

SPICES

August 01-06, 2005

Overview:

- Pepper Prices Remained with Firm Undertone.
- Jeera Continues to Trade on the Lower Side
- Red Chilli Shows Bearish Scenario
- Turmeric Prices Maintained the Weakness

Market Analysis:

Price Trends Analysis:

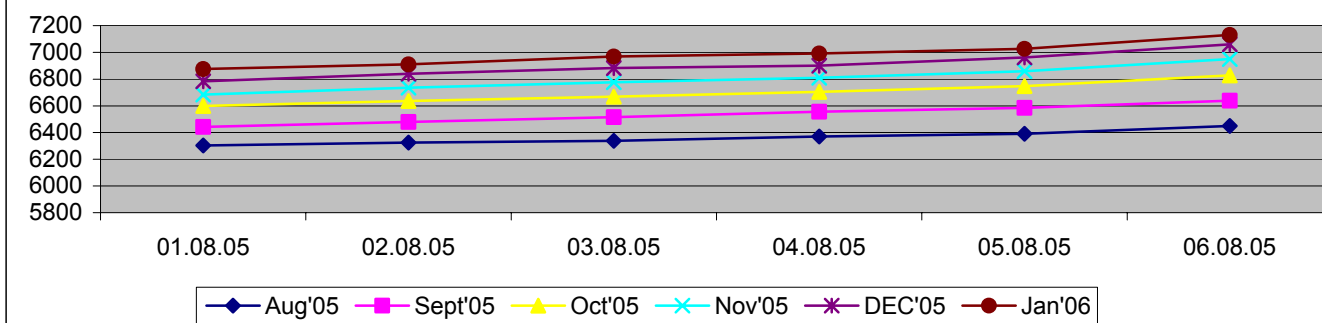
Pepper:

A Brief Weekly Fundamental Analysis of IPSTA Pepper Futures Trading

The graph below is showing the weekly price movement at IPSTA. The prices for all the contracts gradually increased

throughout the week. The January contract improved better showing a fairly higher price. The higher demand, expected shortfall in supply and strong sentiments at the spot markets all supported the prices to go up.

Movement of Pepper prices at IPSTA during the Week



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

Pepper	01.08.05	02.08.05	03.08.05	04.08.05	05.08.05	06.08.05
Ungarbled	5850	5850	5900	5950	6000	6000
Garbled	6250	6250	6300	6350	6400	6400

The movement of the prices of garbled and ungarbled pepper at the Kochi market maintained an upward trend throughout the week. Improved demand and expected shortfall in supply provided support to the prices. Very less

arrival was reported at the markets. The prices are likely to maintain the steadiness in the coming week.

Delhi terminal mandi witnessed marginal improvement in the prices over the week. The prices for the unpolished and 11.5 remained almost unchanged, while, the prices for the 12 maintained the firm undertone.

Pepper	30.07.05	06.08.05
Golden Unpolished	64-66	63-66
11.5	73-75	73-75
No. 12	85-88	88-92

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi

Arrival in mandi recorded 2500-3000 bags daily on an average. The prices were improved in some grades against the previous week. Arrivals have come down this week slightly. The demand is on the lower side this time due to seasonal factors. The improvement in the prices in some grades was due to the lower supply. In the coming week the prices are likely to remain steady with a range bound movement.

DATES	25 July - 30July	Aug 01-06
Loose Finger	2450-2575	2550-2650
Bilty	2650-2775	2800-2850
Loose Gattah	2275-2350	2300-2350
Bilty	2475-2550	2450-2500
Loose SP Gattah	2400-2450	2450-2500
Bilty	2600-2650	2700-2750
Loose DP Gattah (Salem)	2550-2650	2500-2600
Bilty	2750-2900	2750-2800
Kolkata Quality Bilty (75 kg)	1900-1925	1900-1950

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

Nizamabad Mandi

The arrival of turmeric at the Nizamabad mandi in the last week remained around 700-800 bags per day. The prices remained weak against the previous week due to low demand. During the end of the week the prices started improving. The heavy rainfall in Maharashtra reportedly affected the production in the Sangli line to some extent. This is expected to provide support to the market sentiments. Thus, the prices are likely improve this week amid improved demand.

DATES	Aug 01-06	25 July - 30July
Nizamabad Gattah	2150	2350-2375
Nizamabad Finger	2250	2400-2500

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

Warangal mandi: Turmeric crop daily arrivals in the market with 200-300 bags. Coming day's arrivals may be range bound. The prices are at Rs.2300 for gattah and finger, which were same as in previous week.

