

SPICES

August 15-20, 2005

Overview:

- Pepper Prices Showed Weakness this Week.
- Jeera Tried to Improve during Later Half of the Week
- Chilli Prices Remained Steady
- Turmeric Prices Maintained the Weakness this Week

Market Analysis:

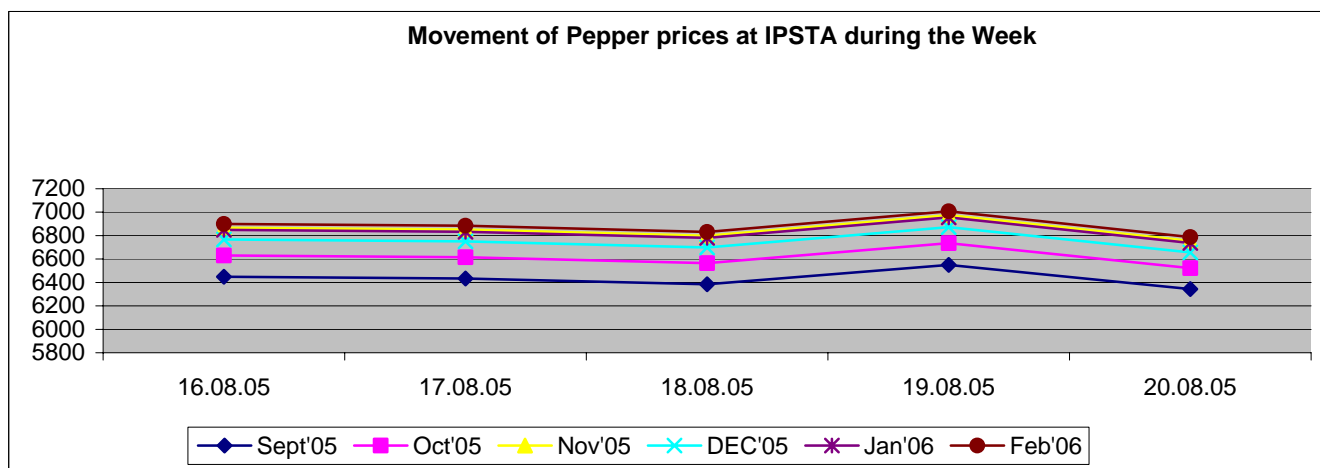
Price Trends Analysis:

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 at the IPSTA. The daily

closing pattern shows that for the first half of the week the prices remained almost steady and then surged up significantly on Friday. However, the prices reversed on the Saturday to close the week with a weak undertone.



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

Pepper	15.08.05	16.08.05	17.08.05	18.08.05	19.08.05	20.08.05
Ungarbled	NA	6000	6050	6050	6000	6000
Garbled	NA	6400	6400	6400	6400	6400

The prices of garbled variety and ungarbled variety remained steady at the Kochi market this week. The demand remained at the lower level. The arrival and offtake were also remained at the lower side. The market was waiting for the government decision on the export subsidies. The inflow of Sri Lankan pepper also kept pressurising the market prices of black pepper here. If there

is no significant step taken by the government on the export front the prices may come under pressure in the coming week.

Delhi terminal mandi showed a mixed scenario. The prices remained within the range that is continuing for last few days. However, the black pepper traded mostly on the lower side of the range. The weak undertone may remain in the coming week too.

Pepper	Aug 08-13	Aug 15-20
Golden Unpolished	66-68	67-69
11.5	85-90	80-90
No. 12	95-100	95-100

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi

Arrival of turmeric at the Erode mandi this week remained steady at 4000 to 5000 bags per day. The prices of some varieties improved slightly. But most of the varieties maintained the steady undertone. The demand is also steady at this time. There may be partial improvement in the prices in the coming week.

DATES	Aug 08-13	Aug 15-20
Loose Finger	2600-2700	2700-2800
Bilty	2700-2750	2850-2900
Loose Gattah	2500	2500
Bilty	2650	2650
Loose SP Gattah	2650-2650	2602650
Bilty	2800-2850	2850
Loose DP Gattah (Salem)	2700-2750	2700
Bilty	3000-3100	3000
Kolkata Quality Bilty (75 kg)	2000	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 800-1000 bags per day, a slight increase compared to last week. The prices declined this week due to higher arrival. The prices in the coming week are likely to remain steady without major changes.

DATES	Aug 08-13	Aug 15-20
Nizamabad Gattah	2300	2150
Nizamabad Finger	2250	2200

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

Warangal mandi:

Daily arrival of turmeric in Warangal remained around 200 bags. The prices of gattah and finger remained almost unchanged at Rs 2250 - Rs 2350 per quintal. The prices are likely to remain at this level in the coming week too.

