



## ■ BLACK PEPPER

■ Dec 08, 2007

### SPOT MARKETS

Spot pepper traded steady at the lower levels amidst lack of ready sellers in the physical market, which led to absence of selling pressure in the spot. The availability in the terminal markets was reportedly negligible. The reported aggressive selling by Indonesia at \$3300 a tonne for nearby shipments also contributed to the decline in prices. Indian parity dropped to \$3550 a tonne, yet remained out-priced. The delay in arrivals of new crop will make supply conditions tighter. The first lot of the new crop is expected to hit the market only by December. Meanwhile, India is likely to import 4000 tonnes of pepper from Indonesia during the December-April period as prices of the spice are cheaper than that is Vietnam.

### FUTURES MARKETS

NCDEX January expiry Pepper futures contract traded choppy during Friday's session. The contract opened weak at Rs 13105 and since then traded volatile between Rs 12950-13315. The trading for the day finally culminated at Rs 13160 observing a miniscule gain of Rs 30 against the prior day's close of Rs 13130. Both open interest and volumes traded increased during the day.

### 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 is indicating indecision. Black pepper prices have closed below the short and medium term EMA's showing weakness in the market. MACD has made a bearish crossover in the negative zone revealing increasing bearish momentum. Stochastic Oscillator is falling in neutral region indicating weakness though RSI is rising in neutral region. Pepper futures are likely to trade volatile with chances of pullback after initial recovery.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12770	12950	13160	13340	13510

### TRADE RECOMMENDATION

**SELL** NCDEX January Black Pepper below 13232 with a target of Rs. 13030 then at Rs. 12900, with a strict stop loss of Rs. 13345. Trade with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Tonnes)
Kochi	Garbled	13,200	0
	Ungarbled	12,600	



## ■ CARDAMOM

■ Dec 08, 2007

### SPOT MARKETS

Cardamom auctions firmed up further on strong domestic demand. However, the higher price of Indian spice in the global market is seen restricting the export demand in the domestic auctions. Export buying of 2500 kg was reported at the auction conducted at Vandanmedu. The third round of picking is in the last stage and the yield was recorded lower as compared to the corresponding period last year. The market is likely to remain buoyed in the coming months on good demand amidst supply concerns. The second e-auction centre for cardamom will be launched at Vandanmedu in Kerala on December 8<sup>th</sup> with 60 terminals for operation and advanced server connection and network facilities.

### FUTURES MARKETS

MCX. December delivery Cardamom futures prices were seen mostly weak during Friday's session. The contract started at Rs 578 marginally up against prior day's close of Rs 577.5. Thereafter cardamom prices dipped lowest to Rs 564.5 and recouped some of its losses only to close at Rs 572.5, down by Rs 5 from previous days close. Open interest decreased from that of Thursday's 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

Cardamom chart is showing slight correction in prices is taking place after the recent surge in prices. The prices have closed below short term EMA's showing short term weakness in the market. MACD has made a bearish crossover in positive zone revealing decreasing bullish momentum. Oscillators are falling in neutral region indicating weakness. Cardamom is most likely to trade volatile with bearish inclination.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX December	561	567	572.5	578	583

### TRADE RECOMMENDATION

**SELL** MCX December Cardamom below 575 with a target of Rs. 570 and then 568 with a strict stop loss above Rs. 578. Trade cautiously with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Vandanmedu

570

22,000

## ■ CUMIN

■ Dec 08, 2007

### SPOT MARKETS

Domestic jeera trade at the Unjha physical markets witnessed a quiet session. The prices remained stable as that of previous session. The arrivals and offtake remained steady at 2500 bags and 7000 bags respectively. The demand in the domestic front is reported to have improved from Calcutta and eastern states. Overseas buyers from Bangladesh, Europe and Singapore were reported to be less active with slight improvement anticipated during the coming days. Jeera sowing has started in Saurashtra and the acreage is reportedly lower by 10-20% as per trade sources. The current weather condition is reported to be normal and favourable for crop growth.

