



## ■ BLACK PEPPER

■ Dec 22, 2007

### SPOT MARKETS

Spot pepper prices improved to the tune of Re. 1/kg amidst limited activity. The moved by the exchanges to withdraw additional margins in all pepper contracts with effect from December 24, 2007 has resulted in buying interest. The quantity restriction is said to be restricting buyers, mainly genuine hedgers, while exporters were not able to enter new business. The international market was reportedly steady without much activity. US and EU markets will remain closed for Christmas and New Year holidays and will be reopened on January 2nd. Prices of other origins remained steady at previous levels. The stocks with the major producing countries are depleted and the global market is eyeing Indian spice to arrive the market. India is likely to enjoy monopoly as the sole supplier of pepper for a while.

### FUTURES MARKETS

NCDEX pepper futures traded firm. The most active January contract opened Rs. 38 firm at Rs. 13078 and after trading down to test a low of Rs. 13040, surged on good buying interest to test a high of Rs. 13320. The contract ended 2.07% firm at Rs. 13310 amidst lower volumes and open interest as compared to the previous 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
4. Depletion of inventories at major origins

### WEATHER

Advance of North East Monsoon may hamper the standing crop.

### TECHNICALS

A long hollow candle is formed in the charts with prices closing above the short term EMAs, suggesting near term firmness in the market. Upward bound RSI and Stochastic in the neutral region also support further uptrend. MACD is flat and inconclusive in the negative territory, indicating the underlying bearish posture of the market. Pepper futures will tend to trade firm in the next session with some late profit booking towards the close. 13417 level is seen resisting the uptrend. Hence, trade with caution.

Pepper 0801(NCPEPF8)2007/12/22 - Daily B:13310.00 A:13312.00  
O 13078.00 H 13320.00 L 13040.00 C 13310.00 V 4,998 17,266 +270  
EMA(9) 13113 (18) 13236



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX January	12603	12875	13310	13441	13540

### 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	13200	6
	Ungarbled	12600	



## ■ CARDAMOM

■ Dec 22, 2007

### SPOT MARKETS

Cardamom prices at the auctions improved active domestic buying. The prices for the capsules improved by Rs.5 to Rs.560 per kg. Around 10700 kg were sold out of total arrivals of 11400kg at the auctions. Exporters were not present at the auctions however; demand is anticipated to gain its momentum during the days ahead. The prices are likely to witness slight weakness during the days ahead due to continued rains at the Idukki districts are favourable formation of capsules. The weather conditions have been good in the growing areas and rains in the season could result in fresh pod setting, thereby reduce the requirement of irrigation. The 5<sup>th</sup> round of picking is due to start and is likely to extend till mid-January.

### FUTURES MARKETS

Cardamom futures at MCX traded in the positive territory and witnessed long accumulation. The most active January contract started steady at Rs.599. The contract moved in the range of Rs.599 and Rs.606.5 and witnessed buying at lower levels. The futures then closed firm at Rs.603.5 up by 0.58% as against prior close price.

### PRICE DRIVERS

#### Bearish:

1. Higher prices limiting export queries

#### Bullish:

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

### WEATHER

Rain and thundershower are likely over Kerala and Tamil Nadu during next 24 hrs and decrease thereafter crop growing regions favourable for the crop during this stage.

### TECHNICALS

Candlestick is suggesting initial uptrend and thereafter profit booking in the market. The near term firmness in the market is supported with the rising RSI in the neutral region as well as the close above the EMA's. MACD in the positive territory is likely to witness a bullish crossover is hinting firmness in the prices. Rise in the volumes traded amidst gain in open interest is also a supportive feature. Cardamom prices are likely to trade firm with a possibility of slight weakness in the prices towards the close.

CARDAMOM 0801(MXCAMF8)2007/12/21 - Daily B:603.00 A:605.50  
O 599.00 H 606.50 L 599.00 C 603.50 V 209 T 63,140 I 561 +3.5



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
MCX January	586	592	603.5	614	618

### TRADE RECOMMENDATION

Buy MCX January Cardamom below 602 with a target of Rs. 605.5 and then 608 with a strict stop loss above Rs. 600.5. Trade with intraday outlook.

