

## SPICES

June 06- June 11, 2005

### Overview:

- **Light Berries Pepper Import Allowed by Central Government Under ALS**
- **Government Clears Spices Board Schemes for Cardamom Curing**
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- **Spice Exporters Welcomed the Move to Allow Import Light Black Pepper**
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- **Flavourit' Brand Spices Sales Going to Touch 1 Million Rupee Mark**
- **Spices Board Came up With Relief Measures for Vanilla Farmers**
- **Worldwide Pepper Export may Decline**

### News Highlights:

#### **Light Berries Pepper Import Allowed by Central Government Under ALS**

The Central Government allowed import of black pepper (light berries) under the advance licence scheme (ALS), a notification issued by the Directorate General of Foreign Trade. However, the advance licence for the import of pepper has been banned. Last month, spices exporters had urged the ministry of commerce to restore the facility of importing pepper under the advance licensing system. The black pepper (light berries) is smaller and not a fully developed variety of pepper, which is used to extract pepper oil and other value-based products. Oleoresin manufacturers use the black pepper (light berries) variety to manufacture various products, which are then exported. India is the leading exporter of oleoresin and value-added pepper products in the world. Traders and industry said the black pepper (light berries) is around 30 per cent cheaper than fully grown pepper. On Wednesday, spot garbled pepper prices were at Rs 6350 per quintal, down Rs 50 from their previous close. Meanwhile, black pepper prices are expected to be down following ministry of commerce allowing the import of light black pepper under the advanced licence scheme. Opinions were divided on the impact of the decision to restore advance licence scheme for the import of black pepper (light berries). Sentiment may turn bearish in the short-term following the restoration of advanced licence scheme for the import of light black pepper. Speculators may liquidate their position following this and it may pull down the market for a while. However, some other traders said pepper prices are likely to make a slow and steady progress in the coming days. At the current level, the prices have almost bottomed out. From this level it can only make marginal gains. Pepper traders are also banking on the finance ministry approving a 210 million rupees export incentive scheme for the commodity soon. This would also help the prices to move up. The scheme is expected to get the clearance soon. Spices Board chairman C S Jose said that he couldn't tell the exact

date. Director General of Foreign Trade has allowed import of light black pepper, mainly used by the oleoresin industry under the advanced licence scheme.

#### **Government Clears Spices Board Schemes for Cardamom Curing**

The Central Government has cleared two schemes of Spices Board involving an outlay of Rs 1.33 crore for improved cardamom curing devices and rainwater harvesting for irrigation in small cardamom and vanilla plantations during the current financial year. According to Spices Board press release on 10th June, the schemes are meant to support small and marginal cardamom and vanilla growers, who have holdings up to four hectares. Under the scheme for improved curing devices, cardamom growers would be eligible for assistance at the rate of 33.33 per cent of the actual cost of drier subject to a maximum of Rs 1 lakh. The scheme's objective is to popularize the cardamom drying systems using LPG/diesel as fuel in Kerala, Karnataka and Tamil Nadu. The growers from their own funds or through institutional finance will meet the non-subsidy portion. It is proposed to support creation of rain water harvesting system by small and marginal growers of cardamom and vanilla by providing 33.33 per cent subsidy of the cost subject to a ceiling of Rs 6666. The scheme for improved cardamom curing devices would help in economizing the cost of processing since cardamom is dried in traditional curing houses using firewood as fuel. Drying in the sun results in loss of green colour during the process. As production is registering an upward trend year after year, the firewood requirement was also increasing. The growers are forced to meet their requirement of firewood either from the market or by cutting trees, which would cause degradation of forest cover. Some innovative growers have installed cardamom curing systems using alternate fuels like diesel, LPG, which gives their produce better colour and cost effective drying. These driers are eco-friendly, labour saving and easy to operate. The scheme for rainwater harvesting devices in cardamom and

vanilla plantations envisages creation of a cheap method of harvesting rainwater for irrigation purpose in the cardamom and vanilla plantations using excavated storage tanks lined with UV resistant polythene tarpaulin. A subsidy at the rate of 33.33 percentage of the actual cost limited to Rs 6666 would be allowed for the construction of storage tank of 200 cubic metre capacity. Registered small and marginal growers of cardamom and vanilla holdings not more than four hectares and not less than 0.10 hectares are eligible to avail of the benefits under the scheme.

### **Ginger Prices Down in Kerala Due to Supply Pressure**

Ginger prices dropped drastically to Rs 10 a kg from Rs 25 in Kochi. Kerala ginger farmers face a gloomy future. An almost three-fold increase in ginger farming caused by a debacle in the cultivation of vanilla, pepper, coffee, tea and cardamom and the onset of monsoon has pushed the prices down. The production is also increased about three times than the last year, but demand is not increased in the same proportion. So the main reason behind the price fall is disturbance in demand-supply equation.

### **Vanilla Exports may Double This Year**

Vanilla exports from India have posted a 90 per cent increase i.e. about double in quantity during last financial year. According to latest estimates of the Spices Board, total export was 41 metric tonne in 2004-05. Thanks to seasonal production in the October-December period of last quarter, exports had already risen by 50 per cent to 24.08 metric tonne in a year that saw total exports at 27 metric tonne. India fetched a higher average price than Madagascar, largest producers of Vanilla, at \$47.30 for a kg. The highest price realised in the export market was \$80 for a kg and 7.3 metric tonne of the total export-fetched value realization between \$60-80 per kg. Madagascar, which has an annual total production of 1800 tonne, had got \$36 on an average in the export market. India had miles to go in the export of vanilla as its market share is still less than five per cent of the world demand of 2000-2500 tonne in a year. The growers had got a viable price during last season on an average of Rs 250-275 for a kg of green beans. Indian vanilla enjoyed fairly good demand in the US and 16.30 tonne was exported there. France had imported 5.62 tonne followed by Germany, Netherlands, UK and Japan. During January-March 2005, total value realization from exports was Rs 4.97 crore estimated by Spices Board.