### FUTURES MARKETS

NCDEX Jeera most active January contract started weak at Rs.9910. The contract moved in the wide range of Rs.9702 and Rs.9915. The contract then closed at Rs.9785 down by 1.22 % as against previous close price and witnessed accumulation 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

Formation of candlestick is suggesting is favouring the weak trend supported with significant gain in volumes traded. The improving open interest is also a supportive feature to the weakness in prices. The close below the EMA's as well as descending RSI is favouring the weakness in prices. MACD in the negative territory is also supporting the weakness in prices. Jeera futures are likely to trade weak with a possibility of late recovery towards the closing session.

JEERA 0801(NCJEEF8)2007/12/07 - Daily B:9772.00 A:9795.00  
O 9910.00 H 9915.00 L 9702.00 C 9785.00 V 8,340 I 7,752 -105

EMA(9) 9903.3 (18) 10118



RSI(9,MA(6)) 36.4883



DAV(12, 26, 12) -330.325 MACD -328.073



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	9466	9582	9785	10232	10348

### TRADE RECOMMENDATION

Sell NCDEX January Jeera near Rs.9825 with a target of Rs. 9760 and then of Rs.9715 with a strict stop loss near Rs.9840. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2355-2365	
	Ganesh	2545-2585	2500
	Machine Cleaned	2625-2745	





## ■ TURMERIC

■ Dec 08, 2007

### SPOT MARKETS

Turmeric prices at the physical markets continued to trade weak. Lack of buying interest at higher level weakened turmeric prices at the major spot market. The prices weakened by Rs.25 per qtl and were quoted at Rs.2200 per qtl amidst sale of 350 bags at Nizamabad market. At Erode, the prices declined by Rs.50 to Rs.2600-2650 per qtl. Domestic buying 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.2561 and Rs.2623 after starting at Rs.2572 and then closed at Rs.2596 firm by 0.66 % 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

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. However the significant gain in volume traded as well as gain in open interest is favouring the firmness in prices. Raising RSI in the neutral region and MACD in likely to witness a bullish crossover is a supportive feature to the firm trend. Turmeric futures are likely to trade range-bound to firm in next session amidst slight recovery towards the closing session.

Turmeric 0804(NCTMCJ8)2007/12/07 - Daily B:2595.00 A:2604.00  
O 2572.00 H 2622.00 L 2561.00 C 2596.00 V 31,600 I 24,110 +19  
EMA(9) 2606.3 (18) 2553.3



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2473	2509	2596	2681	2713

### TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2587 with a target of Rs. 2599 and then Rs.2612 with a strict stop loss below Rs.2580. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	2200	350
	Gattah	2200	
Erode	Finger	2600-2650	6000
	Gattah	2550-2600	

### SPOT MARKET

Domestic chilli trade at the Guntur physical market continued to witness a quiet session. The prices for the spice remained unchanged at Rs.3000-3400 per qtl. Around 10000 - 12000 bags were from old lot, out of the total arrivals of 25000 bags. Buying in small quantity featured for 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 stocks 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 closed in the positive region. The contract moved in the range of Rs.3455 and Rs.3530 after starting firm at Rs.3455. The contract then closed at Rs.3500 firm by 1.48 % as against prior close price and witnessed long 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. Dry weather is favourable for the crop during the maturity stage.

### TECHNICALS

Candlestick formation is suggesting initial uptrend and slight profit booking towards the close. The firm close is supported by the gain in volumes traded as well as marginal gain in open interest. The close above the 9 day EMA's as well as rising RSI in the neutral region is favouring further firmness in the trend. MACD is likely to witness a bullish crossover however it is in the negative territory this is suggesting to remain cautious while trading. Chilli futures are likely to extend the firmness in prices during next trading session.

CHLL334GTR 0802(NCGTRG8)2007/12/07 - Daily B:3485.00 A:3503.00  
O 3455.00 H 3530.00 L 3455.00 C 3500.00 V 63011,975 +55



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3371	3409	3500	3621	3696

### TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3490 or below with a target of Rs. 3535 and then Rs.3575 with a strict stop loss of Rs. 3472. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 40 to 45 Kgs
Guntur	LCA 334 (Cold Storage)	3000-3400	25000

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