

SPICES

August 08-13, 2005

Overview:

- Pepper Prices Maintained the Steady to Firm Undertone.
- Weakness Continues in Jeera Prices
- No Sign of Improvement Seen in red Chillies
- Prices of Turmeric Maintained Steadiness

Market Analysis:

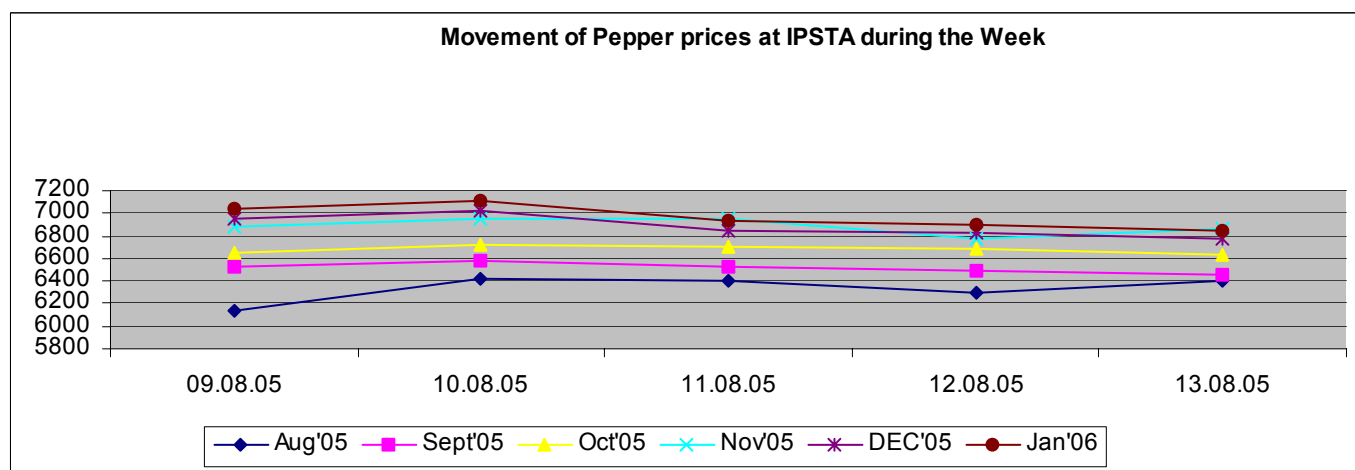
Price Trends Analysis:

Pepper:

A Brief Weekly Fundamental Analysis of IPSTA Pepper Futures Trading

The August vayda at the IPSTA expired this week. The daily closing of the different contract months are plotted in

the form a graph below. The graph shows that the prices surged up in the middle of the week and after that maintained the steadiness through the rest of the week. Marginal weakness was seen in the prices in the last week.



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

Pepper	08.08.05	09.08.05	10.08.05	11.08.05	12.08.05	13.08.05
Ungarbled	6000	6000	6050	6050	6000	6000
Garbled	6400	6400	6450	6450	6400	6400

The pepper price movement of the garbled and Ungarbled variety at the Kochi market surged up in the mid-week on increased demand. Moreover, a likely shortfall in supply supported the pepper prices throughout the week. However, the pepper prices curbed the gains and soften by Rs 50 per quintal on low volume trading at the higher prices

later in the week. It is expected that the pepper prices will maintain the steady trend in the coming week.

Delhi terminal mandi maintained the uptrend in pepper prices in this week. The pepper prices at the Delhi mandi were quoted higher in this week as against the last week on increased demand and reduced supplies.

Pepper	Aug 08-13	Aug 01-06
Golden Unpolished	66-68	63-66
11.5	85-90	73-75
No. 12	95-100	88-92

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi

Arrival improved this week and recorded around 4000-5000 bags per day on an average. Due to holidays the market sentiments remained somewhat subdued. The prices improved on this mainly. In the coming too the prices are likely to go up due to more holidays and expected shortage.

DATES	Aug 08-13	Aug 01-06
Loose Finger	2600-2700	2550-2650
Bilty	2700-2750	2800-2850
Loose Gattah	2500	2300-2350
Bilty	2650	2450-2500
Loose SP Gattah	2650-2650	2450-2500
Bilty	2800-2850	2700-2750
Loose DP Gattah (Salem)	2700-2750	2500-2600
Bilty	3000-3100	2750-2800
Kolkata Quality Bilty (75 kg)	2000	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 improved this week due to improved demand. The holiday sentiments also helped the prices. The prices here are likely to remain steady at this level.