### **Spices Export may Go Southwards in Current Financial Year**

If we follow current trend then there is an indication of decline in volume as well as Value of Spices Export. The export of spices from the country during the current financial year is likely to decline, as shipments of some of the major commodities are likely to drop in the current fiscal following reports of good crop in other producing countries. Export figures for April show a decline both in volume and value. As against 32376 tonnes valued at Rs 199.28 crore in April 2004, exports during the same period this year were 28933 tonnes valued at Rs 177.75 crore. Thus, there has been drop of 3443 tonnes in volume and Rs 21.53 crore in value. Export of chilli, coriander, cumin etc has declined. The coriander crop in the erstwhile East European countries and Morocco was said to be better than last year. In the case of cumin also, the production is expected to be more in the major producing countries such as Syria, Turkey and Iran. In 2004-05, the country had exported a record 1.38 lakh tonnes of chilli valued at Rs 499 crore as

against 86575 tonnes worth Rs 366.88 crore the previous year. The export of coriander stood at 33750 tonnes valued at Rs 82.66 crore as against 21018 tonnes valued at Rs 72.01 crore in 2003-04. Export of cumin also shot up to 13750 tonnes in 2004-05 from 7,957 tonnes in the previous year. Thus, the total exports in terms of volume in 2004-05 went up by 102515 tonnes to 335488 tonnes valued at Rs 2200 crore from 254382 tonnes worth Rs 1911.60 crore in 2003-04. In case of chilli the Spices Board has set a target of 75,000 tonnes valued at Rs 307.50 crore for 2005-06 and for coriander and cumin 20000 tonnes and 10,000 tonnes respectively. The total target, thus set for the current fiscal is 2.5 lakh tonnes valued at Rs 2100 crore. Export of spices oils and oleoresins touched 5600 tonnes valued at Rs 463.75 crore last fiscal as against 5133 tonnes worth Rs 379.92 crore in 2003-04. The target set for this item in 2005-06 is 6000 tonnes valued at Rs 475 crore. Actually exports of value added products including ground spices, curry powder/paste/condiments and mint products have been showing an upward trend and last financial year it contributed over 45 per cent of the total exports of spices. The current trend in spices exports, value-added products such as ground spices, spices oil and oleoresins were the real drivers.

### **Spice Exporters Welcomed the Move to Allow Import Light Black Pepper**

The All-India Spices Exporters Forum has welcomed the Centre's decision to allow import of light black pepper, which should help the Rs 463.75-crore oleoresin industry. Forum chairman Thomas Phillip reported that the recent decision to curb import of pepper and the suspension of the advance licence system earlier had hit the industry. Light berries were the essential ingredients for the manufacture of pepper oleoresin. During the last fiscal, the country exported 5600 tonne of oleoresins worth Rs 463.75 crore as against 5,133 tonnes worth Rs 379.92 crore in 2003-04. The target set for this item in 2005-06 is 6,000 tonnes valued at Rs 475 crore. In fact, exports of value added products including ground spices, curry powder/paste/condiments and mint products have been showing an upward trend and last fiscal it contributed over 45 per cent of the total exports of spices. India accounted for 95% of world production of pepper oleoresin. The industry had been put to great difficulty owing to the ban on ALS import pepper and were on the verge of closing down due to lack of raw material. The forum had represented to the Centre to save the industry and the latest decision of the Director-General of Foreign Trade to amend the foreign trade policy 2004-2009 to allow import of light berries under advance licence was most timely.

### **Century Old Chilli Sale Record Broken in Byadgi**

In the chilli market of Byadgi Haveri district Karnataka a record arrival of 1.5 lakh bags of dry chillies in a single day and a sale of 695001 quintals with a turnover of Rs 188 crore and collection of market fee of Rs 2.88 crore in 2004-05 has created an grand record in market . which is more than hundred year old. The lowest rate of just Rs 5.69 per kg and Rs 569 for one quintal (100 kg) of dry chillies was also recorded this year. Unfortunately the chilli growers of north Karnataka suffered due to the surprisingly low prices in the market due to the high yield this year. In 2004 the kharif crop was of good quality and yield was also high. Many farmers were driven to suicide last year. Farmers who had brought chillies to the market had to go

home empty-handed, as there were no buyers in the market.

### **Flavourit' Brand Spices Sales Going to Touch 1 Million Rupee Mark**

The demand for 'Flavourit' brand of spices launched by the Spices Board in last year March is slowly picking up with the sales crossing Rs 3 lakh as on May 20. The highest demand has emanated from Gujarat followed by Kerala, where the visiting tourists have been the main buyers. The total sale during the year is expected to cross Rs 10 lakh. After the launch of the e-marketing of superior quality organic pepper and cardamom, 1500 packets of 250 g each of these commodities have been sold. Organic Tellicherry garbled extra bold (TGEB) pepper and cardamom are being marketed as "Gift packets". Director (Marketing), Spices Board reported that the sales would pick up during the festival season starting with Diwali in November. The highest demand has emanated from Gujarat followed by Kerala, where the visiting tourists have been the main buyers, he said. The Board has introduced the "Flavourit" brand of spices as an attempt to re-establish their identity and get for our spice growers a fair share of the value realised in the spices trade. The board assured the quality of the product, while Spices Trading Corporation Ltd did the marketing. It also aims at providing marketing channel for growers of cardamom, vanilla and pepper and more particularly to those who have taken up organic production of spices with encouragement of the board. Surpluses generated from the business would be ploughed back in promoting the demand for these and other Indian spices globally. The idea behind this venture is also aimed at establishing the identity of the once popular Indian spice grades such as TGEB pepper and Alleppey green extra bold (AGEB) cardamom. The Board's effort to sell value-added Indian spices in the US markets is in the process of yielding encouraging results.