Delhi Mandi

The firmness maintained in the prices of turmeric at the Delhi mandi this week. All the varieties witnessed better prices amid improved demand support. However, the

demand may not continue to support the prices as the sowing is good. In the coming week the prices are likely to be range bound.

DATES	Aug 08-13	Aug 15-20
Nizamabad finger	2700-2900	2800
Erode Finger mini Selam	3300-3500	3500
Erode single polish Gattah	2700-2800	2750-2800
Erode Double polish Gattah	3400-3500	3500
Warangal polish	2550-2650	2550-2600
Selam Finger	4100-4200	4100

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

The prices of clove this week maintained steady to weak undertone amid lack buying support. All the major varieties slipped slightly this week. However, the range of the prices remained almost the same as in the last week. Some wetted stock from Mumbai has come to Delhi and this is pressurising the prices. In the coming week too the prices are likely to remain weak.

DATES	Aug 08-13	Aug 15-20
Indonesia	218-220	215-220
Ketan	220-225	220-225
Colombo	200-202	198-202
Madagascar	205	202-205
Zanzibar	230	225-230

Note: Prices are in Rs/Kg

In **Hyderabad mandi** 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 :

After running very low the prices of jeera managed to see some improvement at the later half of the last week. After the vayda cut the prices improved a little bit on improved demand. Though the overall price range remained almost unchanged, the prices traded on the higher side of the range. In the coming week too there is likely some improvement here. The arrival of Kisan mal remained around 2000 bags per day with a total arrival of 6000-7000 bags per day on an average.

DATES	Aug 08-13	Aug 15-20
Kisan Mal-FAQ	1250-1500	1265-1500
Ganesh	1360	1380
M/c. Cleaned	1400-1500	1425-1500
Sup. M/c. Cleaned	1550-1600	1575-1625

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of kisan mal-FAQ grade was reported between Rs.1440-1540/20kg.during the week. The sentiment remained weak throughout the week. Demand is on the lower side.

Delhi Mandi:

Prices of cumin in Delhi markets remained within the range however, on the lower side. The good quality grade fetched almost the same prices. The low grade chalu variety remained weak. There may be some improvement in the prices of jeera in the coming week.

Delhi Mandi during week (Rs/Kg)

Grade	Aug 08-13	Aug 15-20
Chalu	65.00-69.00	65.00-66.00
Ganesh	74.00-76.00	74.00-75.00
M/c Cleaned	72.00-82.00	72.00-85.00
Best	84.00-95.00	85.00-95.00

Red Chillies:

Guntur Mandi:

Weakness remained in the prices of chilli in the Guntur mandi this week. The prices for most of the varieties however, remained almost unchanged. Around 2000 bags of arrival is coming daily on an average. There is around 47-50 lakh bags of stock is lying in Guntur itself. The prices are likely to remain weak in the coming days too.

DATES	Aug 08-13	Aug 15-20
COLD	1500-2200	1500-2100
UNCOLD	800-1500	800-1500
WHB	2300	2200
Byadgi	2300	2400-2600
Sannam Best	2150	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:

The weakness in the prices of chillis continued in the Delhi mandi too this week. The lack of demand put weight on the chilli prices. The stock position is good at present. This is also a negative factor for the prices of chilli. No significant improvement is likely in the chilli prices in the coming week.

DATES	Aug 08-13	Aug 15-20
Guntur Pala	2400-2500	2400-2700
Guntur Fullcut	3700-4000	3700-3800
Guntur Packing (new)	2800-3000	2700-2900
Nagpur Pala	2000-2300	2000-2200
Nagpur Fullcut	2900-3100	2900-3000
Nagpur Packing	2400-2500	2400-2600

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

Like the major spices the prices of cardamom also declined this week at the Delhi mandi. The stock position is good. In the coming season the production is expected to surpass the last year's production. This also remained as bearish factor for cardamom prices. Prices are expected to remain under pressure in the coming too.

DATES	Aug 08-13	Aug 15-20
Panwali	205-215	205-210
Colour Robin	210-225	210-220
C Bold 6.5mm	225-245	225-235
Extra Bold 7mm	260-290	260-280
Ex Bold 7.5mm	330-360	330-360
Handpicked	430-475	430-470

Note: Prices are in Rs/kg

Hyderabad mandi

This week the different varieties of cardamom maintained weakness amid lack of demand. The arrival remained very good. The production is expected to be very well this season. Buyers remained reluctant to buy at these prices. Thus, in the coming week too the prices of cardamom are expected to remain on the lower side.

