

SPICES

August 20-27, 2005

Overview:

- Pepper Prices Declined throughout the Week.
- Jeera Maintained the Steadiness with a Weak Undertone
- Chilli Prices Failed to Improve
- Turmeric Prices Improved during the Weekend

Market Analysis:

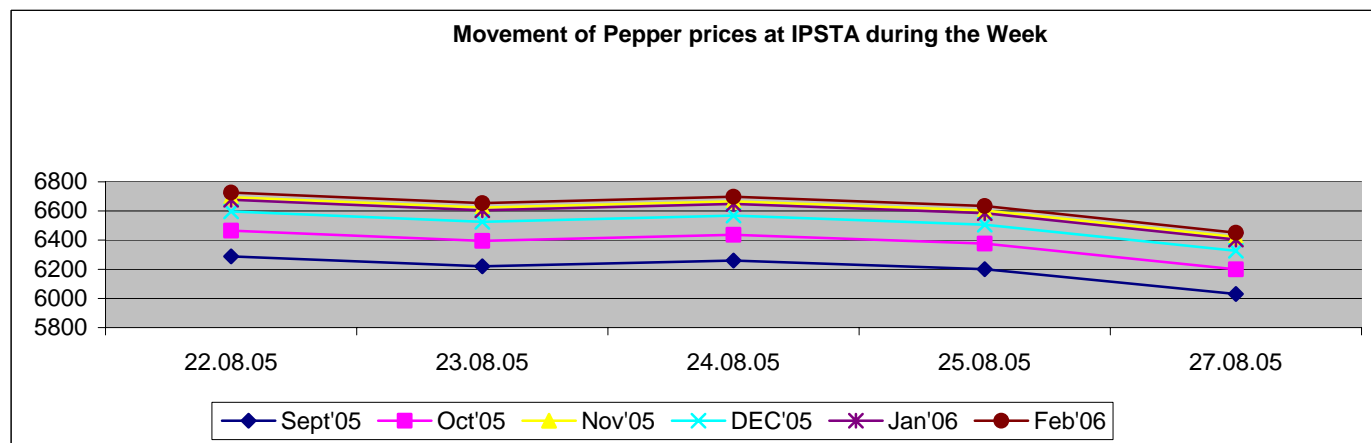
Price Trends Analysis:

Pepper:

A Brief Weekly Fundamental Analysis of IPSTA Pepper Futures Trading

The graph below shows the daily closing of the different contract months of black pepper running at the IPSTA. The daily closing pattern shows that for the first four days of the

week the prices maintained a stable movement. After dropping slightly on the second day the prices improved on the very next day. After that prices declined smoothly till the last day of the week.



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

Pepper	22.08.05	23.08.05	24.08.05	25.08.05	26.08.05	27.08.05
Ungarbled	5950	5950	5950	5950	Closed	5850
Garbled	6350	6350	6350	6350	Closed	6250

The prices of garbled variety and ungarbled variety weak this week at the Kochi market. The continuous import from Sri Lanka put pressure on the prices. Lack of demand also pressurised the prices. The market was waiting for the decision of the central government on the export subsidies of about Rs 21 crores. The coming crop is expected to be lower by around 20 per cent. Thus, if there is any decision

on export subsidies comes the prices are likely to go up in the coming week.

Delhi terminal mandi this week showed weakness along with the other markets. The lack of demand good supply both pressurised the prices. The activities remained subdued in anticipation of the decision by the government on the export subsidies.

Pepper	Aug 22-27	Aug 15-20
Golden Unpolished	67-68	67-69
11.5	80-85	80-90
No. 12	94-95	95-100

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi

Prices of almost all the varieties improved this week amid good demand and expected shortage in supply in the coming days. Arrival was recorded on an average 4000-5000 bags per day. The prices are likely to improve in the coming week too.

DATES	Aug 22-27	Aug 15-20
Loose Finger	2850-2950	2700-2800
Bilty	3150	2850-2900
Loose Gattah	2750-2850	2500
Bilty	2950	2650
Loose SP Gattah	2850-2900	2602650
Bilty	3100	2850
Loose DP Gattah (Salem)	2900-2950	2700
Bilty	3150-3200	3000
Kolkata Quality Bilty (75 kg)	2150	2100

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 1500-2500 bags per day, a slight increase compared to last week. The prices of the both the grade improved during the last week. In the coming week too the prices may improve further.