### **Spices Board Came up With Relief Measures for Vanilla Farmers**

Vanilla farming is become popular in India. It is grown over nearly 1000 hectares in the three states Kerala, Tamil Nadu and Karnataka. The Board official said the government is helping farmers tap the US market as the country consumes about 30% of the world's vanilla output. The Spices Board said it has stepped up relief measures for vanilla growers who are reeling under the impact of declining prices. The Central Government has given 1.4 billion rupees to the Board, mainly which will be spent to boost vanilla exports. We have already received the money to support various spice segments. We have also generated 140 million rupees through internal accruals. A

significant chunk of the amount will be spent for the welfare of vanilla growers. Last month, commerce minister Kamal Nath unveiled a slew of measures to help vanilla farmers. A Spices Board official said a team of organic vanilla growers had been sent abroad to attend an international fair for exploring new markets. Indian vanilla growers have been facing difficulties as global prices fell in the last couple of years with production in Madagascar, the world's largest vanilla producer picking up after a devastating cyclone of 2001. The cyclone in the Indian Ocean Island disrupted vanilla supplies over the next three years. Vanilla prices touched a high of US \$500 per kilogram in 2003. Indian vanilla farmers had raised production after the cyclone in anticipation of better prices in the international markets. However, with the recovery in Madagascar's vanilla output, Indian farmers faced a financial crunch as global prices started falling.

### **Worldwide Pepper Export may Decline**

The World pepper demand is likely to overshadow supply this year as the exportable surplus from most countries will be less than last year. As against a projected demand of 216 thousand tonnes in 2005, the quantity available for export from all the producing countries would be 171.9 thousand tonnes reported by the Brazilian Pepper Trade Board. According to the report, total world consumption of pepper in 2005 is estimated at 341.5 thousand tonnes, including 123.5 thousand tonnes by the producing countries. Production in Vietnam, top producer of pepper in the world, is estimated to be around 86 thousand tonnes, of which 79 thousand tonnes would be available for export. The reasons attributed to the decline in the supply position are a potential drop in Vietnam production by 20 per cent in 2005, besides production loss in other countries. Vietnam had a better output in 2004 and hence the crop this year, as a natural phenomenon, should have to be less. Also the weather conditions were not favourable, while the growers have been neglecting the plants due to low prices and high inputs cost leading to a drop in yield. Production in Indonesia is also likely to drop as many growers have shifted to other more remunerative cash crops because of the continuous decline in pepper prices. In many areas, the farmers have replaced pepper with oil palm, cocoa and rubber. In Brazil, most of the pepper vines are exhausted, needing replanting, which is not taking place because of the poor return from the sales of pepper. Indian production is almost stable at around 70 thousand tonnes, of which the domestic market absorbs around 60 thousand tonnes, leaving not much for export. The world production this year would be 299.3 thousand tonnes against 294.2 thousand tonnes in 2004. The global export was 225.3 thousand tonnes in 2004.

### **World Pepper production Outlook**

(in thousand tonnes)

Country	2000	2001	2002	2003	2004	2005(P)
Brazil	26.385	43.000	45.000	50.000	45.000	40.000
India	58.000	79.000	80.000	65.000	62.000	70.000
Indonesia	77.500	59.000	66.000	65.000	30.500	29.000
Malaysia	24.000	27.000	24.000	21.000	20.000	20.000
Sri Lanka	10.676	7.800	12.600	12.660	12.000	13.500
Vietnam	36.000	56.000	75.000	85.000	85.000	85.000
Others	26.625	33.895	38.712	36.500	39.659	41.775
World	259.186	305.695	341.312	335.160	294.159	299.275

**Domestic Prices For the week ending 28.05.2005:**

Spice	Grade/Variety	Market	Price For The Week (28.05.05) (RS/KG)	Price For The Week (21.05.05) (RS/KG)	Last Month Same Week (30.04.05) (RS/KG)	Last Year Same Week (29.05.2004) (RS/KG)
Black pepper*	Malabar garbled (mg-1)	Cochin	64.17	65.00	61.20	74.67
Cardamom (small) (auction price)	Ungraded	Vandanmettu	301.18	299.75	309.46	367.81
Cardamom (large)	Cardamom (large)	Gangtok	63.75	62.50	68.75	105.00
Chilli	Cold storage non - cold storage	Guntur	-	-	-	-
			-	-	19.60	25.00
Ginger	Unbleached (new)	Cochin	120.00	120.00	120.00	150.00
Turmeric	Alleppey finger (aft)	Cochin	50.00	50.00	50.00	55.00
	Rajapuri	Mumbai	50.75	50.75	50.25	41.50
Coriander	Indori 5%	"	17.88	17.63	18.38	24.50
Cumin	1%	"	65.63	66.88	64.88	65.50
Fennel		"	53.75	53.75	47.50	31.00
Fenugreek	No.1	"	14.50	14.18	14.38	17.25
Garlic	Medium	"	12.50	12.50	11.50	13.00
Clove	- Grade 1	Cochin, Nagarcoil	220.00	220.00	220.00	214.00
			240.00	230.00	230.00	220.00
Nutmeg	With shell	Cochin	93.33	95.00	95.00	101.00
	With out shell	Cochin	168.33	175.00	175.00	177.50
Cinnamon		Delhi	47.50	47.50	48.50	51.00
Cassia		Chennai	51.50	52.50	51.50	54.50

**International Spot Prices for the week ending 27.05.2005:**

Spice	Origin/Grade	Market	Price For The Week (27.05. 05) (US\$/TON)	Price For The Week (20.05. 05) (US\$/TON)	Last Month Same Week (29.04.05) (US\$/TON)	Last Year Same Week (28.05. 04) (US\$/TON)
Black pepper	Malabar garbled (mg-1)	New York	1698	1654	1654	1720
Cardamom * (small)	Fancy green Indian Asta (8 mm)	New York, Saudi Arabia	8820	8820	8820	9923
			10140	10140	10590	11630
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1213	1411
Ginger	India cochin Chinese peeled	New York	3528 (*Future)	3528 (*Future)	3528* (Future)	3850
		New York	3198	3198	3197	2095
Turmeric	Indian ground India Alleppey finger	New York	1213	1213	1213	1213
			2051	1985	1985	1940
Garlic	Chinese	New York	1632	1632	1632	1124
Coriander	Canada	New York	772	772	772	814
Cumin	Syrian India	New York	1742	1720	1830	1544
			2072	2072	2073	2095
Fennel	Indian Asta Egyptian	New York	1411	1411	1279	1300
			1367	1367	1300	1345
Fenugreek	India/turkey	New York	750	750	750	748
Clove	Mad/zanz/com/ Indo Sri Lanka (hand picked)	New York	3924	3924	4035	3080
			7166	7166	7166	7718
Cassia	Vera c/w a volatile oil content	New York	1455	1455	1455	1455
Cinnamon	Ceylon h2 cinnamon (soft bark)	New York	4630	4630	4630	4630

