



■ BLACK PEPPER

■ Dec 11, 2007

SPOT MARKETS

Black pepper traded steady at the domestic markets on inactivity. Lack of demand coupled with absence of ready sellers maintained the prices stagnant at the previous levels. North Indian markets were closed on Gur Gobind Singh Jayanti. Negligible supplies were reported at the terminal markets and most of the domestic demand was catered to by direct sales from primary markets. Meanwhile, the airs regarding slashing import duty on pepper and other cash crops was cleared by the Union Minister of State for Commerce. India has offered to reduce import duty on pepper to 50% in 2018 and only 2,500 tonnes of pepper could be imported from Sri Lanka annually. This has cheered up the domestic pepper markets. The pepper markets are likely to remain firm in the medium to long term on global supply deficit.

FUTURES MARKETS

Pepper futures traded volatile at NCDEX to end marginally lower. The most active January delivery contract opened Rs. 37 firm at Rs. 13332 and traded up initially to test a high of Rs. 13450, before slumping on some selling pressure to test a low of Rs. 13216. The contract ended at Rs. 13296 with increase in volumes and open interest as compared to the previous session, suggesting some 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 pattern suggests indecision in the market. MACD is also flat and inconclusive, leaving room for movement in either direction. Close above the short term EMAs support sluggish market. However, rising RSI and Stochastic in the neutral region are seen favouring near-term firmness. Pepper futures will tend to trade range-bound to firm in the next session.

Pepper 0801(NCPEPF8)2007/12/10 - Daily B:13295.00 A:13299.00
O:13332.00 H:13441.00 L:13230.00 C:13296.00 V:7,800 I:10,428 -14
EMA(5) 13408 (10) 13567



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12635	12974	13296	13730	13968

TRADE RECOMMENDATION

Buy NCDEX January Black Pepper below 13275-13325 with a target of Rs. 13425 then at Rs. 13475, with a strict stop loss of Rs. 13225. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,300	4
	Ungarbled	12,700	



■ CARDAMOM

■ Dec 11, 2007

SPOT MARKETS

Cardamom traded steady at the domestic auctions held at Bodinayakannur amidst lower arrivals. A massive supply crunch in cardamom, following a drop in production, pushed the price of the commodity up to four year high. Spices Board estimates cardamom production to be down by 15% to around 9700 tonnes in the fiscal 2008, from 11, 235 tonnes the previous year. However, growers estimate a decline in production to the tune of 30%. The continuous rains for six months starting May have resulted in lower production. Meanwhile, Union Minister of State for Commerce clarified that there was no proposal to reduce the import duty on cardamom.

FUTURES MARKETS

Cardamom traded weak at MCX. The most active December contract opened Rs. 1.5 firm at Rs. 571.5 and traded marginally up to test a high of Rs. 573. The contract slipped thereafter on increased selling pressure to settle at the day's low of Rs. 565. 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

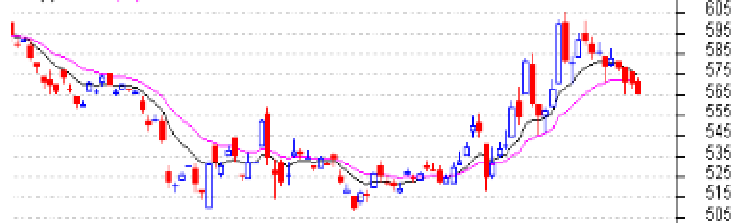
Prevailing weather with intermittent rains and sun shine is seen favourable for the crop growth.

TECHNICALS

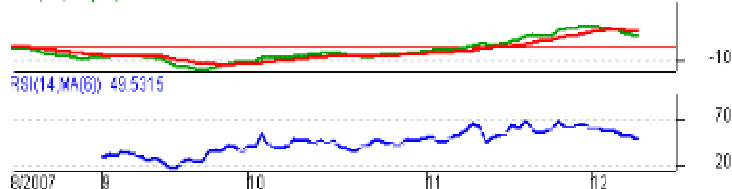
Candlestick pattern and close below the short term EMAs suggest sluggishness. RSI and Stochastic are falling in the neutral region supporting the downtrend. MACD is also declining in the positive territory, hinting decrease in bullish momentum. However, the downside movement is likely to be capped by bullish crossover made by MACD. Cardamom is likely to trade weak in the next session with chances of some late recovery. However, a good support is seen at 564-565 level.

CARDAMOM 0712(MCXAMZ7)2007/12/10 - Daily B:565.00 A:567.50
O:571.50 H:573.00 L:565.00 C:565.00 V:145 T:21,314 I:288 -5

EMA(9):574.29 (10):571.26



DAW(12,26,12):7.65731 MACD:10.7539



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX December	546	558	565	575	582.5

TRADE RECOMMENDATION

Sell MCX December Cardamom above 567 with a target of Rs. 563 and then 561 with a strict stop loss above Rs. 569. Trade cautiously with intraday outlook.

Auction Centre

Prices/Kg (7mm)

Arrivals (Kg)

Bodinayakannur

570

11,000

CUMIN

Dec 11, 2007

SPOT MARKETS

Domestic jeera trade at the Unjha physical markets during the first day of the week witnessed a quiet session. The prices remained stable as that of previous session. The arrivals as well as offtake were reported to be low at 2000 bags and 2500-3000 respectively. The demand in the domestic front is reported to be subdued and likely to gain its pace 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 in Saurashtra is at its initial growing stage and cloudy weather at present as per trade sources is likely to affect the crop growth. Weather is a crucial factor at present and is likely to have an impact on the prices of the spice.