DATES	Aug 22-27	Aug 15-20
Nizamabad Gattah	2350	2150
Nizamabad Finger	2350	2200

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

Warangal mandi:

Daily arrival of turmeric in Warangal remained around 300 bags. The prices of gattah and finger improved to Rs 2300 - Rs 2450 per quintal. The prices are likely to improve in the coming week too.

Delhi Mandi

The prices of turmeric at the Delhi mandi remained within the range this week. At the first half of the week the prices maintained the weakness amid lack of buying interest however, during the later half of the week the prices improved on renewed demand and the commodity traded at the upper side of the range.

DATES	Aug 22-27	Aug 15-20
Nizamabad finger	2750-3050	2800
Erode Finger mini Selam	3450-3600	3500
Erode single polish Gattah	2700-2950	2750-2800
Erode Double polish Gattah	3450-3600	3500
Warangal polish	2500-2700	2550-2600
Selam Finger	4050-4300	4100

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

Lack of demand and good supply kept the prices of clove weak this week. The prices of all the major grades of clove traded at the lower side of the prices range. For every grade the price declined Rs 10-15 on an average.

DATES	Aug 22-27	Aug 15-20
Indonesia	190-215	215-220
Ketan	215-220	220-225
Colombo	180-198	198-202
Madagascar	185-202	202-205
Zanzibar	210-225	225-230

Note: Prices are in Rs/Kg

In **Hyderabad mandi** the prices of clove remained almost unchanged. Indonesian clove grade fetched Rs. 205 per kg. While Colombo grade was traded at Rs. 180-180 per kg. The price of Zanzibar was recorded at Rs 200-205. Lack of demand is expected to continue in the coming week too.

Cumin:

Unjha Mandi:

Prices of jeera last week at Unjha mandi of Gujarat remained weak. However, there was an indication of improvement during the weekend. The arrival remained around 1000-1500 bags per day. The total daily trade remained around 6000-7000 bags per day. There is likely an improvement in the coming week.

DATES	Aug 22-27	Aug 15-20
Kisan Mal-FAQ	1250-1450	1265-1500
Ganesh	1360-1380	1380
M/c. Cleaned	1400-1500	1425-1500
Sup. M/c. Cleaned	1575-1625	1575-1625

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of kisan mal-FAQ grade was reported between Rs.1360/20kg.during the week. In the coming week there is some improvement is expected.

Delhi Mandi:

Cumin prices remained almost with the same undertone this week. The pressure maintained on the prices due to

lack of demand and good stock. However, there was an indication of a recovery during the weekend.

Grade	Aug 22-27	Aug 15-20
Chalu	65-66	65-66
Ganesh	72-75	74-75
M/c Cleaned	70-82	72-85
Best	84-90	85-95

Red Chillies:

Guntur Mandi:

Prices of chilli remained almost unchanged in Guntur mandi. The arrival remained at around 2000-3000 bags per day on an average. The undertone of the market remained weak this week. The prices are expected to remain weak in the coming week too.

DATES	Aug 22-27	Aug 15-20
COLD	1500-2100	1500-2100
UNCOLD	800-1500	800-1500
WHB	2200	2200
Byadgi	2400-2600	2400-2600
Sannam Best	2100	2100
Sannam Med. Best	1500	1500
Namdhari	1800-2200	1800-2200
273	2000-2100	2000-2100
Guntur Fullcut	3300	3300
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

Delhi Mandi:

Chilli prices maintained the steady tone throughout the week. The prices remained almost unchanged from the previous week. The huge stock of the commodity remained as the bearish factor for the prices.

DATES	Aug 22-27	Aug 15-20
Guntur Pala	2400-2700	2400-2700
Guntur Fullcut	3700-4000	3700-3800
Guntur Packing (new)	2500-2800	2700-2900
Nagpur Pala	2000-2200	2000-2200
Nagpur Fullcut	2900-3000	2900-3000
Nagpur Packing	2400-2600	2400-2600

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

Cardamom trade in Delhi remained subdued this week amid lack of demand and good stock position. The prices remained unchanged from the previous week's prices. The same trend is likely to continue in the coming week too.