## Market Analysis:

## Price Trends Analysis:

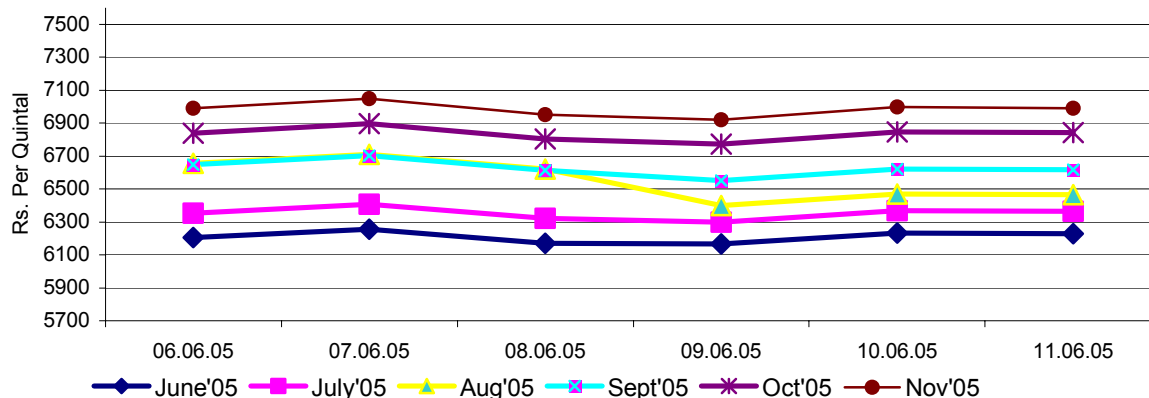
## Pepper:

### A Brief Weekly Fundamental Analysis of IPSTA Pepper Futures Trading

The pepper prices at Indian Pepper and Spice Trading Association (IPSTA) Vayda

Shown range bound sentiment during the week but slight upward movement in prices observed during the starting of the week. Reported down sliding from US\$ 1425 per tonnes to 1350 per tonnes in fresh quoting likely to affect the Indian market also. The difference in competitive prices of Indonesian pepper 1375-to 1450 US\$ per tonne in world market. The central governments decision to lift ban on import of Black pepper (light berries) going to benefit oleoresin industry but not going to affect the market prices if there mall practises not takes place.

**Movement at IPSTA during week**



Prices at the National Commodities and Derivatives Exchange (NCDEX) pepper movement continued in the range bound with declining trend in prices. June contract, which touched a low of 6503 point on 9<sup>th</sup> June weekdays

again and reached at a high of 6650 on 6<sup>th</sup> June. There is likely to be range bound upward movement during coming week. June contract will trade in the range of 6539-6631 point in coming week.

### Movement of Garbled and Ungarbled prices at Kochi during the week (Rs/quintal):

Pepper	06.06.05	07.06.05	08.06.05	09.06.05	10.06.05	11.06.05
Ungarbled	6000	6000	5950	5950	5950	5950
Garbled	6400	6400	6350	6350	6350	6350

Thursday there was no arrivals as well as trade reported on Friday only 45 tonnes arrivals and no trade. On Monday 15 tonnes, Tuesday 5 tonnes, Wednesday 20 tonnes and Saturday 15 tonnes and traded on the respective day itself. Prices were decrease by Rs 50 per quintal in comparison with the first two days of the week. Now there chances that Prices may decline slightly in the market in coming week

**Delhi terminal mandi** the prices during early weekdays were in the firm movement due to steady demand in the north Indian markets. Prices were more or less same in all the grades over previous week. Prices may further move slight upward in coming weeks as when demand will going to pick up.

Pepper	04.06.05	11.06.05
Golden Unpolished	64-67	64-67
11.5	74-76	74-76
No. 12	89-91	89-91

Note: Prices are in Rs. Per Kg.

## Turmeric:

### Erode mandi

Arrival in mandi recorded 5-6000 bags daily. The price increased by Rs.50-100 per bag in all grades from the previous week. This time production projections are about 43-45 lakh bags, which was previous year about 36 lakh bags. About 1.5-2.0 lakh bags are still in mandi as old stocks. As the fresh season stock is about 7-8 lakh bag in mandi and already this much quantity traded too. So there are still more chances of upward movement in prices when demand will increase in coming Months. Only Kolkota quality was in the range of Rs 1800-25 per bag, which was Rs.50 more than the last week. The increase in prices is mainly due less arrivals in the mandi. Prices would likely remain steady in coming week.

DATES	30 May - 04 June	06 June - 11 June
Loose Finger	2250-2350	2350-2450
Bilty	2650	2750
Loose Gattah	2050-2100	2150-2200
Bilty	2300	2400
Loose SP Gattah	2200-2250	2250-2300
Bilty	2550	2650
Loose DP Gattah (Salem)	2300-2400	2350-2400
Bilty	2650	2700
Kolkata Quality Bilty (75 kg)	1775	1800-1825

Note: Prices are in Rs/ Qtl.; NR: Not Reported;(1 bag=65 Kg)

### Nizamabad Mandi

Daily arrival in mandi is about in the range of 1000-1500 bags per day. Production is Nizamabad area about 25-30 percent less than the previous year. Prices were in the range of 2350-2400, which was same as previous week. Prices for unpolished grades were in the range of Rs. 1950-2050 per bag. There are fair chances that prices may remain steady in coming days. 22

DATES	30 May - 04 June	06 June - 11 June
Nizamabad Gattah	2350	2350
Nizamabad Finger	2400	2400

Note: Prices are in Rs/ Qtl.; NR: Not reported

**Warangal mandi:** Turmeric crop daily arrivals in the market with 1000-1200 bags. Coming day's arrivals may be range bound. The prices are at Rs.2250-2300 for gattah and finger, which were up by Rs 100 from the previous week.33

### Delhi Mandi

Delhi terminal mandi arrivals are about 20-25 tonnes per day in week days. The prices were observed between 2450 and 4000 per Qtl. Erode polish gattah were traded between 2500 and 3150 per Qtl. While Nizamabad finger is spotted between 2550 to 2850 per Qtl. Due to sluggish

demand prices were down by Rs 50-200 per quintal in all grades.44

DATES	30 May - 04 June	06 June - 11 June
Nizamabad finger	2550-2850	2650-2950
Erode Finger mini Salem	2950-3000	3000-3100
Erode single polish Gattah	2500-2600	2525-2600
Erode Double polish Gattah	2950-3150	3000-3200
Warangal polish	2450-2500	2400-2500
Selam Finger	3900-4000	4000-4050

**Note: Prices are in Rs/ Qtl.**

## Clove:

**Delhi mandi** now days coupled with firm demand and short supply. The prices improved in the range of Rs.5-10 per kg in comparison to previous week. The fair amount of import from the Sri-Lanaka, Madagascar, Indonesia created down trend in prices in past that too with sluggish demand. In coming week there are chances of steady prices.