DATES	Aug 01-06	Aug 08-13
Nizamabad Gattah	2150	2300
Nizamabad Finger	2250	2250

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

Warangal mandi:

Turmeric crop daily arrivals in the market with 250 bags. Coming day's arrivals may be range bound. The prices are at Rs.2350 for gattah and finger, slightly up than the previous week.

Delhi Mandi

At the Delhi terminal mandi the turmeric prices maintained firm tone in this week. The arrival was at the lower side in this week and almost all the varieties registered higher

prices in this week as against the last week. The turmeric prices in the next week are expected to remain steady.

DATES	Aug 08-13	Aug 01-06
Nizamabad finger	2700-2900	2650-2700
Erode Finger mini Selam	3300-3500	3250-3300
Erode single polish Gattah	2700-2800	2650-2700
Erode Double polish Gattah	3400-3500	3250-3300
Warangal polish	2550-2650	2550
Selam Finger	4100-4200	4000

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

The clove prices at the Delhi mandi remained almost unchanged in this week as against the last week. However, price of the Ketan variety was quoted marginally lower in this week as against the last week. The prices of other varieties remained steady in this week. It is expected that the clove prices at the Delhi mandi will witness a range bound movement in the coming week. However, a slight improvement is likely if the demand picks up in the coming days.

DATES	Aug 08-13	Aug 01-06
Indonesia	218-220	218-222
Ketan	220-225	225-228
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. 210 per kg. While Colombo grade was traded at Rs. 180-185 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 :

The weakness in the prices of Jeera maintained at the Unjha mandi this week due to huge stocks and poor demand. Daily around 3000 bags of Kisan mal and 1000 bags of Machine cleaned were traded. In the near future there is almost no hope for any significant improvement in the prices of jeera.

DATES	Aug 01-06	Aug 08-13
Kisan Mal-FAQ	1340-1650	1250-1500
Ganesh	1350	1360
M/c. Cleaned	1450-1550	1400-1500
Sup. M/c. Cleaned	1600-1700	1550-1600

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of kisan mal-FAQ grade was reported between Rs.1450-1550/20kg.during the week. The sentiment remained weak throughout the week.

Delhi Mandi:

At the Delhi market the prices of different grades of jeera were quoted slightly changed in this week as against the last week. However, almost all the grades registered some losses in this week on reduced demand as against the last week. It is expected that the jeera price movement will follow the same price trend in the coming week.

Delhi Mandi during week (Rs/Kg)

Grade	Aug 08-13	Aug 01-06
Chalu	65.00-69.00	68.00-69.00
Ganesh	74.00-76.00	75.00-76.00
M/c Cleaned	72.00-82.00	73.00-83.00
Best	84.00-95.00	85.00-95.00

Red Chillies:

Guntur Mandi:

Prices of red chillies remained almost same however, with a weak undertone. Pressure of huge stocks is pulling down the prices. In Guntur there is stock of around 50 lakh bags. The demand is at the lower side. Exporters are searching for some export demand. The prices are likely to remain weak in the coming week too.

DATES	Aug 01-06	Aug 08-13
COLD	1500-2200	1500-2200
UNCOLD	800-1500	800-1500
WHB	2400	2300
Byadgi	2400	2300
Sannam Best	2200-2250	2150
Sannam Med. Best	1700-2000	1500
Namdhari	1800-2200	1800-2200
273	2000-2100	2000-2100
Guntur Fullcut	3300-3400	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:

At the Delhi market the prices of different varieties of red chillies witnessed on an average a mixed sentiment in this week. The prices jumped up in the first few days of this week on increased demand but pared some of the gains later to remain steady. It is expected that the prices will extend the prevailing sentiment in the coming week

DATES	Aug 08-13	Aug 01-06
Guntur Pala	2400-2500	2200-2400
Guntur Fullcut	3700-4000	3700-4000
Guntur Packing (new)	2800-3000	2600-2900
Nagpur Pala	2000-2300	2000-2300
Nagpur Fullcut	2900-3100	2400-3000
Nagpur Packing	2400-2500	2000-2200

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

The cardamom prices at the Delhi mandi extended previous week's bearishness and quoted lower for almost all the varieties in this week. The prices were at the higher side of the range for the first couple of days in this week but moved to the lower side thereafter. Increased arrival pressurised the prices in this week. It is expected that the prices will remain steady in the coming days.

