

SPICES

August 29-September 03, 2005

Overview:

- Pepper Prices Remained Range Bound with Slight Improvement
- Jeera Remained Steady with Strong Undertone
- Chilli Prices Remained Range Bound at Lower Side
- Turmeric Prices Continued to Improve

Market Analysis:

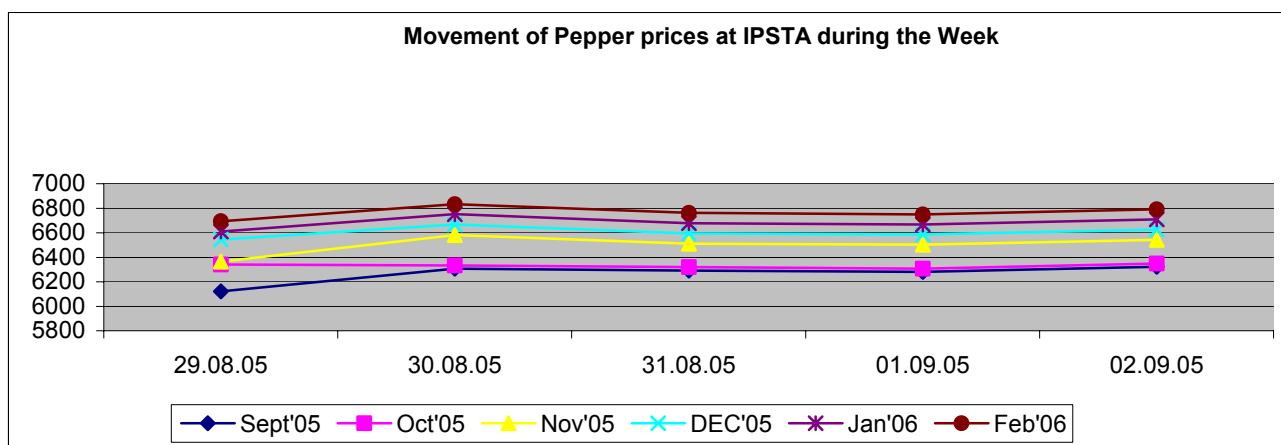
Price Trends Analysis:

Pepper:

A Brief Weekly Fundamental Analysis of IPSTA Pepper Futures Trading

The graph below is showing the closing prices for the different contract months at the IPSTA in this week. The

prices improved on the second day of the week and after that the prices maintained the range-bound movement throughout the week. On the last trading day the prices tried to improve marginally.



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

Pepper	29.08.05	30.08.05	31.08.05	01.09.05	02.09.05	03.09.05
Ungarbled	5900	5900	5900	5950	5950	5950
Garbled	6300	6300	6300	6350	6350	6350

The prices of garbled and ungarbled varieties of pepper at the Kochi market remained within range this week. For the first three days the prices remained same and after that improved and maintained the same trend for the rest of the days. The market is still waiting for the decision of the government on the export subsidies. The expected improvement in demand on the coming festival season is also likely to provide support to the prices. On Wednesday,

Thursday and Friday the market showed some arrival this week.

Delhi terminal mandi showed improvement in the pepper prices this week. The quality varieties saw good retail demand. The prices of unpolished varieties remained almost unchanged. The market activities however, remained subdued this week.

Pepper	Aug 22-27	Aug 29-Sep03
Golden Unpolished	67-68	66-67
11.5	80-85	85-90
No. 12	94-95	95-100

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi

For some of the grades the prices of turmeric improved this week. While for other grades prices remained almost same. The prices in the first half of the week went up significantly however, on the last day the prices saw a slight reversal. Till the Deepavali the prices the demand is likely to remain higher. Presently there is a stock of around 5 lakh bags in this mandi and the arrival remains around 4000-5000 bags per day. In the coming week the prices are likely to remain on the upper side.

DATES	Aug 22-27	Aug 29-Sep03
Loose Finger	2850-2950	2850
Bilty	3150	3100
Loose Gattah	2750-2850	2750-2800
Bilty	2950	3000
Loose SP Gattah	2850-2900	2850-2900
Bilty	3100	3200
Loose DP Gattah (Salem)	2900-2950	3000
Bilty	3150-3200	3300
Kolkata Quality Bilty (75 kg)	2150	2150

Note: Prices are in Rs/ Qtl.; NR: Not Reported;(1 bag=75 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 29-Sep03
Nizamabad Gattah	2350	2350-2400
Nizamabad Finger	2350	2350-2400

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 also remained strong this week. Improvement in the buying activities was

due to upgoing demand. The strong prices in the major mandis affected the prices positively. In the coming week to the prices are likely to improve further.