DATES	30 May - 04 June	06 June - 11 June
Indonesia	212-215	218-220
Ketan	220	225-228
Colombo	180-182	185
Madagascar	185	190
Zanzibar	218-220	225

Note: Prices are in Rs/Kg

In **Hyderabad mandi** Indonesian clove grade is fetching Rs. 213-215 per kg. While Colombo grade is for Rs. 185 per kg. Prices to likely to move firm during coming week due fair amount of domestic demand.

## Cumin:

### Unjha Mandi

Prices were increased by Rs30-70 per bag over the previous week in Machine cleaned grades but slight decline recorded in Kisan Mal and Ganesh grades. The average arrival of around 5000-6000 bags daily were recorded in the Unjha mandi. Almost 90-95 per cent of the harvesting is completed in Gujarat state and now Rajasthan state arrivals is on cards. This year major fall in production and yield were recorded from Rajasthan State. As per an estimate hardly of 5 to 6 lakh bags of cumin will come out of the field of Rajasthan State which under normal situation 8 to 10 lakh bags. Daily 2000 bags From Rajasthan, which was about 5000 bags in previous year. Now Old stock is decreasing day by day as trade is 6000-7000 bags more than the arrivals. Market sources told that there is not much export demand coming, only small tit bit amount export demand from Middle East, which may effect positively on prices in coming weeks. The prices will show more improvement in coming week, The prices should improve in the month of June when Domestic demand will pick up.

DATES	30 May - 04 June	06 June - 11 June
Kisan Mal-FAQ	1250-1650	1280-1680
Ganesh	1390	1390-1410
M/c. Cleaned	1480-1580	1500-1600
Sup. M/c. Cleaned	1580-1680	1600-1750

Note: Prices are in Rs/20 Kg

In Hyderabad mandi the rates of kisan mal-FAQ grade was reported between Rs.1550-1600/20kg.during the week.

#### Delhi Mandi:

In Delhi mandi the Cumin price is ranged between Rs. 71 to 95 per kg based on grade, which were improve by Rs 5-7 per kg from the previous week. Trade was range bound upward sentiment during this week with firm trading during coming week expected due to firm demand. Next week prices likely to remain steady with some improvement in coming week.

#### Delhi Mandi during week

Grade	30 May - 04 June	06 June - 11 June
Chalu	65.00-73.00	71.00-74.00
Ganesh	72.00-75.00	74.00-77.00
M/c Cleaned	70.00-77.00	75.00-78.00
Best	85.00-93.00	85.00-95.00

Note: Prices are in Rs/Kg

#### Red Chillies:

##### Guntur Mandi:

Guntur mandi opened after the closing of 20 days on Wednesday the prices for uncold were in the range of Rs 1000-1500 per quintal and for cold were in the range

DATES	30 May - 04 June	06 June - 11 June
COLD	NR	1800-2200
UNCOLD	Nr	1000-1500
WHB	Closed	1800-2200
Byadgi	Closed	1800-2000
Sannam Best	Closed	2200-2300
Sannam Med. Best	Closed	1800-2200
Namdhari	Closed	1800-2000
273	Closed	1800-2000
Guntur Fullcut	Closed	3500
Ankur	Closed	2500-2600
Phatki	Closed	600
Indo5	Closed	1800-2000
Tejaseed	Closed	2400-2500
Roshni	Closed	1800-2000

Note: Prices are in Rs/Qt, NR-Not Reported

of Rs 1800-2200 per quintal based on the quality of chilly and the moisture percentage. Regarding stock market is over stock from the beginning. Daily arrivals were in the range of 20000-30000 bags up to Saturday. As market is still running on sluggish demand coupled with supply pressure, there are least chances of upward movement of prices in near future. In coming week market will move in with range bound movement.

**Warangal mandi:** Mandi getting daily arrival of 1000-1500 bags per day. The export demand also started in small amounts which was earlier just nil . Prices are up by Rs 100-200 per quintal than the previous week. In near future there are fair chances of firm prices due to arrival coming down drastically day-by-day and demand also picking up, as it was silent earlier. So there was no more downfall expected in near future. Price sentiment will remain steady with slight chances of improvement.

DATES	30 May - 04 June	06 June - 11 June
COLD	-	1800-2400
UNCOLD	NR	1000-1850
Red Top	1125-2050	1125-2050
Phatki	125-425	125-425
WHB	1375-2350	1100-1800
Indo 5	1250-1925	1250-1925
Ankur	1300-1900	NR
Chapata	1600-3400	2700-3400

Note: Prices are in Rs/Qt

NR-Not Reported

Prices at **Delhi** opened all the day in the week. Prices were more or less same in different during week than the previous week. Now arrivals mostly coming from (MP), Guntur,Nagpur and are of 3000-4000 bags daily. Trading is around of 1600 bags daily. Mostly trading confined to Guntur and Nagpur grade. There are chances that price may remain steady due to increase in demand in coming week.