Delhi Mandi

Arrival at the Delhi terminal mandi remained lower this week. The prices overall remained steady to firm this week.

In some of the varieties there was slight improvement over the week. In the coming week the prices are likely to remain steady.

DATES	Aug 01-06	25 July - 30July
Nizamabad finger	2650-2700	2650-2750
Erode Finger mini Selam	3250-3300	3100-3200
Erode single polish Gattah	2650-2700	2600-2650
Erode Double polish Gattah	3250-3300	3150-3250
Warangal polish	2550	2700-2800
Selam Finger	4000	4000-4100

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

The prices of clove in Delhi mandi this week maintained a marginal weak undertone. For some varieties the prices fell slightly against the previous week. For some varieties prices remained stable. Some improvement in demand is expected in the coming days.

DATES	Aug 01-06	25 July - 30July
Indonesia	218-222	222-225
Ketan	225-228	228-230
Colombo	200-202	200-202
Madagascar	205	205
Zanzibar	230	230

Note: Prices are in Rs/Kg

In **Hyderabad mandi** Indonesian clove grade fetched Rs. 208 per kg. While Colombo grade was traded at Rs. 180-185 per kg. The price of Zanzibar was recorded at Rs 200-210. Lack of demand is expected to continue in the coming week too.

Cumin:

Unjha Mandi :

Prices of Jeera at Unjha mandi maintained the weak undertone throughout the week. The stock is well enough and the demand is weak at this moment. This was reflected in the prices this week. In the coming week too the prices are likely to remain weak. However, there may be a slight recovery during later this week.

DATES	Aug 01-06	25 July - 30July
Kisan Mal-FAQ	1340-1650	1350-1700
Ganesh	1350	1400
M/c. Cleaned	1450-1550	1500-1600
Sup. M/c. Cleaned	1600-1700	1600-1700

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of kisan mal-FAQ grade was reported between Rs.1480-1580/20kg.during the week. The sentiment remained weak throughout the week.

Delhi Mandi:

The prices of different grades of Jeera remained almost same in the week against the last week. The market tone however, remained weak due to lack of significant demand. In the coming week too the prices of Jeera are likely to remain weak on low demand. However, there may be an improvement later in the coming week.

Delhi Mandi during week (Rs/Kg)

Grade	Aug 01-06	25 July - 30July
Chalu	68.00-69.00	68.00-69.00
Ganesh	75.00-76.00	76.00
M/c Cleaned	73.00-83.00	73.00-84.00
Best	85.00-95.00	85.00-95.00

Red Chillies:**Guntur Mandi:**

Prices of red chilli in Guntur mandi remained almost same this week as were in the previous week. The prices of cold and uncold remained slightly weak however, almost no change was seen in other varieties. The market sentiments remained poor. Lack of demand along with the good arrival put pressure on the prices of chilli here. It is expected that the prices of chilli in the coming week too would continue to remain under pressure.

DATES	Aug 01-06	25 July - 30July
COLD	1500-2200	1700-2200
UNCOLD	800-1500	900-1500
WHB	2400	2300-2400
Byadgi	2400	2300-2400
Sannam Best	2200-2250	2200-2250
Sannam Med. Best	1700-2000	1700-2000
Namdhari	1800-2200	1800-2200
273	2000-2100	2000-2100
Guntur Fullcut	3300-3400	3300-3400
Ankur	2400-2500	2400-2500
Phatki	600	600
Indo5	2200-2300	2200-2300
Tejaseed	2400-2500	2400-2500
Roshni	1800-2000	1800-2000

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

Warangal mandi:

The market sentiments in Warangal mandi this week remained weak. The prices of major varieties chilli remained almost same as were in the previous week. The stock is in well position, which is pressurising the prices at present. However, the production in the current season is expected to decline due to decrease in the area covered. The arrival remained higher in the last week against the figure for the last week. The current season is also

considered as a lean season for chilli. In the coming week too the weakness is likely to continue.

DATES	Aug 01-06	25 July - 30July
COLD	1700-2200	1700-2200
UNCOLD	850-1550	850-1550
Red Top	1500-2100	1500-2100
Phatki	150-600	150-600
WHB	1600-2300	1600-2300
Indo 5	1800-2150	1800-2150
Ankur	NR	NR
Chapata	2800-3300	2800-3300

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

Delhi Mandi:

The prices of different grades of red chilli decreased throughout the week amid lower demand. Prices for almost all the grades declined this week. According to the market sources the sentiment is at the very lower side. The prices of chilli in the coming week are expected to remain weak in the coming week too.

