The most active January contract opened Rs. 2 down the previous close at Rs. 12910 and traded up initially to test a high of Rs. 12928. The prices witness weakness thereafter on active selling to test a low of Rs. 12601, before ending 1.43% weak at Rs. 12727. Open interest dipped amidst improved volumes, 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

WEATHER

Advance of North East Monsoon may hamper the standing crop.

TECHNICALS

Candlestick formation suggests weakness; as does close below the short term EMAs. RSI and Stochastic are descending in the oversold region, supporting the downtrend. MACD is trading further down in the negative territory, indicating increased bearishness in the market. Pepper futures are technically bound to trade weak in the next session. However, presence of the oscillators in the oversold region indicates that a technical correction is due any moment. Hence, trade with caution.

Pepper 0801(NCPEPF8)2007/12/13 - Daily B:12726.00 A:12730.00
O 12910.00 H 12925.00 L 12603.00 C 12727.00 V 8,028 I 9,906 -172
EMA(9) 13123 (18) 13372



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12475	12580	12727	12901	13097

TRADE RECOMMENDATION

Sell NCDEX January Black Pepper above 12700-12750 with a target of Rs. 12600 then at Rs. 12550, with a strict stop loss of Rs. 12800. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	12,900	0
	Ungarbled	12,300	

SPOT MARKETS

Cardamom prices witnessed further weakness amidst ample arrivals. The good quality coloured capsules were weaker by Rs. 5/kg, while all the other graded traded down by Rs. 10/kg. Arrivals at the auction held at Bodinayakannur stood at 26,000 kg. The third round of picking is towards completion and the yield was reported lower as compared to the previous years. The yield of fourth round of picking is likely to have lesser proportion of good quality bold capsules. Poor crop had resulted in lower arrivals during the season. The prices are likely to remain steady to firm in the coming weeks on good buying by the upcountry dealers as they hold very thin inventory.

FUTURES MARKETS

MCX Cardamom futures ended positive after an initial slump. The most active January contract opened Rs. 0.50 weak at Rs. 587 and traded steadily down to test a low of Rs. 581.5. The prices recouped later on good buying support to test a high of Rs. 591.50, before ending 0.51% firm at Rs. 590.50. Volumes and open interest improved as compared to the previous day on long accumulation.

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 active buying at lower levels. Close below the short term EMA suggests weakness, while RSI is rising in the neutral region, supporting uptrend. Stochastic has flattened out in the oversold region and is about to make a bullish crossover, indicating likelihood of an impending correction. MACD is declining in the positive territory, showing decreasing bullish nature of the market. Cardamom futures are likely to trade firm in the next session, with chances of late weakness.

CARDAMOM 0801(MXCAMF8)2007/12/13 - Daily B:590.00 A:592.00
O 587.00 H 591.50 L 581.50 C 590.50 V 260 T 63,571 I 365 +3
EMA(9) 594.64 (18) 592.59



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	550.5	565.5	590.5	600	614

TRADE RECOMMENDATION

Buy MCX January Cardamom below 589 with a target of Rs. 593 and then 595 with a strict stop loss above Rs. 587. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakannur

550

26,000

CUMIN

Dec 14, 2007

SPOT MARKETS

Jeera spot trade at Unjha market witnessed a quiet session. The arrivals declined to 1500-2000 bags while offtake remained steady at 3000 bags amidst subdued trading activity in the market. Due supply matching the demand the prices remained unchanged at 2605-2725 per 20 kg. As per trade sources demand is likely to improve only after a fortnight. Overseas buyers from Bangladesh, Europe and Singapore were reported to be less active with slight improvement anticipated during the coming days. Jeera crop is at its initial growing stage in Saurashtra and cloudy weather at present as per trade sources is likely to affect the crop growth. Sowing at Rajasthan is further delayed by a fortnight due to unfavourable weather. Weather is a crucial factor at present and is likely to have an impact on the prices of the spice.

FUTURES MARKETS

NCDEX Jeera January futures tested fresh lows and closed in negative region. The contract moved in the range of Rs.9480 and Rs.9698. The contract then closed weak at Rs.9561 down by 1.10% and witnessed accumulation of short position.

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 over Gujarat is favourable for the crop whereas Fall in night temperature by 2-3°C over West Rajasthan leading to development of cold wave conditions, where sowing is about to commence very soon.