DATES	30 May - 04 June	06 June - 11 June
Guntur Pala	2200-2800	2200-2700
Guntur Fullcut	3800-4500	3700-4000
Guntur Packing (new)	2700-2900	2600-2900
Nagpur Pala	2350-2400	2000-2400
Nagpur Fullcut	3100-3300	2800-3300
Nagpur Packing	2200-2700	2400-2600
Indore Pala	1600-2200	NR
Indore Fullcut	2600-3300	NR
Indore Packing	2400-3000	NR

Note: Prices are in Rs/Qt; NR-Not Reported

### Cardamom:

**Delhi mandi** was on firm demand. Arrival was about 20000 kg daily on an average daily. The prices declined by Rs. 5-15 in different grades to previous week due to fair amount of imports entering into the domestic market and sluggish demand. In coming week there are expectations of firmness in prices in coming week when demand will pick up in marriage seasons.

DATES	30 May - 04 June	06 June - 11 June
Panwali	260-265	255-260
Colour Robin	265-275	260-270
C Bold 6.5mm	280-305	275-295
Extra Bold 7mm	320-335	320-335
Ex Bold 7.5mm	390-400	375-395
Handpicked	490-510	475-500

Note: Prices are in Rs/kg

**Hyderabad mandi** prices of cardamom during week showed buying only in the GM grade. The India grades have limited buying support. The 7.5mm GM grade floating spotted at Rs. 300 per kg while the Indian origin one at 340 per kg. GM grade of 8.00mm spotted at Rs. 415 per kg. While of Indian origin found at Rs. 420 per kg. Guatemala (GM) cardamom is finding its way into the Indian market very easily as they are much cheaper than Indian one and their appearance are very similar to Indian produce. The prices were down by Rs. 10 to 20 per kg during the week in comparison to previous week in expectation of arrival of new crop in the market cardamom in the market.

DATES	30 May - 04 June	06 June - 11 June
Colour Robin	255-260GM origin	240-250GM origin
C Bold 6.5mm	280-290 GM origin	260-270 GM origin
Extra Bold 7mm	300-310 GM origin	290-300 GM origin
Ex Bold 7.5mm	320-330GM origin	310-320GM origin
8.00 mm	420-430 IO (8mm)	415-420 IO (8mm)

Note: Prices are in Rs/kg; IO=Indian origin

### Coriander:

#### Delhi Mandi during week

Prices were remaining firm more or less same in each grade at Delhi mandi in comparison to previous week. The arrivals are coming in sufficient quantities from the

Coriander Grade	30 May - 04 June	06 June - 11 June
FAQ (Chalu)	2200-2500	2200-2500
Medium	2700-2800	2700-2800
Green	3200-3500	3200-3500
Extra Green	3800-4200	4000-4500

Note: Rate Per Quintal

Rajasthan and Gunna & Jabra mandi from Madhya Pradesh. Chances of slight upside Prices in coming week when the demand is expected to pick up.

#### Kota Mandi

Total arrivals at Ramganj mandi remained at 6-8000 bags average daily. The Kota mandi arrivals of 7-8000 bags are recorded; Baran mandi 2000-3000 bags daily while at Guna and Kumbhraj mandi arrivals of around 3000-4000 bags daily respectively were recorded. The prices were increased by Rs 25 per quintal during weekdays. This year the production likely to be of 50 lakh bags and Old stock will be around of 25-30 lakh bags. Stocks are about 10 lakh bags in Ramganj, 4 lakh bags in Kota, 3.5 lakh bags in Guna and 2.5 lakh bags in Baran mandi. Thus total availability will be around of 80 lakh bags, which is sufficient to tackle the 80-lakh bags annual consumption. Prices are going remain slight up due increase in demand and decline in arrivals. There are chances of firm prices in coming week.

DATES	30 May - 04 June	06 June - 11 June
Kota Badami (40 kg)	650-675	670-680
Kota Eagle (40 kg)	710-730	730-740
Ramganj Badami (loose per quintal)	1325-75	1200-1400
Ramganj Eagle (loose per quintal)	1450-75	1450-1550
Kota Badami (loose per quintal)	1325-75	1325-1400
Kota Eagle (loose per quintal)	1450-75	1450-1525

(1 bag=40 kg).

### Methi

#### Kota mandi:

The arrival at the Kota mandi this week about 400-500 quintals, arrivals in Neemuch mandi was 500-700 quintal per day. Which is still lower than the previous year, which was in the range of 1000 quintal per day. Prices increased by Rs. 50-100 per bag in different grades as compared to last week. Chances of further improvement in prices in the coming weeks as there are chances of increase in demand due to marriage season. The demand and prices both will pick in this month.

Methi Grade	30 May - 04 June	06 June - 11 June
Methi (Uncleaned)	1150-1425	1225-1425
Methi (Cleaned)	1350-3200	1400-3200

Note: Rate Per bag (90 Kg. each)

Methi at **Delhi mandi** remained steady as was during the previous week. This year expected of one and half Lakh bags. The prices were more or less same as previous week except in case of Chalu Grade where prices down by Rs. 150-200 per quintal. There are fair chances of improvement in prices in coming week.

**Delhi Mandi Methi price**

Methi Grade	30 May - 04 June	06 June - 11 June
Chalu	1500-1700	1350-1500
Jabara	2100-2350	2100-2350
Better	2400-3000	2400-3000

Note: Rate Per quintal

**Others Spices during week at Delhi Mandi**

Rs. Per quintal

Other Spices	30 May-04 June	06 June - 11 June
Bishop's weed (Ajwain)-Jawara	3800-4200	3800-4200
Bettlenut (Mettaplayam)	9000-9500	9000-9500
Cardamom brown (Jhundiwali)	8200-8400	8200-8400
Cardamom brown (Kanchicut)	9000-12500	9000-12500
Tamarind (seedless)	2000-3200	2000-3200
Dry ginger (superior quality)	16000-17000	16000-17000
Amchur (Khapta)	1800-2000	1800-2000
Mace (Jabetri)-(Cochin)	315-325	315-325
Nutmeg (Jaifal)-(Cochin)	195-208	195-208
Kalaunji	3700-4300	3700-4300
Poppy seed (Turkey)	153per kg.	153per kg.
Saffron (Irani)	18000-19000	18000-19000

During week prices in Delhi mandi recorded decrease in Mace, Nutmeg, Kalaunji and poppy seed. There was increase in the prices of Bettlenut, Cardamom brown (Jhundiwali) and tamarind (seedless). In other minor spices prices were more or less at same as previous week.