DATES	Aug 01-06	25 July - 30July
Guntur Pala	2200-2400	2300-2400
Guntur Fullcut	3700-4000	3900-4000
Guntur Packing (new)	2600-2900	2600-3000
Nagpur Pala	2000-2300	2100-2200
Nagpur Fullcut	2400-3000	3000-3200
Nagpur Packing	2000-2200	2000-2500
Indore Pala	NR	NR
Indore Fullcut	NR	NR
Indore Packing	NR	NR

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

Cardamom:**Delhi mandi**

Like most of the spices cardamom prices also maintained the weakness this week. The arrival remained good this week also, which put pressure on the prices. Buyers were also reluctant to take part in the active trading that pressurised the prices. The weakness is likely to continue in the coming week too.

DATES	Aug 01-06	25 July - 30July
Panwali	210-225	220-225
Colour Robin	215-235	225-235
C Bold 6.5mm	225-260	240-260
Extra Bold 7mm	270-300	280-300
Ex Bold 7.5mm	335-360	340-360
Handpicked	440-480	440-480

Note: Prices are in Rs/kg

Hyderabad mandi

The prices of different varieties of cardamom in Hyderabad mandi declined throughout the last week amid lack of demand and well built up stocks.

DATES	Aug 01-06	25 July - 30July
Colour Robin	190	240 (IO)
C Bold 6.5mm	205	280 (IO)
Extra Bold 7mm	250	310 (IO)
Ex Bold 7.5mm	255	330 (IO)
8.00 mm	310-400	430 (IO)

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

Coriander:

Delhi Mandi

Prices of coriander at the Delhi mandi remained more or less same this week as compared to the prices in the previous week. While the prices of FAQ saw some weakness, the medium grade improved on the other hand. The prices are likely to remain range-bound in the coming too.

Coriander price at Delhi Mandi

Coriander Grade	Aug 01-06	25 July - 30July
FAQ (Chalu)	2000-2300	2200-2300
Medium	2700-3200	2700-2800
Green	3200-4000	3200-3500
Extra Green	4200-4500	4200-4500

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 900 bags average daily. The Kota mandi recorded arrivals of 1000 bags; Baran mandi 800 bags daily while at Guna 700 bags and Kumbhraj mandi 500 bags daily arrivals were recorded. The prices increased in comparison to previous week. 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. In the coming week there may be some improvement in the prices.

DATES	Aug 01-06	25 July - 30July
Kota Badami (40 kg)	740-770	730-760
Kota Eagle (40 kg)	790-820	780-810
Ramganj Badami (loose per quintal)	1350-1575	1350-1575
Ramganj Eagle (loose per quintal)	1500-1675	1500-1675
Kota Badami (loose per quintal)	1350-1575	1350-1575
Kota Eagle (loose per quintal)	1500-1675	1500-1675

Methi

Kota mandi:

Arrival of methi in Kota mandi remained lower. During the week the arrival recorded at around 50 bags. In Neemuch also the arrival remained steady. Prices maintained the same level, as in the previous week. According to the market sources the sentiment is firm at present. There may be some improvement in the coming too on expected improvement in the demand.

Methi price at Kota Mandi

Methi Grade	Aug 01-06	25 July - 30July
Methi (Uncleaned)	1250-1450	1250-1450
Methi (Cleaned)	1425-3200	1425-3200

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. There are fair chances of improvement in prices in coming week.

Methi price at Delhi Mandi

Methi Grade	Aug 01-06	25 July - 30July
Chalu	1350-1500	1350-1500
Jabara	2100-2375	2100-2375
Better	2400-3000	2400-3000

Note: Rate Per quintal

Prices of Major Spices available in Major Rajasthan Mandi as on 6th August, 05:

All the spices in Rajasthan mandi spent the week with a weakness. The prices of Chilli, Jeera and Methi went down. The arrival remained at the lower side for all the different spices. The arrival of chilli in Jaipur mandi was recorded at 4 quintals and in Jodhpur mandi it was recorded at 8 quintals on Monday only. There was no arrival on other

days. Jeera saw an arrival of 73 quintal on Monday. No price was quoted for Ajwaine.

Prices of Major Spices

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	2500
Chilly Dry	Jodhpur (Grain) Mandi	2800
Bishop's weed (Ajwain)	Nimbaheda Mandi	--
Jeera (Cumin)	Jaipur (Grain) Mandi	6000-6500
Methi	Jaipur (Grain) Mandi	1200-1250

Others Spices during week at Delhi Mandi

The prices in Delhi mandi recorded declined for Poppy seed (Turkey), Cardamom brown Jhundiwali, Mace and Nutmeg. Other minor spices prices were more or less same in comparison to previous week.