DATES	Aug 08-13	Aug 01-06
Panwali	205-215	210-225
Colour Robin	210-225	215-235
C Bold 6.5mm	225-245	225-260
Extra Bold 7mm	260-290	270-300
Ex Bold 7.5mm	330-360	335-360
Handpicked	430-475	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. Only good quality variety improved due to lack of stocks.

DATES	Aug 01-06	Aug 08-13
Colour Robin	210	205
C Bold 6.5mm	240	230
Extra Bold 7mm	250	250
Ex Bold 7.5mm	255	255
8.00 mm	310-400	400-450

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

Coriander:

Delhi Mandi

At the Delhi mandi the prices on Coriander remained almost range bound in this week except the extra green

variety. The price of extra green variety improved in this week as against the last week on improved demand. The prices of other varieties remained almost unchanged in this week as against last week. It is expected that the coriander prices at the Delhi market will maintain the prevailing trend in the coming week.

Coriander price at Delhi Mandi

Coriander Grade	Aug 08-13	Aug 01-06
FAQ (Chalu)	2000-2300	2000-2300
Medium	2800-3200	2700-3200
Green	3400-4000	3200-4000
Extra Green	4200-4700	4200-4500

Note: Rate Per Quintal

Kota Mandi

Arrival of coriander in Ramganj mandi remained around 2000 bags per day. In Kota the arrival was recorded at around 1500 bags per day while in Guna it was quoted on an average 800 bags per day. The total stocks of coriander in India at present are around 80 lakh bags. The prices last week thus remained pressure. In the coming week too the prices are expected to remain under pressure.

DATES	Aug 01-06	Aug 08-13
Kota Badami (40 kg)	740-770	665-750
Kota Eagle (40 kg)	790-820	730-800
Ramganj Badami (loose per quintal)	1350-1575	1300-1550
Ramganj Eagle (loose per quintal)	1500-1675	1500-1675
Kota Badami (loose per quintal)	1350-1575	1300-1550
Kota Eagle (loose per quintal)	1500-1675	1450-1650

Methi

Kota mandi:

Arrival of methi in kota mandi this week improved little bit. The average daily arrival was recorded at around 150 bags. In Neemuch also the arrival maintained the steadiness. The prices showed no significant change. In the coming week too the prices are likely to remain at the same level.

Methi price at Kota Mandi

Methi Grade	Aug 01-06	Aug 08-13
Methi (Uncleaned)	1250-1450	1150-1450
Methi (Cleaned)	1425-3200	1400-3200

Note: Rate Per bag (90 Kg. each)

Methi at **Delhi mandi** maintained the steadiness this week. The prices overall maintained the weakness throughout the week. The stock is very good at present. This is putting pressure on the prices in all the major markets of the country. In the coming week too there is little chance of any improvement.

Methi price at Delhi Mandi

Methi Grade	Aug 01-06	Aug 08-13
Chalu	1350-1500	1300-1450
Jabara	2100-2375	2100-2350
Better	2400-3000	2400-3000

Note: Rate Per quintal

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

Weakness prevailed in all the spices in Rajasthan this week. The arrival improved this week to put further pressure on the major spices. In the coming week too the prices of major spices are likely to remain weak.

Prices of Major Spices

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	2300
Chilly Dry	Jodhpur (Grain) Mandi	2600
Bishop's weed (Ajwain)	Nimbaheda Mandi	--
Jeera (Cumin)	Jaipur (Grain) Mandi	5900-6400
Methi	Jaipur (Grain) Mandi	1200-1250

Others Spices during week at Delhi Mandi

The prices of other spices in Delhi mandi remained almost unchanged. No significant change was found in the prices of these prices.

Other Spices	Rs. Per quintal	
	Aug 01-06	Aug 08-13
Bishop's weed (Ajwain)-Jawara	4000-4400	4000-4400
Bettlenut (Mettaplayam)	8800-9200	8800-9200
Cardamom brown (Jhundiwali)	10800-10900	10900-11000
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 13.08.2005:

Spice	Grade/Variety	Market	Price For The Week (13.08.05) (RS/KG)	Price For The Week (06.08.05) (RS/KG)	Last Month Same Week (16.07.05) (RS/KG)	Last Year Same Week (14.08.2004) (RS/KG)
Black pepper*	Malabar garbled (mg-1)	Cochin	64.17	63.25	60.25	70.67
Cardamom (small) (auction price)	Ungraded	Vandanmettu	258.03	246.10	283.63	373.87
Cardamom (large)	Cardamom (large)	Gangtok	92.50	97.50	95.00	101.25
Chilli	Cold storage non -cold storage	Guntur	15.00	15.40	15.00	22.75
			23.00	24.00	23.00	30.50
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%	"	18.75	18.88	19.25	19.38
Cumin	4%	"	66.88	68.13	69.38	74.38
Clove	- Grade 1	Cochin, Nagarcoil	233.3	225.83	225.00	250.00
			240.00	240.00	250.00	260.00
Cinnamon		Delhi	46.50	46.50	47.50	50.50

International Spot Prices for the week ending 12.08.2005:

Spice	Origin/Grade	Market	Price For The Week (12.08. 05) (US\$/TON)	Price For The Week (5.08. 05) (US\$/TON)	Last Month Same Week (15.07.05) (US\$/TON)	Last Year Same Week (13.08. 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	9390	10010	11260
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1213	1301
Ginger	India cochin	New York	3263	3263	3418	4851
	Chinese peeled	New York	3087	3087	3087	1962
Turmeric	Indian ground India		1213	1213	1213	1213
	Alleppey finger	New York	2050	2050	2051	1985
Garlic	Chinese	New York	2756	2756	2536	1213
Coriander	Canada	New York	770	770	772	816
			1808	1808	1810	1985

Cumin	Syrian	New York	1808	1808	1810	1985
Fennel	Indian		1455	1455	1411	1213
	Asta Egyptian		1367	1367	1367	1257
Fenugreek	India/turkey	New York	750	750	750	750
			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
Exchange: NCDEX

The candlestick pattern is indicating towards indecisiveness. A spinning top occurred on the last day. The 3-day moving average has cut the 7-day and 14-day

MAs from above however, the 7-day MA is above the 14-day MA. The MACD is in the bearish territory.



Recommendation: The indicators are pointing towards the weakness in the short-term. Therefore, remain short

with a very short-term outlook. The resistance is at 6295 marks and the support is at 6212 marks.

Commodity: Turmeric
Contract Month: August 2005
Exchange: NCDEX

The candlestick pattern shows an indecisive market sentiment at present. The overall weakness is there. The 3-day MA is above both the 7-day and 14-day MAs. The

stochastic as well as the MACD are going up. The RSI (45.50) is in the neutral region.



Recommendation:

There may be some marginal weakness in the first couple of days however, after that the prices may try to improve

slightly. The support is at 2335 and the resistance is at 2354 marks.

Commodity: Cumin (Jeera)

Contract Month: August 2005

Exchange: NCDEX

The candlestick patterns show that the prices may hold at this level for however, the weakness is still there. The 3-day MA is above both the 7-day and 14-day MAs. The MACD is

in the negative territory and the gap is widening. The % K-line after cutting the % D-line crossed the oversold region from below. The RSI is also in the oversold region.



Recommendation: Almost all the indicators are Indicating towards the weakness of the prices. Remain short. Support is at around 6518 and the resistance is at 6675 marks.