DATES	Aug 22-27	Aug 15-20
Panwali	205-215	205-210
Colour Robin	210-220	210-220
C Bold 6.5mm	225-235	225-235
Extra Bold 7mm	260-280	260-280
Ex Bold 7.5mm	330-360	330-360
Handpicked	430-470	430-470

Note: Prices are in Rs/kg

Hyderabad mandi

The prices of cardamom this week remained weak this week amid lack of buying sentiments. The demand is poor. The coming crop is likely to be 40 to 50 per cent more. The second picking is likely to start after 15 days. The prices are likely to decline in the coming week.

DATES	Aug 22-27	Aug 15-20
Colour Robin	185	190
C Bold 6.5mm	200	205
Extra Bold 7mm	215	245-50
Ex Bold 7.5mm	300	315-20
8.00 mm	450	400-450

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

Coriander:

Delhi Mandi

Coriander prices remained almost unchanged this week amid lack of market activities. The market is likely to move with the same tone in the coming week too.

Coriander Grade	Aug 22-27	Aug 15-20
FAQ (Chalu)	2000-2300	2000-2300
Medium	2800-3200	2800-3200
Green	3500-4000	3500-4000
Extra Green	4400-4600	4400-4700

Note: Rate Per Quintal

Rajasthan Mandi

Arrival of coriander in Ramganj mandi remained around 2000-2500 bags per day. In Kota the arrival was recorded at around 2000 bags per day, in Guna it was quoted on an average 900 bags per day and in Baran the arrival remained around 4500 bags. The total stocks of coriander in India at present are around 80 lakh bags. The prices

improved for almost all the grades due to lack of rainfall in Rajasthan. In the coming week the prices may continue the improvement if there is no rainfall.

DATES	Aug 22-27	Aug 15-20
Kota Badami (40 kg)	710-715	720-25
Kota Eagle (40 kg)	765	765
Ramganj Badami (loose per quintal)	1500	1400
Ramganj Eagle (loose per quintal)	1600	1500
Kota Badami (loose per quintal)	1450	1350
Kota Eagle (loose per quintal)	1550	1500

Methi

Kota mandi:

The prices of methi at Kota mandi remained same this week as per the expectation. The stock position is lower at present however, lack of demand and slow market activities put weight on the prices. The daily arrival on an average remained around 100-150 bags. The prices should improve in the coming days.

Methi price at Kota Mandi

Methi Grade	Aug 22-27	Aug 15-20
Methi (Uncleaned)	1150-1450	1150-1450
Methi (Cleaned)	1400-3200	1400-3200

Note: Rate Per bag (90 Kg. each)

Methi at **Delhi mandi** remained stable this week. All the grades this week improved marginally. However, lack of significant buying interest restricted the improvement. In the coming week too the prices are likely to continue the strength.

Methi price at Delhi Mandi

Methi Grade	Aug 22-27	Aug 15-20
Chalu	1300-1450	1275-1450
Jabara	2150-2400	2100-2350
Better	2400-3000	2400-3000

Note: Rate Per quintal

Prices of Major Spices available in Major Rajasthan Mandi as on 20th August, 05:

The major spices in the major Mandis of Rajasthan maintained the steady tone this week. Prices of Jeera improved slightly. Arrival of major spices improved this week. Jeera saw an arrival of 16 quintal on Tuesday. Arrival of chilli dry at Jaipur mandi recorded at 8 quintal on Tuesday while, at Jodhpur mandi the total arrival was quoted at 43 quintal on Tuesday, Wednesday and Friday. The arrival remained on the lower side this week.

Prices of Major Spices

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	2500
Chilly Dry	Jodhpur (Grain) Mandi	2800
Jeera (Cumin)	Jaipur (Grain) Mandi	5700-5800
Methi	Jaipur (Grain) Mandi	1225-1375

Others Spices during week at Delhi Mandi

Prices of cardamom brown continued the decline this week also in the Delhi mandi. Nutmeg and mace on the other hand improved this week slightly. The steady movement in the prices of spices is likely to continue in the coming week too.