DATES	Aug 22-27	Aug 29-Sep03
Nizamabad finger	2750-3050	2950-3100
Erode Finger mini Selam	3450-3600	3550-3600
Erode single polish Gattah	2700-2950	2900-2950
Erode Double polish Gattah	3450-3600	3550-3600
Warangal polish	2500-2700	2650-2700
Selam Finger	4050-4300	4200-4300

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

Prices of all the grades remained at the lower side this week. The demand remained on the lower side. The demand is likely to remain low ion t coming too that may further pressurise the prices.

DATES	Aug 22-27	Aug 29-Sep03
Indonesia	190-215	202-205
Ketan	215-220	210
Colombo	180-198	180-185
Madagascar	185-202	185-190
Zanzibar	210-225	210

Note: Prices are in Rs/Kg

In **Hyderabad mandi** lack of demand kept the prices weak. 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 at the Unjha mandi remained steady in the last week. The market tone was on the higher side. Though the price range remained the same, the commodity was traded on the upper side. In the coming week the market activities are likely to remain subdued due to local festivals however, the strength in the prices may continue. Around 5000-6000 bags were traded daily.

DATES	Aug 22-27	Aug 29-Sep03
Kisan Mal-FAQ	1250-1450	1250-1450
Ganesh	1360-1380	1360-1380
M/c. Cleaned	1400-1500	1400-1500
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 this week also. Prices are likely to see slight improvement in the coming too.

Delhi Mandi:

In the Delhi mandi too the prices remained on the upper side due to improvement in the demand. All the grades fetched better prices compared to the previous week. The slow improvement is likely to continue in the coming week too.

Grade	Aug 22-27	Aug 29-Sep03
Chalu	65-66	66-67
Ganesh	72-75	73-74
M/c Cleaned	70-82	70-85
Best	84-90	85-90

Red Chillies:

Guntur Mandi:

The range of the prices of chilli in Guntur mandi remained same this week. The commodity traded at the lower side of the range though. The demand is steady but the huge stock is what making the difference. In AP alone the stock is around 60 to 70 lakh bags. In the coming week too the prices are expected to remain weak.

DATES	Aug 22-27	Aug 29-Sep03
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:

Almost all the grades traded at the lower prices this week. The huge stocks and weak sentiments kept the prices at the lower side. In the coming week too the prices are likely to remain weak

DATES	Aug 22-27	Aug 29-Sep03
Guntur Pala	2400-2700	2200-2500
Guntur Fullcut	3700-4000	3400-4000
Guntur Packing (new)	2500-2800	2500-2800
Nagpur Pala	2000-2200	2000-2100
Nagpur Fullcut	2900-3000	2900-3100
Nagpur Packing	2400-2600	2200-2500

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

At the Delhi mandi the cardamom prices remained steady in this week as against the last week. The market is having a good stock position and the demand was weak in this week. It is expected that the cardamom prices will maintain the steady trend in the coming week.

DATES	Aug 22-27	Aug 29-Sep03
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 29-Sep03
Colour Robin	185	185
C Bold 6.5mm	200	200
Extra Bold 7mm	215	240
Ex Bold 7.5mm	300	300
8.00 mm	450	450

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

Coriander:

Delhi Mandi

At the Delhi mandi the coriander prices witnessed some decline in this week amidst thin trade. Lack of buyers pressurised the prices to move downwards. It is likely that the coriander prices in Delhi mandi would remain bearish in the coming week.

Coriander Grade	Aug 22-27	Aug 29-Sep03
FAQ (Chalu)	2000-2300	2000-2250
Medium	2800-3200	2800-3150
Green	3500-4000	3500-3700
Extra Green	4400-4600	4400-4600

Note: Rate Per Quintal

Rajasthan Mandi

Arrival of coriander at the Ramganj mandi was around 1500-2000 bags per day. In Kota mandi the arrival was around 2000 bags per day. In the Guna mandi the arrival was around 800 bags per day, while at the Baran mandi the arrival was recorded at 1300-1500 bags per day. The

coriander prices improved in this week on lack of rainfall in Rajasthan. It is expected that the prices would maintain the firm trend in the coming week.