TECHNICALS

Technically jeera is exhibiting a weak trend amidst marginal gain in open interest suggesting active selling in the market. The close below the EMA's and MACD weakening in the negative region is also favouring the weakness in prices. RSI is hesitantly entering the oversold region while stochastic is dipping and inclined towards the oversold territory. Marginally low volumes traded are not a supportive feature to the weakness in prices. Jeera futures are likely trade weak during the early hours with a possibility of late recovery in the prices.

JEERA 0801 (NCJEEF8) 2007/12/13 - Daily B:9560.00 A:9565.00
O 9650.00 H 9698.00 L 9484.00 C 9561.00 V 4,308 I 6,900 -89
EMA(9) 9750.8 (18) 9936.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9199	9424	9561	9990	10155

TRADE RECOMMENDATION

Sell NCDEX January Jeera near Rs.9635 with a target of Rs. 9545 and then of Rs.9490 with a strict stop loss near Rs.9660. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2330-2340	
	Ganesh	2525-2565	1500-2000
	Machine Cleaned	2605-2725	



■ TURMERIC

■ Dec 14, 2007

SPOT MARKETS

Domestic turmeric prices at the physical markets witnessed a firm trend as active buying was witnessed at lower levels. The arrivals and offtake at Nizamabad stood at 2000 bags while the prices improved by Rs.50 per qtl to Rs.2230 per qtl. At Erode the prices remained unchanged at Rs.2600-2650 per qtl and arrivals improved to 4000 bags out of which 75% were sold. Domestic demand is likely to emerge at lower levels on good demand from all the sectors but 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 are likely to be steady to moderately firm in the near term on improving demand in the market.

FUTURES MARKETS

Turmeric April futures at NCDEX counter witnessed a volatile trade and active buying coming in. The futures moved in the positive territory in the range of Rs.2620 and Rs.2675. The futures then closed at Rs.2664 firm by 1.86 % and witnessed covering of short 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 at present is at its maturity stage excess rain is likely to damage the crop. Isolated rains and thundershower are likely over the Tamil Nadu and in Andhra Pradesh.

TECHNICALS

A bullish marubuzu is suggesting active buying in the market supported with significant spurt in volumes traded. The close above the EMA's as well as MACD likely to witness a bullish crossover in the positive territory is leaving room for further firmness in prices. Rising RSI as well as the stochastic in the neutral region is favouring the uptrend in prices. Turmeric futures are likely to extend the firmness in prices during the next trading session with slight profit booking towards the close.

Turmeric 0804(NCTMCJ8)2007/12/13 - Daily B:2663.00 A:2664.00
O 2620.00 H 2675.00 L 2620.00 C 2664.00 V 32,650 I 23,870 +44

EMA(9) 2620.3 (18) 2583.6



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2514	2578	2664	2703	2740

TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2654 with a target of Rs. 2669 and then Rs.2685 with a strict stop loss below Rs.2649. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2270	5000
	Gattah	2290	
Erode	Finger	2650-2700	5000
	Gattah	2600-2650	

SPOT MARKET

Chilli trade at the benchmark Guntur market witnessed a steady trade. The price remained unchanged at Rs.3000-3600 per qtl. The arrivals as well as remained steady at 30000 and 20000 bags respectively. The prevailing demands from the retailers as well as traditional over seas buyers for the premium quality spice restricted a weakness in prices. 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 current scenario is likely to support the near term firmness in prices.

FUTURES MARKETS

Chilli February futures at NCDEX witnessed a subdued activity amidst low volumes. The prices moved in the positive region after starting slightly weak Rs.3640 and witnessed a high at Rs.3689. The contract then closed at Rs.3662 firm by 0.55% and witnessed short covering.

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 during this stage at the chilli growing areas of Andhra Pradesh is not favourable for the crop.

TECHNICALS

Candlestick with long upper shadow is suggesting initial uptrend and thereafter active selling coming in the market. Rising RSI in the neutral region as well as stochastic region is favouring the firm trend in prices. MACD is hesitantly moving upward towards the positive territory as well as the close above the EMA's is also favouring the uptrend in prices. However the low volumes traded as well as decline in open interest is not a supportive feature to the prevailing firm trend in prices. Chilli futures are likely to extend the positive move in prices with a possibility of slight profit booking towards the closing session.

CHLL334GTR 0802(NCGTRG8)2007/12/13 - Daily B:3650.00 A:3679.00
O 3640.00 H 3689.00 L 3640.00 C 3662.00 V 50511,940 +22



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3504	3576	3662	375	3818

TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3655 or below with a target of Rs. 3691 and then Rs.3713 with a strict stop loss of Rs. 3639. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3000-3600	30000

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