Other Spices	Aug 22-27	Aug 15-20
Bishop's weed (Ajwain)-Jawara	4000-4400	4000-4400
Bettlenut (Metaplayam)	8800-9200	8800-9200
Cardamom brown (Jhundiwali)	10700-10800	10700-10800
Cardamom brown (Kanchicut)	12000-15000	12000-15000
Tamarind (seedless)	1800-3200	1800-3200
Dry ginger (superior quality)	16000-16500	16000-16500
Amchur (Khapta)	1800-2000	1800-2000
Mace (Jabetri)-(Cochin)	33500-36000	35500-36000
Nutmeg (Jaifal)-(Cochin)	21000-21800	19500-21000
Kalaunji	3200-4200	3600-4200
Poppy seed (Turkey)	16200	15700
Saffron (Irani)	15000-16000	15000-16000

Domestic Prices For the week ending 20.08.2005:

Spice	Grade/Variety	Market	Price For The Week (20.08.05) (RS/KG)	Price For The Week (13.08.05) (RS/KG)	Last Month Same Week (23.07.05) (RS/KG)	Last Year Same Week (20.08.2004) (RS/KG)
Black pepper*	Malabar garbled (mg-1)	Cochin	64.00	64.17	61.25	70.67
Cardamom (small) (auction price)	Ungraded	Vandanmettu	252.08	258.03	275.31	373.87
Cardamom (large)	Cardamom (large)	Gangtok	92.50	92.50	97.50	101.25
Chilli	Cold storage	Guntur	18.25	18.40	15.00	30.00
	Non -cold storage		12.00	12.00	10.00	21.00
Ginger	Unbleached (new)	Cochin	120.00	120.00	120.00	140.00
Turmeric	Alleppey finger (aft)	Cochin	50.00	50.00	50.00	55.00
	Rajapuri	Mumbai	52.25	51.25	51.25	57.25
Coriander	Indori 5%	"	18.63	18.75	19.38	19.38
Cumin	4%	"	66.88	66.88	69.38	74.38
Clove	-	Cochin,	235.00	233.33	270.00	250.00
	Grade 1	Nagarcoil	240.00	240.00	245.00	260.00
Cinnamon		Delhi	46.50	46.50	47.50	50.50

International Spot Prices for the week ending 19.08.2005:

Spice	Origin/Grade	Market	Price For The Week (19.08. 05) (US\$/TON)	Price For The Week (12.08. 05) (US\$/TON)	Last Month Same Week (20.07.05) (US\$/TON)	Last Year Same Week (20.08. 04) (US\$/TON)
Black pepper	Malabar garbled (mg-1)	New York	1698	1698	1698	1654
Cardamom * (small)	Fancy green Indian Asta (8 mm)	New York	8820	8820	8820	9922
		Saudi Arabia	9000	9000	9750	10990
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1213	1301
Ginger	India cochin	New York	3087	3087	3518	5402
		New York	3198	3263	3087	2095
Turmeric	Indian ground India	New York	1213	1213	1213	1213
		New York	2050	2050	2051	1985
Garlic	Chinese	New York	2844	2756	1874	1300
Coriander	Canada	New York	750	770	772	816

Cumin	Syrian India	New York	1808	1808	1810	1985
			2029	2029	2029	2183
Fennel	Indian Asta Egyptian	New York	1455	1455	1411	1235
			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: September 2005

Exchange: NCDEX

The candlestick formation indicates that there may be a reversal on the next day. The MACD is in the negative

territory. The faster MAS are below the slower MAS. The % k-line and %D-line both are in the oversold region.



Recommendation: The indicators are indicating towards the improvement in the coming week atleast for the first

half. There may be some pullback after that. The support is at around 6045 marks and the resistance is at 6218 marks.

Commodity: Turmeric

Contract Month: August 2005

Exchange: NCDEX

The formation of the candlesticks shows strength of the prices. The 3-day MA is above the 7-day and 14-day MAs. The 7-day MA is above the 14-day MA. The MACD though

in the negative territory is improving smoothly. The %K line is moving up followed by the %D-line. Both are in the neutral region. The RSI is also going up.