DATES	Aug 22-27	Aug 29-Sep03
Kota Badami (40 kg)	710-715	720
Kota Eagle (40 kg)	765	780
Ramganj Badami (loose per quintal)	1500	1500-1550
Ramganj Eagle (loose per quintal)	1600	1600-1650
Kota Badami (loose per quintal)	1450	1500
Kota Eagle (loose per quintal)	1550	1650

Methi

Kota mandi:

At the Kota mandi the methi prices remained steady in this week as against the last week. The daily arrival was on an average lower at 50-100 bags per day. However, weak demand and thin trading kept the prices at the same level. It is expected that the prices would improve on lower arrival in the coming days.

Methi price at Kota Mandi

Methi Grade	Aug 22-27	Aug 29-Sep03
Methi (Uncleaned)	1150-1450	1150-1450
Methi (Cleaned)	1400-3200	1400-3200

Note: Rate Per bag (90 Kg. each)

At the Delhi mandi the methi prices remained mostly unchanged in this week as against the last week. Lack of buyers kept the prices at the present level. It is expected that the methi prices would remain marginally strong in the coming week

Methi price at Delhi Mandi

Methi Grade	Aug 22-27	Aug 29-Sep03
Chalu	1300-1450	1300-1450
Jabara	2150-2400	2150-2400
Better	2400-3000	2400-3000

Note: Rate Per quintal

Prices of Major Spices available in Major Rajasthan Mandi as on 03rd September, 2005:

The prices of major spices in major Rajasthan mandis remained on an average steady in this week as against the last week. At the Jaipur grain mandi the prices of jeera improved in this week. There was almost no arrival of chilli dry and jeera in Jaipur grain mand. However, the arrival of methi was recorded around 3-5 quintal.

Prices of Major Spices

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	2500
Jeera (Cumin)	Jaipur (Grain) Mandi	5950
Methi	Jaipur (Grain) Mandi	1200-1225

Others Spices during week at Delhi Mandi

At the Delhi mandi the prices of other spices remained on an average steady in this week as against the last week. However, the prices of nutmeg and poppy seed declined in this week. It is expected that the prices of other spices in Delhi mandi would maintain the prevailing trend in the coming week.

	Rs. Per quintal	
Other Spices	Aug 22-27	Aug 29-Sep03
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 27.08.2005:

Spice	Grade/Variety	Market	Price For The Week (27.08.05) (RS/KG)	Price For The Week (20.08.05) (RS/KG)	Last Month Same Week (30.07.05) (RS/KG)	Last Year Same Week (28.08.2004) (RS/KG)
Black pepper*	Malabar garbled (mg-1)	Cochin	63.00	64.00	62.00	68.50
Cardamom (small) (auction price)	Ungraded	Vandanmettu	257.01	252.08	243.00	372.74
Cardamom (large)	Cardamom (large)	Gangtok	90.00	92.50	98.75	100.00
Chilli	Cold storage	Guntur	10.00	12.00	15.60	22.00
	Non -cold storage		15.00	18.25	22.80	30.00
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	52.25	51.25	57.25
Coriander	Indori 5%	"	18.88	18.63	19.50	19.38
Cumin	4%	"	65.63	66.88	68.13	74.38
Clove	-	Cochin,	235.00	235.00	279.16	250.00
	Grade 1	Nagarcoil	230.00	240.00	240.00	250.00
Cinnamon		Delhi	46.50	46.50	47.50	50.50

International Spot Prices for the week ending 26.08.2005:

Spice	Origin/Grade	Market	Price For The Week (26.08. 05) (US\$/TON)	Price For The Week (19.08. 05) (US\$/TON)	Last Month Same Week (29.07.05) (US\$/TON)	Last Year Same Week (27.08. 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	9390	10640
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1210	1301
Ginger	India cochin	New York	3087	3087	3418	5402
		New York	3308	3087	3087	1962
Turmeric	Indian ground India	New York	1213	1213	1213	1213
		New York	2050	2050	2050	1985
Garlic	Chinese	New York	2844	2844	2756	1300
Coriander	Canada	New York	770	770	770	816

Cumin	Syrian India	New York	1808	1808	1808	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 indicators are indicating towards a mixed scenario. When the candlesticks and stochastic are showing

weakness the MACD and the MAs are pointing towards strength in the market.