### Auction Centre

### Prices/Kg (7mm )

### Arrivals (Kg )

Bodinayakanur

560

11400

## CUMIN

Dec 22, 2007

### SPOT MARKETS

Sluggish buying interest weakened Jeera prices at the benchmark Unjha market. The prices declined by Rs.20 per 20kg to Rs.2665-2785 per 20kg. The arrivals improved to 3000 bags while offtake remained steady at 6000 bags. Overseas enquiries from Singapore and European nations added to the positive tone in prices. Sowing in Rajasthan has commenced and is reported to be higher around 10-15% this year as jeera prices remained higher during the year in comparison with year ago. Weather conditions at jeera growing areas are reported to be favourable for the crop. Weather is a crucial factor at present and is likely impact the prices of the spice. Low stock position at around 4-5 lakh bags in comparison with year ago at around 8-9 lakh bags is likely to favour uptrend in prices.

### FUTURES MARKETS

Jeera February futures at the NCDEX counter witnessed active buying coming in. The contract started firm at Rs.10300 and moved in the range of Rs.10240 and Rs.10518. The contract then settled at Rs.10450 firm by 2.74% and witnessed accumulation of long positions.

### 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

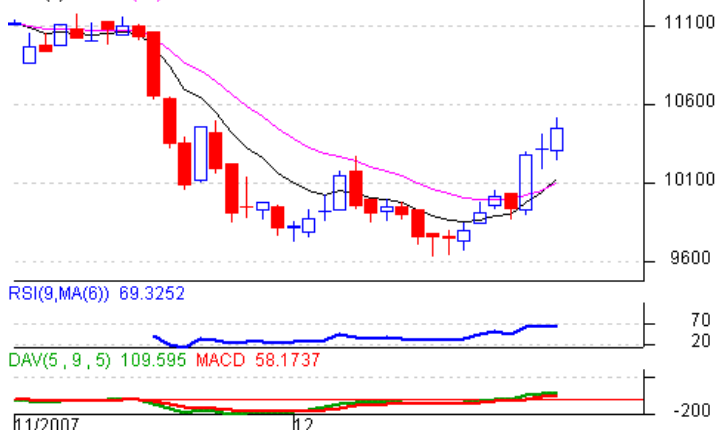
### WEATHER

Mainly dry weather is likely over the Gujarat and Rajasthan jeera growing areas, such weather conditions are favourable for the crop during the initial growing stage.

### TECHNICALS

Jeera at chart is displaying a near term firm trend supportive with improved open interest and gain in volumes traded. The close above the EMA's and MACD in the positive territory is favouring further firmness in prices. RSI is rising in the neutral region is leaving room for up trend in prices however the stochastic has breached the over bought region is hinting profit booking for the contract. Jeera futures are likely to trade firm with a possibility of profit booking towards the close.

JEERA 0802(NCJEEG8)2007/12/21 - Daily B:10441.00 A:10452.00  
O 10300.00 H 10518.00 L 10240.00 C 10450.00 V 5,889 16,330 +130  
EMA(9) 10125 (18) 10095



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	10001	10110	10450	10650	10867

### TRADE RECOMMENDATION

Buy NCDEX February Jeera near Rs.10400 with a target of Rs. 10495 and then of Rs.10545 with a strict stop loss near Rs.10365. Trade with intraday outlook.

Centers	Variety	Prices/20 Kg	Arrival (Bags) 1 bag = 55 to 60 Kgs
Unjha	F.A.Q	2390-2410	
	Ganesh	2585-2625	3000
	Machine Cleaned	2665-2785	



## TURMERIC

Dec 22, 2007

### SPOT MARKETS

Turmeric all the major physical markets remained closed due to celebrations of Bakri Eid all over India. Emerging demand at corrective dips pushed up turmeric prices at all the major physical markets during the week. Domestic as well overseas demand from Gulf, Japan and Europe are reported to be firm. Reports of pest attacks at Nizamabad and Warangal turmeric growing areas has affected the yield of the crop further lowering the production estimates around 25% in these areas. Turmeric prices are likely to be moderately firm in the near term on improving demand and lower acreage for the season.

### FUTURES MARKETS

NCDEX Turmeric most active April futures settled positive and tested contract highs. The contract started firm at Rs.2724. The futures moved in the range of Rs.2713 and Rs.2813 and witnessed buying at lower levels. The futures then closed at Rs.2806 after breaching upper circuit at 4.00 % as against prior close price and witnessed long accumulation amidst significant gain in volumes.