Rs. Per quintal

Other Spices	Aug 01-06	25 July - 30July
Bishop's weed (Ajwain)-Jawara	4000-4400	4000-4400
Bettlenut (Mettaplayam)	8800-9200	8800-9200
Cardamom brown (Jhundiwali)	10800-10900	11000-11100
Cardamom brown (Kanchicut)	12500-15000	12500-15000
Tamarind (seedless)	1800-3200	1800-3200
Dry ginger (superior quality)	16000-16500	16000-16500
Amchur (Khapta)	1800-2000	1800-2000
Mace (Jabetri)-(Cochin)	350-355	330-335
Nutmeg (Jaifal)-(Cochin)	180-195	175-185
Kalaunji	3600-4200	3700-4500
Poppy seed (Turkey)	157 per kg.	160 per kg.
Saffron (Irani)	15000-16000	15000-16000

Domestic Prices For the week ending 30.07.2005:

Spice	Grade/Variety	Market	Price For The Week (30.07.05) (RS/KG)	Price For The Week (23.07.05) (RS/KG)	Last Month Same Week (02.07.05) (RS/KG)	Last Year Same Week (31.07.2004) (RS/KG)
Black pepper*	Malabar garbled (mg-1)	Cochin	62.00	61.25	61.75	71.00
Cardamom (small) (auction price)	Ungraded	Vandanmettu	243.00	271.31	259.83	332.32
Cardamom (large)	Cardamom (large)	Gangtok	98.75	97.50	90.00	106.25
Chilli	Cold storage non -cold storage	Guntur	15.60	15.80	16.40	21.00
			22.80	22.80	22.00	29.50
Ginger	Unbleached (new)	Cochin	120.00	120.00	120.00	140.00
Turmeric	Alleppey finger (aft) Rajapuri	Cochin	50.00	50.00	50.00	55.00
		Mumbai	51.25	51.25	51.25	57.75
Coriander	Indori 5%	"	19.50	19.38	18.63	21.13
Cumin	1%	"	68.13	69.38	70.63	78.63
Clove	- Grade 1	Cochin, Nagarcoil	279.16 240.00	270.00 245.00	219.00 245.00	250.00 250.00
Cinnamon		Delhi	47.50	47.50	47.50	50.50

International Spot Prices for the week ending 29.07.2005:

Spice	Origin/Grade	Market	Price For The Week (22.07. 05) (US\$/TON)	Price For The Week (15.07. 05) (US\$/TON)	Last Month Same Week (24.06.05) (US\$/TON)	Last Year Same Week (23.07. 04) (US\$/TON)
Black pepper Cardamom * (small)	Malabar garbled (mg-1)	New York	1698	1698	1698	1698
	Fancy green Indian Asta (8 mm)	New York, Saudi Arabia	8820	8820	8820	9922
			10010	9750	10630	11260
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1213	1301
Ginger	India cochin	New York	3418 (*Future)	3518 (*Future)	3418* (Future)	4851
	Chinese peeled	New York	3087	3087	3087	2095
Turmeric	Indian ground India	New York	1213	1213	1213	1213
	Alleppey finger		2051	2051	2051	1985
Garlic	Chinese	New York	2536	1874	1808	1125
Coriander	Canada	New York	772	772	772	816
Cumin	Syrian	New York	1810	1810	1810	2029
	India		2029	2029	2029	2183
Fennel	Indian Asta	New York	1411	1411	1411	1213
	Egyptian		1367	1367	1367	1257
Fenugreek	India/turkey	New York	750	750	750	750
Clove	Mad/zanz/com/ Indo Sri Lanka (hand picked)	New York	3859	3859	3859	3638
			7166	7166	7166	7717
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

Technical Analysis:

Commodity: Black Pepper

Contract Month: August 2005

The candlestick pattern is indicating towards the bullish outlook. However, the white candles could not form 'three soldiers.' The low period moving averages (3-day and 7-day) are above the high period MA (14-day). The MACD

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Exchange: NCDEX

though in the negative territory is up above its signal line. Both the % K-line and %-D line are above the overbought region and the % K-line is about to make a bearish crossover. The RSI is going up (57.59).



Recommendation:

The indicators are indicating towards the firmness to continue in the short-term. Remain long with at least a

short-term outlook. The nearby support is at 6322 marks and resistance is at 6467.