**Prices of Spices at Major Rajasthan Mandi as on 11<sup>th</sup> June, 05:**

Arrivals of chilly at Jaipur was nil on Monday and Tuesday, on Wednesday 8<sup>th</sup> arrival was 18 quintals, 9<sup>th</sup> Thursday highest 83 quintals and Jodhpur mandi 28 quintals on 8<sup>th</sup> Wednesday, 64 quintals on 9<sup>th</sup> Thursday and no arrival recorded on other days. Prices of chilly more or less same at Jaipur Mandi than the previous week. Nimbaheda (Raj.) mandi reported no arrivals of Ajwain in weekdays, prices were steady. There was no arrival of cumin in Jaipur mandi during the week. Arrival of Methi in Jaipur mandi was 5 quintals on Tuesday 7<sup>th</sup> and on other weekdays improvement in prices from Rs. 1150 to Rs 1225-35 per quintal.

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	3000
Chilly Dry	Jodhpur (Grain) Mandi	2800
Bishop's weed (Ajwain)	Nimbaheda Mandi	3338
Jeera (Cumin)	Jaipur (Grain) Mandi	6500
Methi	Jaipur (Grain) Mandi	1225-1253

## Technical Analysis

June 11<sup>th</sup>, 2005

Commodity: Black Pepper

Exchange: NCDEX

Contract Month: June 2005

Black candlestick patterns are indicating toward the range bound downward trading during coming days. The positions are indicating toward up side movement during mid and last days of the coming week. The RSI in June contract showing that trading is going on in neutral region with range

bound trend. MACD still running in negative zone but moving towards neutral zone was showing the sign bullish trend in trade. The stochastic is at 27.27 point with % K line above the % D line, sign of bullish movement and located in neutral region. These all indicators showing mix trend in trend.



### Recommendation:

Technical analyses are indicating toward the range bound upward trend in the coming week. The fundamental are giving range bound upward trend in prices due to chances of improvement in domestic demand. Cashing the profit in

short term as well as medium term is hold good. The Technical support is at 6539 point and resistance at 6631 point for the coming week.

## Technical Analysis

Commodity: Turmeric

June 11<sup>th</sup>, 2005

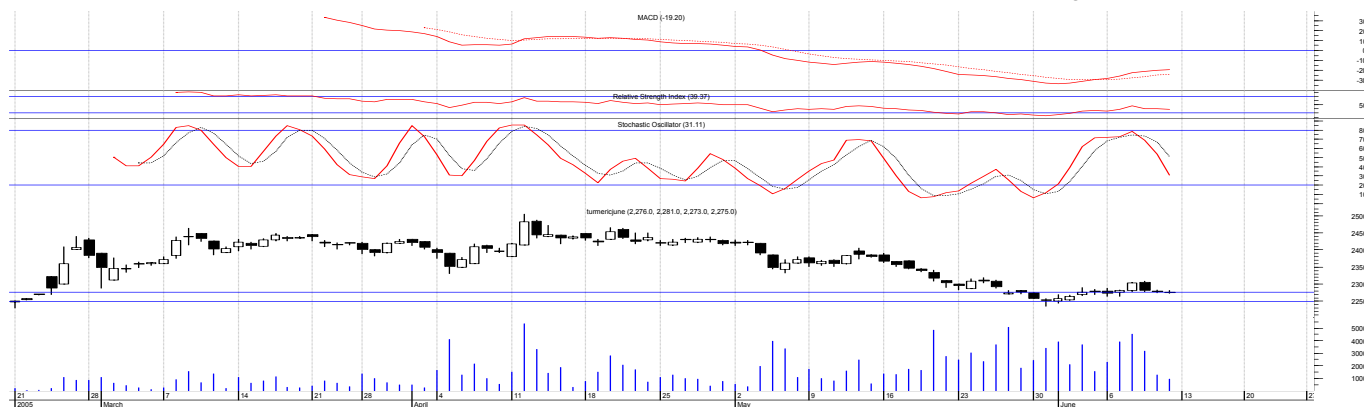
Contract Month: June 2005

Exchange: NCDEX

**Candlesticks:** The Candlesticks pattern indicates towards range bound downward trading movement in the coming week.

**Stochastic:** The % K-line at 31.11 is below the % D line signs of bearishness in the market. The point indicating

towards the neutral region from where most probably it will come to oversold region. So in coming week market going to take range bound downward movement in prices as well as in trade in the coming week. MACD is bullish but RSI showing the bearishness in trade but MACD is still negative that means trade should be range bound.



### Recommendation:

Technical is for range bound downward movement in the coming week, overall prices likely to remain steady. As due to summer domestic as well as export demand is not

picking up so maximum chances of range bound downward trading movement in coming week. The technical support is at 2250 and resistance at 2276 for the coming week.

## Technical Analysis

June 11<sup>th</sup>, 2005

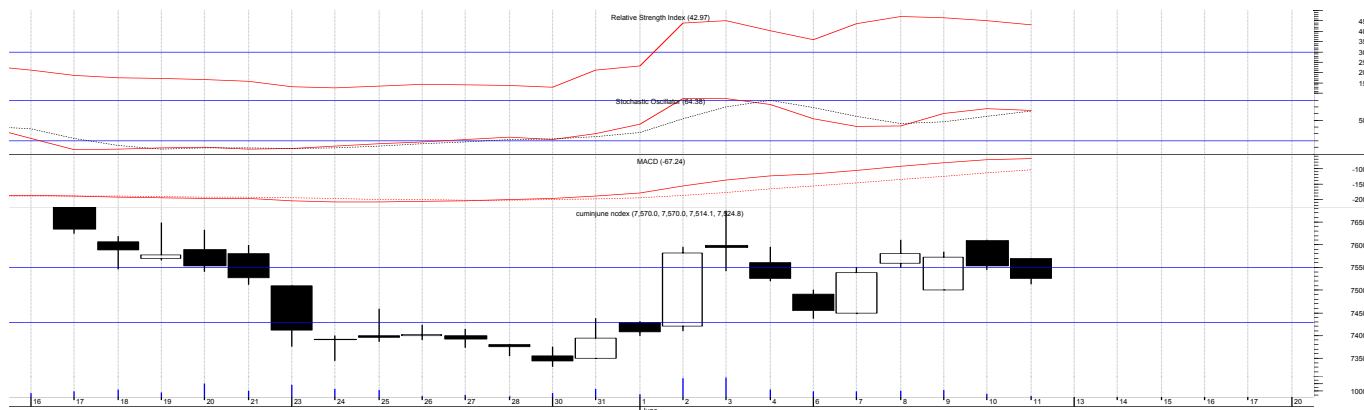
Commodity: Cumin (Jeera)