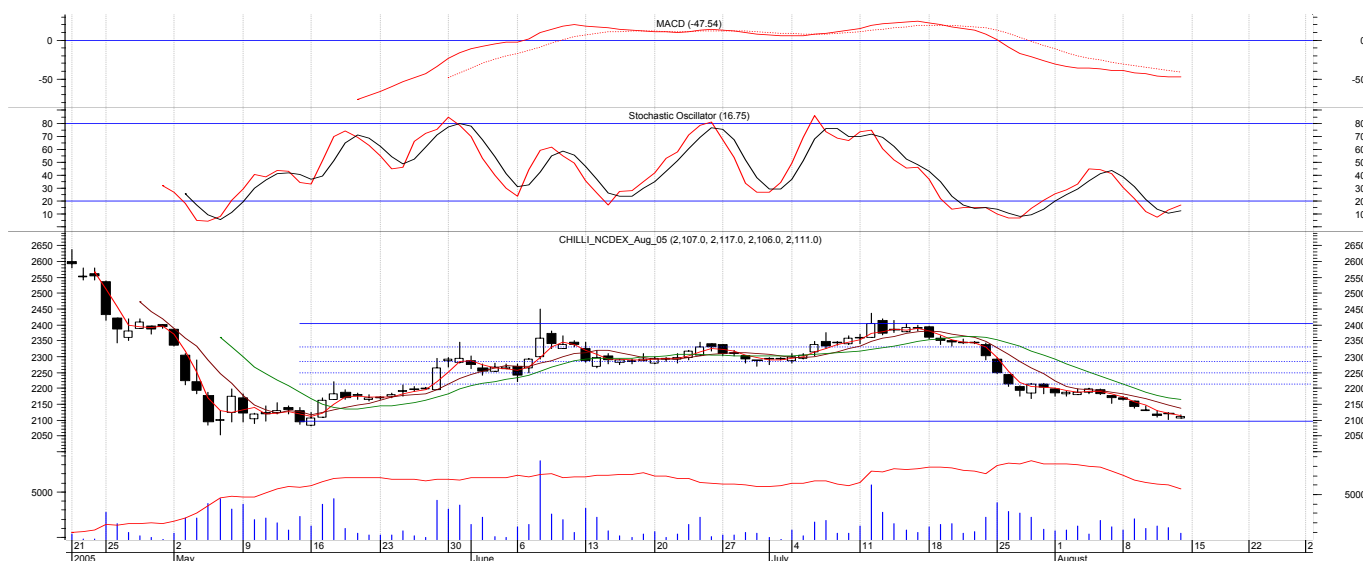
Commodity: Red Chili

Contract Month: August 2005

Exchange: NCDEX

The formation of the candlestick indicates towards the weakness of the prices. The 3-day MA is above both the 7-day and 14-day MAs. The MACD is in the bearish territory. The %K-line and the %- D-line both are in the oversold region and likely to go up. The RSI is in the oversold region.

Recommendation: the indicators are pointing towards the weakness to continue further. Remain Short. The supports is at 2095 and 2085 marks while, the resistance is at 2120 marks.



WEATHER WATCH (IMD)

Meteorological Analysis

Last week's well marked low pressure area over north Bay of Bengal off Gangetic West Bengal coast lay over Jharkhand and neighbourhood on 4th. It weakened into a low pressure area over north Chhattisgarh and adjoining Jharkhand on 5th and was seen over Jharkhand and adjoining Bihar on 6th. It became less marked on 7th. However, its associated upper air cyclonic circulation extending in lower tropospheric levels moved east-northeastwards and lay over northeastern States and neighbourhood upto 10th.

Last week's upper air cyclonic circulation over East Rajasthan and neighbourhood lay over southwest Rajasthan and neighbourhood on 4th and became less marked on 5th.

A fresh upper air cyclonic circulation in the middle tropospheric levels formed over northwest Bay of Bengal off Orissa-West Bengal coast on 8th and persisted upto 10th.

The off-shore trough running from south Konkan to Kerala was seen on many days of the week.

The western end of monsoon trough shifted northwards on 5th. With the weakening of the low pressure area over Jharkhand & Bihar, its eastern end also shifted northwards on 7th. Thereafter the axis of monsoon trough continued to lay close to the foot hills of the Himalayas.

Rainfall

Moderate rainfall occurred at many places with isolated heavy falls over Gangetic West Bengal, Orissa, Chhattisgarh and East Madhya Pradesh during 1st half of the week. Subsequently the rainfall activity increased over

Bihar, Sub-Himalayan West Bengal & Sikkim and parts of northeastern States.

Moderate rainfall with isolated heavy falls also occurred along the west coast on many days of the week. Increased rainfall activity occurred over Western Himalayan Region and adjoining plains of Punjab & Haryana during middle of the week.

Light to moderate showers also occurred in the remaining parts of the country. However, the rainfall activity was subdued over West Uttar Pradesh, Rajasthan, West Madhya Pradesh, Saurashtra & Kutch and Tamil Nadu & Pondicherry.

Rainfall During The Week (For the week ending on 10th August, 2005)

Rainfall was excess/normal in 16 and deficient/scanty in 20 out of 36 meteorological sub-divisions (Actual: 48.1 mm, Normal: 64.2 mm and Departure: -25%).

Outlook For The Week Ending On August 17th, 2005

- Monsoon trough is likely to remain close to foot hills of Himalayas during 1st half of the week. Under this scenario moderate showers with isolated heavy falls likely over northeastern States, Sub Himalayan West Bengal & Sikkim and Bihar.
- There is possibility of revival of monsoon with formation of low pressure area during middle of the week which may enhance the rainfall activity over eastcentral and adjoining Peninsular India.
- Moderate rainfall activity likely to continue along the west coast.
- Subdued rainfall likely in most parts of the remaining country.

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