Technical Analysis:

Commodity: Turmeric

Contract Month: August 2005

The formation of the candlesticks are showing the price trend is weak at this time. The 3-day MA has cut the 7-day MA from above and is still below. The 7-day MA is below the 14-day MA. The MACD is in the negative territory

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(17.89) and below the EMA however, there is a slight upward bend. The stochastic is in the neutral region. The RSI (33.05) is near the oversold region.



Recommendation:

The indicators are indicating towards the weakness to remain in the coming week too. The MAs, the RSI and the candlesticks are showing the present trend to continue. There may be some technical correction however, the

prices would remain weak in the coming week. The nearby support is at 2323 marks and the nearby resistance is at 2354 marks.

Technical Analysis:

Commodity: Cumin (Jeera)

Contract Month: August 2005

The formation of the candlestick is indicating that the prices are still to continue the weakness. The movement remained very slow. The 3-day MA is below than both 7-day and 14-day MAs. The 7-day MA is below the 14-day MA. The

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MACD though in the negative territory it has made a bullish crossover with its EMA. The stochastic is in the neutral region. The RSI (24.95) is in the oversold region.



Recommendation: the indicators are not clearly showing any direction for the prices. The present tone is weak. However, the formation of the candlestick, the MACD and the RSI are pointing towards the positive correction in the

near future. The prices are likely to recover later in the coming week. The nearby support remains at 7102 marks and resistance is at 7156 marks.

Technical Analysis:

Commodity: Red Chili
Contract Month: August 2005

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Exchange: NCDEX

The formation of the candlesticks is showing the bearish tone of the prices would continue. The 'falling window pattern' is supporting the fact. The 3- day and 7-day MAs are below the 14- day MA. The MACD is in the negative

territory. The % K-line of the stochastic has made a bearish crossover with the % D-line. However, both the lines are in the neutral zone. The RSI (26.69) is in the oversold region.



Recommendation: The indicators are pointing towards the weakness of the prices ahead. With this chart formation the strategy should be to remain short.

The technicals are indicating support at 2145point and resistance at 2212 point for the coming week.

Weather Forecast: (As on 7th August 2005)

ALL INDIA WEATHER FORECAST

Monsoon Outlook

Yesterday's low-pressure area over Jharkhand has weakened and now lies as an upper air cyclonic circulation over Bangladesh and adjoining NE states. The monsoon trough has moved to the north of its normal position temporarily and hence rainfall is likely to continue over Uttaranchal, Himachal Pradesh and J & K for next 1-2 days. The trough in mid-latitude westerlies that lies around 80°E longitude is likely to move north-north-eastwards. Hence, rainfall activity is expected to recede from plains of Punjab, Haryana and west Uttar Pradesh. Scattered to fairly widespread rainfall is likely over West Bengal, Sikkim, Orissa, Chhattisgarh, East Madhya Pradesh and parts of Jharkhand and Vidarbha during next 2-3 days. Subsequently, the upper air cyclonic circulation is getting organized into a well-marked low-pressure area around 10th August 2005. Under its influence, the rainfall activity over Orissa, Chhattisgarh, East Madhya Pradesh and parts of Jharkhand and Vidarbha is expected to enhance beginning from 10th August 2005 onwards. The off-shore trough now runs from south Konkan to north Kerala coast and is likely to cause moderate rainfall with isolated heavy falls over Konkan & Goa and coastal Karnataka during next 4-5 days.

NORTH & NORTH-WEST INDIA [J&K, HP, UTTARANCHAL, PUNJAB, HARYANA, DELHI, WEST UP]

Scattered rainfall is likely over the region during next 24 hours. Subsequently, rainfall activity is likely to recede from the plains of north and northwest India. However, fairly widespread activity is expected over J & K, Himachal Pradesh and Uttaranchal for next 48 hours.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES]

Orissa, parts of Jharkhand and NE states are likely to receive fairly widespread to widespread rains with isolated heavy falls during next 2-3 days. Subsequently, activity over NE states is likely to reduce. Isolated to scattered rainfall activity is likely over rest of the regions during this period.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]

Chattisgarh, Madhya Pradesh and Vidarbha are likely to receive scattered to fairly widespread rains during next 4-5 days.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]

Karnataka, north Kerala, are likely to receive fairly widespread rainfall activity during next 2-3 days with isolated heavy falls in Coastal regions of Karnataka and Kerala. Rest areas of the region are likely to receive isolated to scattered rains during this period.

WEST INDIA [MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN]

Konkan & Goa and parts of north Maharashtra may receive fairly widespread rains with isolated heavy falls in Konkan & Goa during this period. Rest areas of the region are likely to receive isolated to scattered rains during this period.

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