FUTURES MARKETS

Jeera January futures at NCDEX closed in a negative territory after moving in the narrow range. The futures started weak at Rs.9828 and traded in the range of Rs.9770 and Rs.9925. The contract then closed at Rs.9830 marginally weak by 0.21% and witnessed liquidation of long 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

Mainly dry weather is likely over Gujarat is favourable for the crop where as isolated thunder shower is likely over Rajasthan, where sowing is about to commence very soon.

TECHNICALS

Jeera at charts is exhibiting a range bound trend. The prices are facing a strong resistance at around Rs.9910 and Rs.9810; a close beyond this range on either side is likely to establish a trend. The close below the EMA's as supported with good volumes traded is favouring the weakness in prices. MACD is moving flat in the negative territory where as RSI is inclined towards the oversold region is also a supportive feature to the weak trend. Jeera futures are likely to trade range bound to weak during the next trading session.

JEERA 0801(NCJEEF8)2007/12/10 - Daily B:9823.00 A:9830.00
O 9828.00 H 9925.00 L 9770.00 C 9830.00 V 4,989 I 7,356 -30
EMA(9) 9881.7 (18) 10063



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9439	9622	9830	10044	10184

TRADE RECOMMENDATION

Sell NCDEX January Jeera near Rs.9875 with a target of Rs. 9800 and then of Rs.9730 with a strict stop loss near Rs.9905. 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 11, 2007

SPOT MARKETS

Domestic turmeric prices at the physical markets remained stable during the first day of the week. The arrivals and offtake at Nizamabad improved to 2300 bags while the prices remained steady at Rs.2200 per qtl. At Erode the prices remained unchanged at Rs.2600-2650 per qtl and arrivals and offtake remained low 2800 bags. 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 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 in a positive region after moving in a narrow range. The futures moved in the range of Rs.2611 and Rs.2622 after starting at Rs.2595 and then closed at Rs.2625 firm by 0.69 % in comparison with prior close price 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 at present is at its maturity stage excess rain is likely to damage the crop. Isolated rain is likely over the Tamil Nadu region where as weather is likely to remain dry over Andhra Pradesh.

TECHNICALS

Candlestick formation is suggesting initial firmness and thereafter selling coming in towards the close. The close above the EMA's as well as MACD in the positive region is favouring the firm trend. Rising RSI in the neutral region amidst good volumes traded is also a supportive feature to the uptrend in the market. However the descending stochastic is likely to cap the major upward rally. Turmeric futures are likely to trade range bound to firm during next trading session.

Turmeric 0804(NCTMCJ8)2007/12/10 - Daily B:2620.00 A:2626.00
O 2620.00 H 2649.00 L 2611.00 C 2625.00 V 19,060 I 25,660 +18
EMA(9) 2610.1 (18) 2565.9



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2526	2557	2625	2694	2733

TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2613 with a target of Rs. 2628 and then Rs.2639 with a strict stop loss below Rs.2607. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2200	2300
	Gattah	2230	
Erode	Finger	2600-2650	2800
	Gattah	2550-2600	

SPOT MARKET

Domestic chilli prices at the benchmark Guntur market improved on demand for the premium quality spice as well as firmness at the futures counter. The prices improved at higher levels to Rs.2900-3500 per qtl. The arrivals and offtake remained subdued at 35000 bags and 20000 bags respectively. Domestic demand for the spice is reported to be subdued with however buying for the premium quality is active and added to the firmness. Overseas buying from the traditional buyers is subdued to have any impact on prices. Chilli prices are likely to trade range bound traders are likely to offload the huge inventories before the onset of full fledged arrivals in the market.

FUTURES MARKETS

NCDEX Chilli February futures started firm at Rs.3545. The contract during the early hours surged to witness a high at Rs.3600, however did not breach the opening levels to witness any lows. The futures witnessed fresh buying and closed at Rs.3558 firm by 0.45% in comparison with prior close price.

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

Chilli crop is at its maturity stage at and heavy and dry weather at the chilli growing areas of Andhra Pradesh is favourable for the crop.

TECHNICALS

Candlestick formation is suggesting initial uptrend and thereafter profit booking towards the close. However the firm close in comparison with prior close above the EMA's is favouring the firm trend. Rising RSI as well as stochastic in the neutral region is inclined towards the firm trend. MACD has witnessed a bullish crossover though in negative territory is also favouring the uptrend in prices. Gain in open interest as well as volumes traded is also a supportive feature. Chilli futures are likely to trade firm with a possibility of slight profit booking towards the close.

CHLL334GTR 0802(NCGTRG8)2007/12/10 - Daily B:3558.00 A:3580.00
O 3545.00 H 3600.00 L 3545.00 C 3558.00 V 375 I 2,005 +19
EMA(9) 3501.8 (18) 3543.0



SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3385	3454	3558	3683	3764

TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3530 or below with a target of Rs. 3575 and then Rs. 3605 with a strict stop loss of Rs. 3505. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	2900-3500	35000

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