### 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.

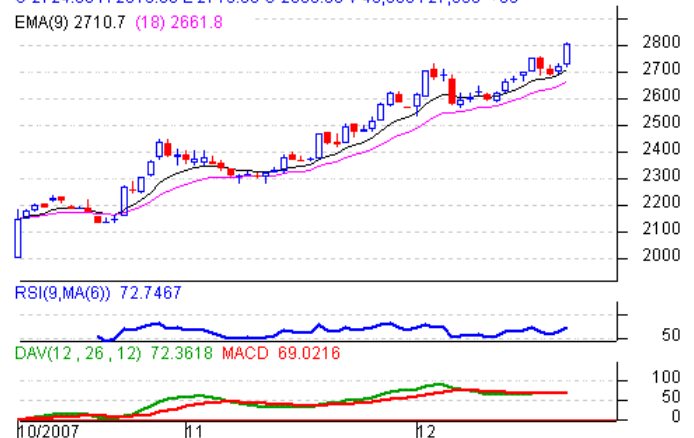
### WEATHER

Turmeric crop is maturing now and excess rain is likely to damage the crop, with showers over TN and over south coastal A P during next 48 hours and mainly dry weather thereafter.

### TECHNICALS

A bullish marubuzu is suggesting active buying supported by the close above the EMA's. The rise in open interest amidst significant gain in volumes traded is in the favour of firm trend in the market. RSI is ascending in the overbought region is favouring the firm trend however overbought nature is warning the investors to remain cautious while trading. Turmeric futures are likely to trade firm with a possibility of profit booking towards the close.

Turmeric 0804(NCTMCJ8)2007/12/21 - Daily B:2803.00 A:2804.00  
O 2724.00 H 2813.00 L 2715.00 C 2806.00 V 43,580 I 27,590 +83  
EMA(9) 2710.7 (18) 2661.8



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX April	2625	2664	2806	2856	2872

### TRADE RECOMMENDATION

Buy NCDEX April Turmeric above Rs.2790 with a target of Rs. 2806 and then Rs.2823 with a strict stop loss below Rs.2784. Trade cautiously with intraday outlook.

Centers	Variety	Price/Qtl	Arrival (Bags) 1 bag = 90 Kgs
Nizamabad	Finger	Closed	-
	Gattah	-	-
Erode	Finger	Closed	-
	Gattah	-	-

Note: Nizamabad spot prices are inclusive 5% taxes and Erode prices are quoted loose

### SPOT MARKET

Chilli benchmark Guntur physical market remained closed on the eve of Bakri Eid. The prices for chillies during the week traded firm amidst slight correction during the mid week on good arrivals. The demand for the spice is reported to be firm for the good variety. As per trade sources the high-grade chillies are available in low quantity at the Guntur markets and the fresh arrivals of similar variety are likely to hit the market only during late January. As per trade sources there are chances of rains over chilli growing areas and this is unfavourable for the crop during its maturity stage. The current scenario is likely to support the near term firmness in prices.

### FUTURES MARKETS

Chilli February contract witnessed a volatile trade and settled in positive zone. The futures rallied in the range of Rs.3713 and Rs.3837 after opening at Rs.3715 and witnessed active buying during the early hours and slight covering towards the close. The contract closed at Rs.3789 up by 0.37% and witnessed long accumulation.

### 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 rain and thundershower are likely at the chilli growing areas of south coastal Andhra Pradesh is not favourable for the crop.

### TECHNICALS

Candlestick is suggesting initial uptrend and thereafter profit booking towards the close. The near term firm trend is supported with ascending RSI is the neutral region. The close above the EMA's amidst significant gain volumes and open interest is hinting further uptrend in the prices. MACD is ascending towards the positive territory is leaving room for further firmness in prices. Chilli futures are likely to trade range bound to firm during next trading session with a possibility of profit booking towards the close.



### SUPPORT / RESISTANCES

Contract	S2	S1	PCP	R1	R2
NCDEX Feb	3603	3681	3789	3901	3926

### TRADE RECOMMENDATION

Buy NCDEX February Chilli near Rs. 3775 or below with target of Rs. 3810 and then Rs.3855 with a strict stop loss at Rs. 3755. Trade cautiously with intraday outlook.

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

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