DATES	Aug 08-13	Aug 15-20
Colour Robin	205	190
C Bold 6.5mm	230	205
Extra Bold 7mm	250	245-50
Ex Bold 7.5mm	255	315-20
8.00 mm	400-450	400-450

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

Coriander:

Delhi Mandi

Coriander prices in the Delhi mandi remained almost unchanged this week. No significant activities were seen in

the market. The buying interest was on the lower side. In the coming week too the prices are expected to remain steady with a weak undertone.

Coriander price at Delhi Mandi

Coriander Grade	Aug 08-13	Aug 15-20
FAQ (Chalu)	2000-2300	2000-2300
Medium	2800-3200	2800-3200
Green	3400-4000	3500-4000
Extra Green	4200-4700	4400-4700

Note: Rate Per Quintal

Rajasthan Mandi

Arrival of coriander in Ramganj mandi remained around 1500-2000 bags per day. In Kota the arrival was recorded at around 1500 bags per day, in Guna it was quoted on an average 800 bags per day and in Baran the arrival remained around 1000 bags. The total stocks of coriander in India at present are around 80 lakh bags. The market sentiments remained weak throughout the week. The prices are likely to remain weak in the coming week too due to poor market sentiments and expected good crop.

DATES	Aug 08-13	Aug 15-20
Kota Badami (40 kg)	665-750	720-25
Kota Eagle (40 kg)	730-800	765
Ramganj Badami (loose per quintal)	1300-1550	1400
Ramganj Eagle (loose per quintal)	1500-1675	1500
Kota Badami (loose per quintal)	1300-1550	1350
Kota Eagle (loose per quintal)	1450-1650	1500

Methi

Kota mandi:

The methi market in Kota remained almost same this week. The prices maintained the steadiness throughout the week amid lack of demand. Lack of rain in UP and some parts of Maharashtra is pressurising the prices. In the coming week too the prices of methi are likely to remain steady.

Methi price at Kota Mandi

Methi Grade	Aug 08-13	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** 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 08-13	Aug 15-20
Chalu	1300-1450	1275-1450
Jabara	2100-2350	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 improved slightly during the end of the week. 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
Bishop's weed (Ajwain)	Nimbaheda Mandi	--
Jeera (Cumin)	Jaipur (Grain) Mandi	5800-6900
Methi	Jaipur (Grain) Mandi	1225-1250

Others Spices during week at Delhi Mandi

Though the prices of major spices remained almost same at the Delhi mandi prices of cardamom declined marginally. The overall trade remained weak this week.

Rs. Per quintal		
Other Spices	Aug 08-13	Aug 15-20
Bishop's weed (Ajwain)-Jawara	4000-4400	4000-4400
Bettlenut (Mettaplayam)	8800-9200	8800-9200
Cardamom brown (Jhundiwali)	10900-11000	10700-10800
Cardamom brown (Kanchicut)	12500-15000	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)	330-335	355-360
Nutmeg (Jaifal)-(Cochin)	175-185	195-210
Kalaunji	3700-4500	3600-4200
Poppy seed (Turkey)	16000	15700
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 23.00	15.40 24.00	15.00 23.00	22.75 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	233.3 240.00	225.83 240.00	225.00 250.00	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:

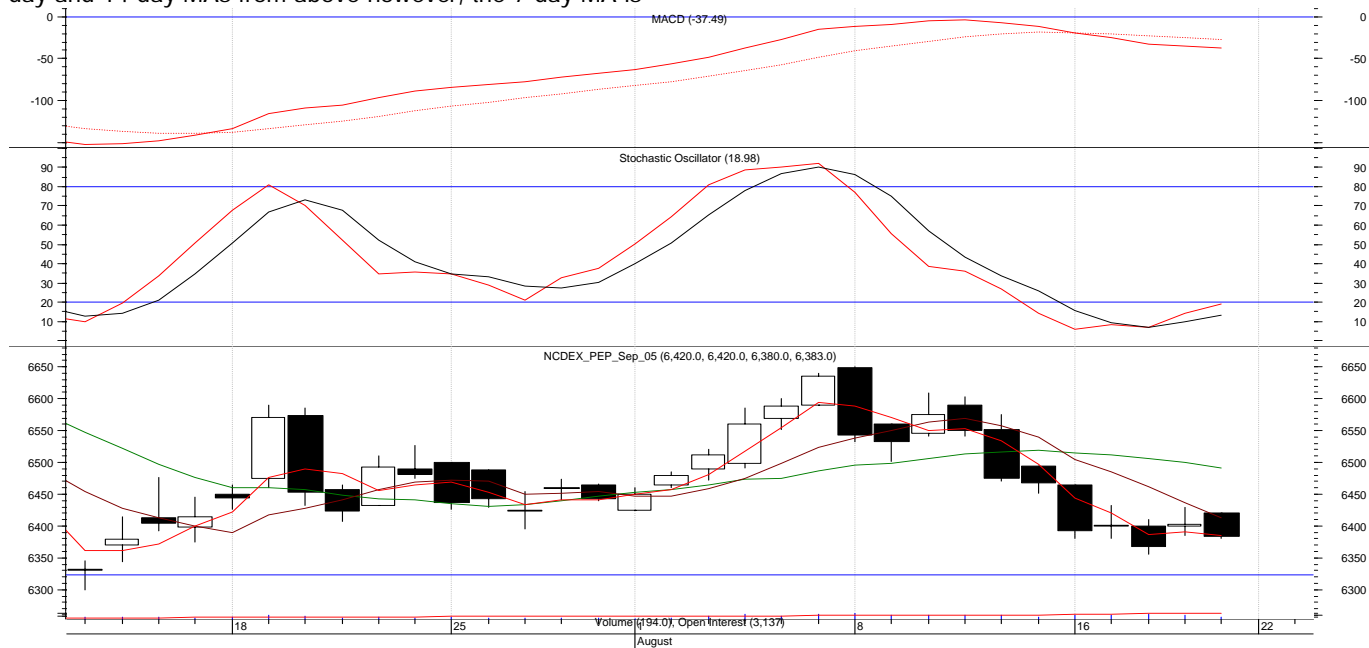
Commodity: Black Pepper

Contract Month: September 2005

Exchange: NCDEX

The candlesticks formed an engulfing bearish line. This is bearish however, may show a bottom if the next day's prices goes up. The 3-day moving average is below the 7-day and 14-day MAs from above however, the 7-day MA is

also below the 14-day MA. The MACD is in the bearish territory. The % K-line is about to cross the oversold region from below.



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

remain short with a short term outlook. The nearby support is at 6320 marks and resistance is at 6428 marks.

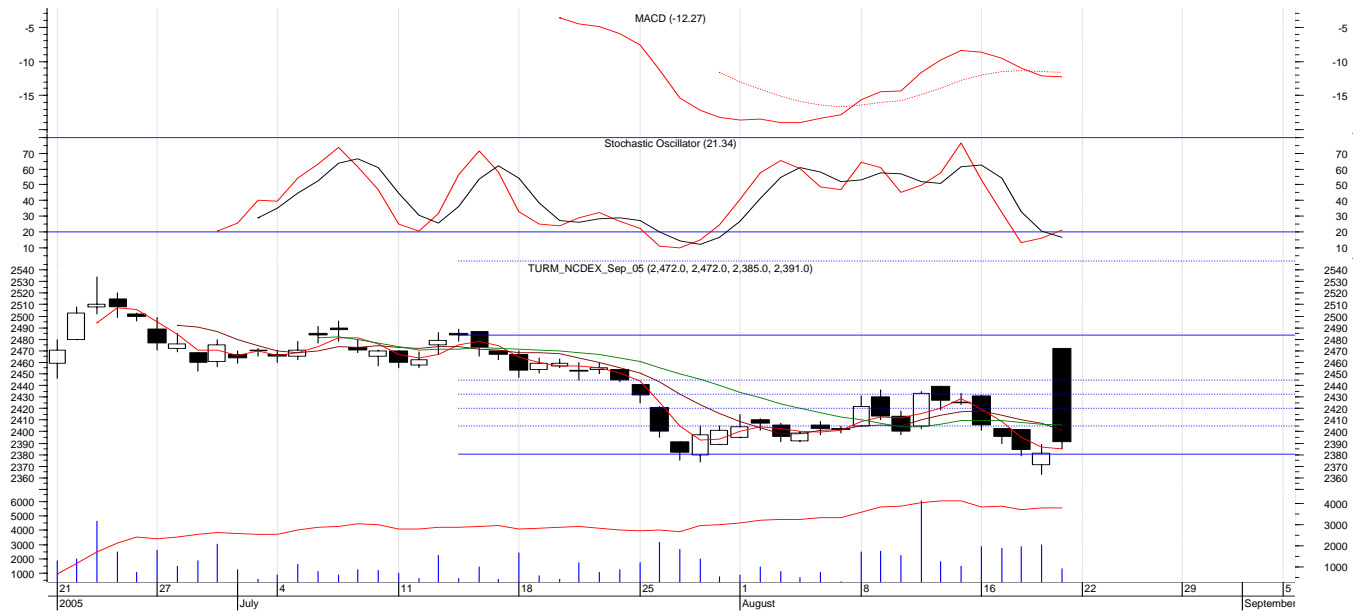
Commodity: Turmeric

Contract Month: August 2005

Exchange: NCDEX

The formation of the candlesticks weakness. However, the despite forming a long black candle the price managed to close above the previous closing. The MACD however,

declined and made a bearish crossover. The % K-line after making a bullish crossover with the %D-line has come out from the oversold region. The RSI is in the neutral region.