Recommendation: All the indicators are indicating towards the improvement to continue in the coming week.

Go long. The support is at 2459 marks and the resistance is at 2500 marks.

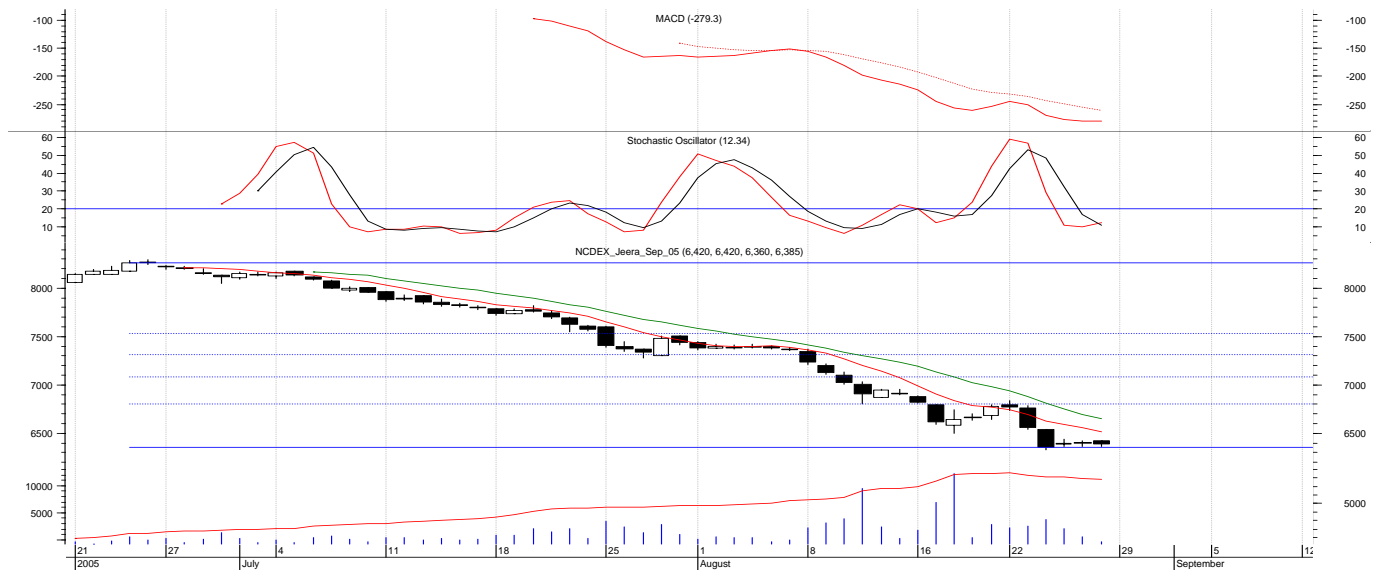
Commodity: Cumin (Jeera)

Contract Month: September 2005

Exchange: NCDEX

The candle formed on the last day shows a long lower shadow. The %K-line has made a bullish crossover with the

%D line at the oversold region. The MACD is in the negative territory.



Recommendation: All the indicators are indicating towards a trend reversal to start in the coming week. The support is at 6360 and the resistance is at 6643 marks.