Exchange: NCDEX

Contract Month: June, 2005

Candlestick patterns are indicating lower side movement for short term. The MACD is started to move upward but still in negative zone than 5 day's exponential MV's indicating bearishness in the market. The stochastic are in the at 64.38 point with % K line above the % D but taken downward in neutral region indicating the range bound

downward trading movement in coming week. RSI moving in overbought region and taken downward movement sign of bearishness in the market. So the overall technical outlook for the coming week is range bound downward trading movement in next week.



**Recommendation:** The technical analyses are indicating towards the range bound downward trading next week. The arrival position at present is far less at present situation over the previous year during same period. It is better to go for Intra day trading during early few days. The technical

support is at 7429 point, the resistance at 7551 point level. Fundamental are supporting the bearish run in coming week.

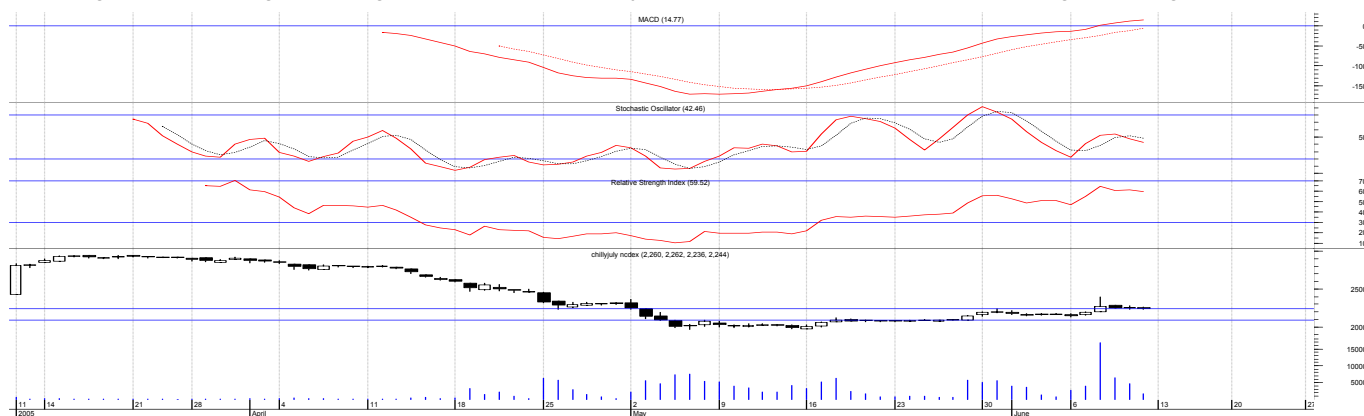
## Technical Analysis

Commodity: Red Chili

Contract Month: July 2005

Red chilli in July contract moving range bound during the week. The candlestick pattern is indicating the up side trade in starting and then range bound movement during weekend. RSI in neutral region indicates bullish movement in coming weeks. MACD showing the bullish trend but still with negative value sign of range bound trade in July

contract in coming week. The stochastic are operating in the neutral region but just reached in oversold region at 42.46, % K line is below the % D line just cutting it from above indicating the bearish movement in trade during coming week. So overall technical showing range bound downward movement in trading in coming week.



**Recommendation:** Technical are for the range bound downward movement for the week. As the contract have enough time to mature. The decision of MARKFED to start procuring the chilli from farmer served as support to the

falling price. The technicals are indicating support at 2091 point and resistance at 2242 point for the coming week.

## Weather Forecast For the Period of 9<sup>h</sup> - 14<sup>th</sup> June 2005.

### A. Weather Systems:

#### South-West Monsoon:

The southwest monsoon has further advanced over some more parts of east central Arabian sea, union territory of Goa, remaining parts of Coastal Karnataka, most parts of South Interior Karnataka, remaining parts of Tamil Nadu, parts of Rayalseema and southern parts of Coastal Andhra Pradesh, remaining parts of southwest Bay and some more parts of central Bay. Northern Limit of monsoon passes through 15° N/60° E, 15° N/70° E, Panjim, Chitradurga, Anantapur, Kavali, 15° N/84° E, 18° N/90° and 20° N/93°. The trough at sea level now runs from Punjab to Assam across central Uttar Pradesh and south Bihar. Model prediction suggests that conditions are favourable for further progress of South-west monsoon over some more parts of Interior Karnataka, Rayalseema, parts of South Coastal Andhra Pradesh and southern parts of North-eastern states during next 3-4 days. Model prediction suggests that a monsoonal activity may enhance over Bay of Bengal and southeast parts of North-Eastern states during 11-13 June 2005.

#### Western Disturbance:

Model prediction suggests that a western disturbance is likely to approach north Pakistan and adjoining J&K area by

11 June 2005. It is expected to cause isolated to scattered snowfall/rainfall during 11-12 June 2005 over hilly regions of NW India and isolated thundershowers over adjoining plains of NW India (Punjab, Haryana, Delhi and west U.P.) during the period.

#### B. Rainfall:

Fairly widespread rainfall is likely over Kerala, Coastal & South Interior Karnataka, Lakshadweep, Andaman & Nicobar and NE States during next 3-4 days. Isolated to Scattered rainfall/snowfall is likely over J&K, H.P. and Uttaranchal during 11-12 June 2005. Isolated to Scattered rainfall is likely over Konkan and Goa, West Bengal, Orissa, Coastal A.P., Tamilnadu, North Interior Karnataka during next 4-5 days and isolated thundershowers may occur over plains of NW India (North Rajasthan, Haryana, Punjab, West U.P.) during 10-12 June 2005.

#### C. Temperature

Parts of plains of northwest and central India are likely to experience rise in day temperature by about 1-2 degree during next 2 days.

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