Recommendation: The prices are likely to remain weak in the near term. Remain short with very short-term outlook.

The support is at 2380 marks and the resistance is at 2404 marks.

Commodity: Cumin (Jeera)

Contract Month: September 2005

Exchange: NCDEX

The formation of the candlesticks shows some recovery in the prices. The MACD is still in the bearish territory

however, bent slightly. The 3-day MA is below the 7-day MA. The stochastic is showing upward movement.



Recommendation: the indicators are indicating some recovery in the prices in the short-term. Look for booking

short-term profit. The support is at 6616 mars and the resistance is at 7000 marks.

Commodity: Red Chili

Contract Month: September 2005

Exchange: NCDEX

The candlesticks formation is indicating towards the marginal improvement in the prices. The MACD has made a bullish crossover. The 3-day MA has made a bullish

crossover with the 7-day MA however, is below than the 14-day MA. The %Kline is in the overbought region.

Recommendation: The prices may try to go up slightly but the weakness is still likely to remain. Remain short. The

support is at 2193 and the resistance is at 2227 marks.



WEATHER WATCH (IMD)

Monsoon Outlook for next week

An upper air cyclonic circulation over central Uttar Pradesh persists and is extending up to 0.9 km above sea level.

Another upper air cyclonic circulation that was lying over Gangetic West Bengal and adjoining Jharkhand earlier now lies over Bihar and neighbourhood and extends up to mid-tropospheric levels. During past 24 hours fairly widespread rainfall with isolated heavy falls occurred over Assam & Meghalaya, Arunachal Pradesh, West Bengal & Sikkim, Orissa, Chhattisgarh, Haryana (including Delhi), East Uttar Pradesh and Konkan & Goa. Scattered showers also occurred over Bihar, Jharkhand and Madhya Maharashtra. Axis of monsoon trough passes through Ferozepur, Ambikapur, Kanpur, Gaya, Dhanbad, Kolkata and thence southwards into westcentral Bay of Bengal.

Under this scenario, the fairly widespread rainfall activity with isolated heavy showers over many parts of east and Central India viz., Orissa, Gangetic West Bengal, Jharkhand, East Uttar Pradesh, East Madhya Pradesh and Chhattisgarh, and NE regions except Arunachal Pradesh, may continue for next 4-5 days. Scattered to fairly widespread rainfall activity is expected over Bihar, Konkan & Goa, Gujarat, Vidarbha, Karnataka, Telangana and coastal Andhra Pradesh. Isolated rainfall activity is expected over Marathwada, Madhya Maharashtra, Rayalseema and Kerala during the next week.

North & North-West India [J&K, Hp, Uttaranchal, Punjab, Haryana, Delhi, West Up]

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Isolated rains are only expected over the region during the period.

East And Ne India [East Up, Bihar, Jharkhand, West Bengal, Orissa, Ne States]

Fairly widespread rainfall activity with isolated heavy showers over Orissa, Gangetic West Bengal, Jharkhand, East Uttar Pradesh and NE regions except Arunachal Pradesh. Isolated rainfall activity is expected over Bihar, Sub-Himalayan West Bengal & Sikkim and Arunachal Pradesh.

Central India [Mp, Chattisgarh, Vidarbha]

Chattisgarh and Madhya Pradesh regions are expected to receive fairly widespread rainfall activity with isolated heavy showers. Vidarbha is likely to receive scattered to fairly widespread rains.

South India [Tamilnadu, Ap, Kerala, Karnataka, Andaman & Nicobar Islands, Lakshadweep]

Scattered to fairly widespread rainfall is expected over Karnataka, Telangana, Coastal Andhra Pradesh and Andaman & Nicobar Islands. Isolated showers are expected over rest of the regions.

West India [Maharashtra Other Than Vidarbha, Gujarat, Rajasthan]

Konkan & Goa and Gujarat are likely to receive scattered to fairly widespread rains during the period. Isolated to scattered rainfall is expected over the rest of the regions.