Commodity: Red Chili

Contract Month: September 2005

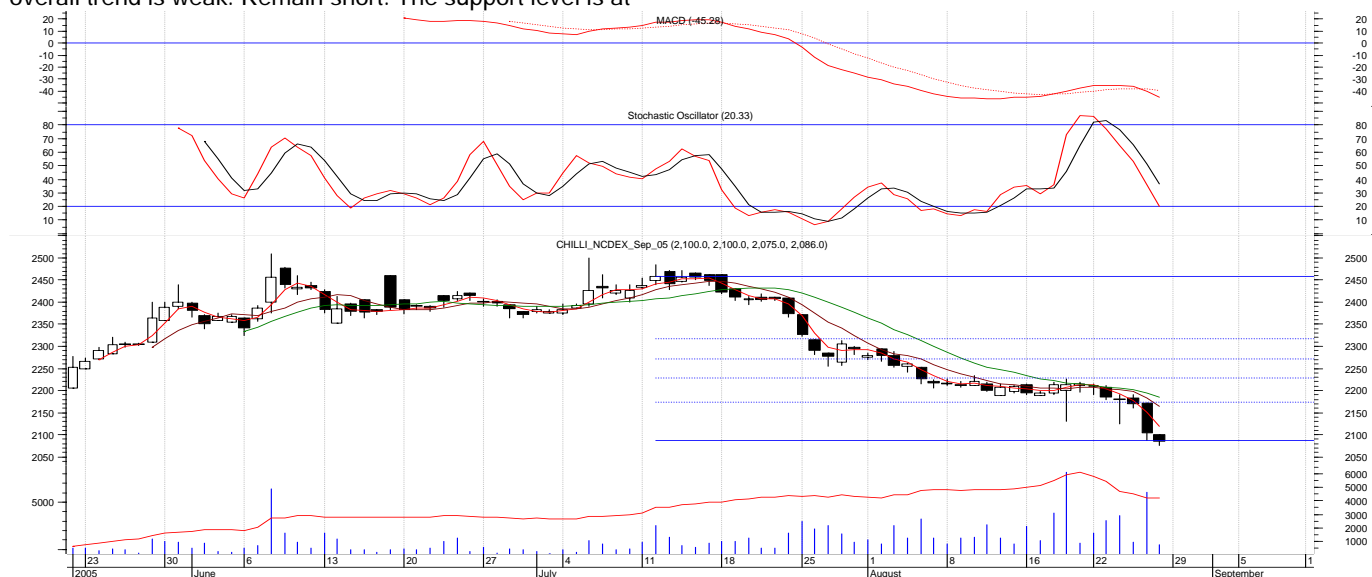
Exchange: NCDEX

The candle stick formation shows that there may be some recovery. The %K line has almost reached the oversold region. The MACD has made a bearish crossover with the

signal line two days back. The faster MAs are below than the slower MAs.

Recommendation: The prices may try to recover, but the overall trend is weak. Remain short. The support level is at

2075 and the resistance is at 2104 marks.



WEATHER WATCH (IMD)

Monsoon Outlook

The South-west monsoon continues to be in break phase with seasonal monsoon trough lying close to the foothills of Himalayas. The rainfall activity is confined to NE States, Sub-himalayan West Bengal & Sikkim and parts of SE Peninsular India. Mainly dry weather prevails over most parts of the country.

Yesterday's upper air cyclonic circulation extending between 1.5 & 4.5 km above sea level over Tamil Nadu & neighbourhood now lies over Kerala and neighbourhood between 2.1 & 4.5 km above sea level and is moving away westwards. This is likely to cause moderate rainfall activity over extreme southwest Peninsular India during next 48 hours.

Yesterday's western disturbance as an upper air cyclonic circulation extending upto 2.1 km above sea level over north Pakistan and adjoining Jammu & Kashmir is moving away northeastwards.

The model predictions suggest no improvement in the situation and hence poor chances of revival of monsoon flow during next 3-4 days. Under this scenario, enhanced rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim, north Bihar & South peninsular India and sub-dried rainfall activity over rest regions of the country is expected during next 3-4 days.

Zone-wise weather forecast for next 5 days

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

Mainly dry weather is likely to prevail over most parts of the region except over hilly areas where isolated rainfall is expected during next 24 hours.

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

Fairly widespread rainfall activity with isolated heavy showers are likely to continue over sub-Himalayan West Bengal & Sikkim and NE States during next 3 days.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]

Isolated rainfall activity is likely over entire region for next 2-3 days.

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

Scattered rainfall activity is expected over south peninsular India viz. Tamil Nadu, Coastal Karnataka, South Interior Karnataka and Kerala during next 24 hours. Thereafter Isolated rainfall is expected over the region.

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

Konkan & Goa, Madhya Maharashtra, Marathwada, Gujarat region and SE Rajasthan are likely to experience isolated to scattered rains during next 2-3 days. Remaining parts of the region are expected to experience mainly dry weather during next 3 days.

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