Recommendation: There may be some improvement during the later half of the coming week. Look for a short-

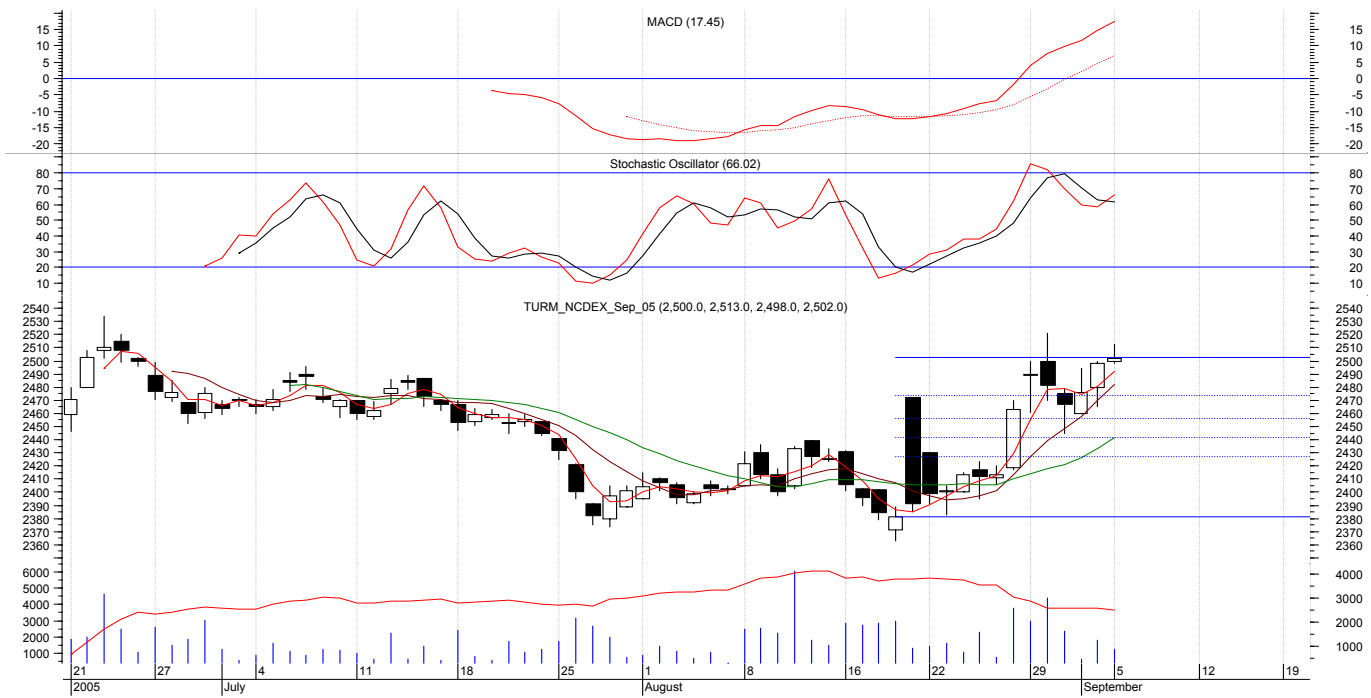
term resistance at around 6400 and the strong support level is around 6155.

Commodity: Turmeric

Contract Month: September 2005

Exchange: NCDEX

The candlesticks are pointing towards the expected downward correction. However, other indicators are indicating towards the further improvement.



Recommendation: Maintain your long position, as the improvement is likely further. The resistance is at around 2535 marks and the support level is at around 2474 marks.

Commodity: Cumin (Jeera)

Contract Month: September 2005

Exchange: NCDEX

The indicators are not clearly indicating any clear situation. The stochastic is going down whereas the MACD and the MAs are showing improvement.



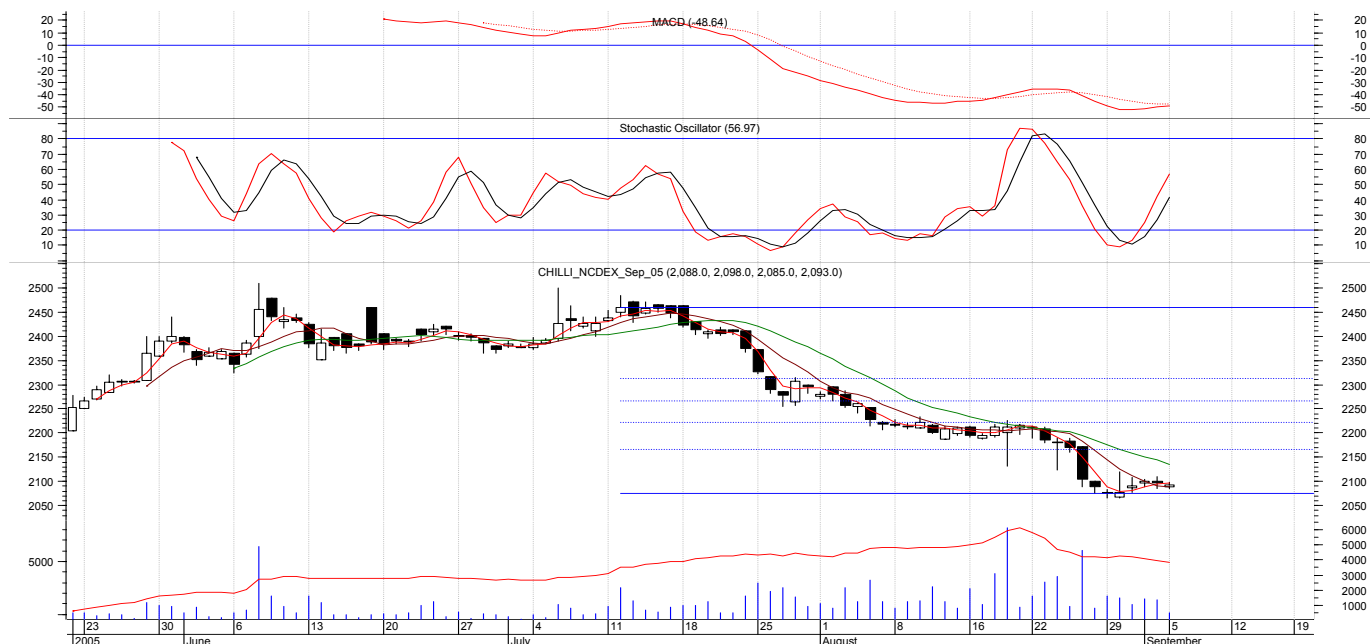
Recommendation: The contract is likely to improve during the second half of the week. The price is likely to fluctuate

between the resistance level at around 7100 marks and the support level at 6643.

Commodity: Red Chili
Contract Month: September 2005
Exchange: NCDEX

The indicators are indicating towards the improvement. The stochastic is going up, the MACD likely to make a bullish crossover and the MAs are also showing short-term improvement.

Recommendation: There may be slight improvement in the later half of the week. However, the trend is weak and the price may go down. The resistance is around 2104 and the support is at 2065.



WEATHER WATCH (IMD)

ALL INDIA WEATHER FORECAST

Monsoon Outlook

During past 24 hours, rainfall activity has further increased over Peninsula and East coast of India, Madhya Pradesh, East Uttar Pradesh, Bihar Sub-Himalayan West Bengal & Sikkim and northeastern States. Yesterday's upper air cyclonic circulation over Coastal Andhra Pradesh and adjoining westcentral Bay of Bengal has moved westward inland and now lies over Telangana and adjoining areas.

The anti-cyclonic circulation over NW India continues to persist and the area under its influence is likely to increase to the east slowly during the week leading to the retreat of summer monsoon from some more parts of NW India. Present conditions indicate that scattered to fairly widespread rainfall likely over Kerala, Karnataka, Konkan & Goa, south Gujarat, Maharashtra, Uttaranchal, sub-Himalayan West Bengal, Bihar and Northeast India for next 3-4 days with the persistence of an east-west shear zone across south-peninsular India and north-south trough runs from northeastern states to the system over Telangana through Jharkhand and Chhattisgarh.

A cyclonic circulation is likely to form within the existing east-west shear zone over west central Bay of Bengal around 7th Sept., 2005. Following to the formation of the system, rainfall activity is likely to increase over the south coastal Andhra Pradesh also in addition to the Kerala, Karnataka, Konkan & Goa regions. Further, with the likely

continuance of northsouth trough from NE India, scattered to fairly widespread rainfall activity is also expected to continue over south Gujarat, Maharashtra, east Madhya Pradesh and Chattisgarh.

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 during next 3-4 days except over Uttaranchal where scattered rains are expected.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES]
 Scattered rainfall activity is likely over Sub-Himalayan West Bengal & Sikkim, North Bihar and NE States during next 3-4 days. Isolated rains are likely over rest areas of the region.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]
 Scattered to fairly widespread rainfall activity is likely over the region for next 3-4 days. The rainfall activity over Chhattisgarh and East Madhya Pradesh may increase after 48 hours.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]
 Scattered to fairly widespread rainfall activity is expected over the region during next 4-5 days except Andhra Pradesh where the rainfall is likely to increase only beyond 7th September 2005. Kerala and coastal Karnataka are likely to receive isolated heavy rainfall during the period.

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

Konkan & Goa, Madhya Maharashtra, Marathwada are likely to experience scattered to fairly widespread rains

during next 4-5 days. Konkan & Goa is likely to receive isolated heavy rainfall during this period. Remaining parts of the region are expected to experience mainly dry weather during this period.

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