

SPICES

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News Highlights:

Pepper Prices Volatility Increased over Delay in Export subsidy Approval

Delay in approval of export subsidy by the commerce ministry has increased volatility in the pepper market, market sources told. The Spices Board had on April 15 submitted a Rs 21 crore subsidy scheme for pepper and cardamom to the ministry, in boosting the country's flagging exports. India was the world's leading exporter of pepper till late 1990s, when it lost out to Vietnam. Pepper exports from the country touched their lowest level of 14150 tonne by volume and Rs 121 crore by value in 2004-05. The board had sought the subsidy to meet the costs on upgrading quality and domestic and international freights. Over the past six months rumours that the ministry and Planning Commission had cleared the proposal had appeared from time to time. On each of these occasions, the market flared up, only to hit a low again after sometime. The delay in decision making is helping vested interests to manipulate the market. Government agencies concerned should take into consideration how to handle such market sensitive information in an era of online trading on commodity futures exchanges. The Forward Markets Commission should pay attention to such issues. Last Week, Malabar Garbled pepper contracts had risen by nearly Rs 100 per quintal across all exchanges on such talk. Kishore Shamji, president, India Pepper and Spice Trade Association reported that the delay in taking a decision on the export subsidy is a cause for the instability in the market. T Vidyasagar, former president IPSTA told that he think selective leak of information on subsidy was used at least half a dozen times in the past six months to jack up prices in the market. On 6th October too the market moved up after some local papers said the subsidy amount is going to be Rs 14 crore, market sources revealed. If the government has decided to provide subsidy it should declare it in a forthright manner instead of allowing unsubstantiated information to shape the fortunes in the

market. The ministry should take a firm view on this issue to avoid manipulation by vested interests.

Ginger Exports Increased Significantly to Pak, Bangladesh

Ginger Exports Increased Significantly to Pakistan and Bangladesh mainly due to lifting of quantity restrictions and reduction in import duty these neighboring countries on imports of spices from India has pushed up exports of ginger in 2004-05 and the trend is expected to continue. Out of the total exports of 13000 tonnes, 5830 tonnes went to Pakistan last fiscal while 4151 tonnes to Bangladesh, reported Spices Board sources. About 90 per cent of these exports are fresh ginger. The sources said crop failure in these countries also contributed to the increased offtake. Some 40-45 per cent of the country's ginger exports are to Pakistan from Amritsar. Export of ginger to Pakistan had plummeted to 48.32 tonnes in 2001-02 and to 31.36 tonnes in 2002-03 from 2885.07 tonnes in 1999-00. This scenario had changed following improvement in relations with Pakistan resulting in removal of restrictions. Export of ginger, however, fluctuates, depending on the crop in other major producing countries. During April-August of the current fiscal, total exports stood at 2000 tonnes, of which the shipments to Pakistan are yet to be worked out. Production this year is said to be a bumper crop. However, heavy rains followed by floods were reported to have destroyed crops in some States. The crop in China, the world's top producer of ginger, is also said to be bad due to floods. The price quoted by China currently is \$3000 a tonne against India's \$2750.

Cardamom Steady on North Indian Festive Demand

North Indian Festive demand activated the cardamom market during the week with prices ruling steady at auctions held in Kerala and Tamil Nadu. Arrivals continued to be heavy but almost all the quantity was sold out. At the Cardamom Marketing and Processing Company (CPMC) auction in Kumily on Wednesday, the entire quantity of 80

tonnes that arrived was sold out. Prices for all grades were up by Rs 10 a kg and as a result, the average price increased to Rs 265 a kg, Mr P.C. Punnoose, General Manager, CPMC, reported to media. The arrival of 80 tonnes at the auction was the highest ever in the history of the auctioning company which started auctions in 1986. The 8 mm capsules with faded colour fetched Rs 475 a kg, while 7 mm was sold at Rs 285-300 a kg. Running bulk fetched Rs 255-265 a kg. Because of the good demand from North Indian markets, the prices ruled steady despite heavy arrivals. Good crop with high productivity estimated at 300 kg to 400 kg an acre has led to the significant rise in arrivals. For the growers, given the increased yield per acre, the current prices were enough to make up, he pointed out. He said the cash and carry system introduced by the auctioneers last year was functioning well and as a result, there wasn't much speculative or over trading. The dealers do not have much problem now. Export buying at the Kumily auction stood at 15 tonnes. The demand for sick variety has been there from Japan, while the demand for bold green varieties from the major market Saudi Arabia was yet to pick up. Trade sources also revealed that the weak demand so far from overseas despite the prevailing low prices gives the impression that exports this year may not touch last year's level. The overseas markets are reportedly holding carry forward stock of Guatemala cardamom. The current demand was from the selected markets where the consumers prefer superior grade Indian capsules. The production this year, according to trading estimates, is estimated at 12500 tonnes as against 11500 tonnes last year, thanks to favourable weather conditions.

KCSC Started Organic Pepper Procuring Process

Kerala Civil Supplies Corporation (KCSC) has begun the process for procuring organic pepper aimed at marketing them as whole and powder. The corporation had procured 4500 tonnes of pepper last year at Rs 75 per kg when the market was ruling below Rs 60 and is awaiting a Central subsidy for exporting the material. It has now invited applications from pepper growers in the state for supplying certified organic pepper. A top official said no decision on the price had been taken, and based on the applications to be received by October 10, the matter would be considered. He also told that it would be on a premium. The corporation had already been marketing its Sabari brand pepper powder and curry powder through its retail outlets. It now proposed to market organic pepper in attractive packets of 50/100 gm through these stores and was also looking at exporting the material, especially to West Asia. The official said the corporation had intervened in the market at appropriate moments to help the farmers. In the backdrop of the depressed pepper price, the new initiative would come as a benefit to farmers.

Lankan Pepper put Domestic Produce under Pressure

Sri Lankan pepper Marketed as a produce from Kodagu under a popular brand name, allegedly by a Karnataka-based company, in the north Indian markets has weakened domestic demand. Trade Sources revealed that about 25 containers of Sri Lankan pepper have arrived at the Chennai port during the past two months. As a result, most of the north Indian markets are flooded with the imported stuff. Normally, before the beginning of Navaratri festival, there is good demand from the grinding industry and wholesalers. However, this year, so far, such demand has not picked up. After the monsoon, before the commencing of the festival season, the grinding industry gets activated resulting in increased demand for pepper. An estimated 50

per cent of the demand is from this segment. But, they seem to have been supplied with imported pepper. Despite weak demand, the market has slightly shown an upward trend following reports of a possible announcement of export subsidy for pepper. The next crop is expected to arrive in the market from November. In the international market, buyers in Europe and the US buy and stock pepper before the beginning of winter. The spot prices of Ungarbled and Malabar Garbled 1 pepper on Wednesday remained at the weekend level of Rs 6050 and Rs 6450 a quintal respectively.

Pepper may Get Export Subsidy Approval from Ministry by This Week

The Union Commerce Ministry has accepted a proposal from the Spices Board to provide subsidy for pepper with a view to boosting pepper exports from India, which has lagged behind largely owing to stiff competition from countries such as Vietnam. While the Commerce Ministry notification of Rs 150 Million export incentive is expected this week, which is Rs 50 Million less than Spices Board recommendations. The details of the WTO compatible subsidies are not yet known. The Spices Board had submitted a proposal to the Union Ministry seeking subsidy for both pepper and cardamom. The Board had submitted its proposals on April 15 last and projected an expenditure of over Rs.210 million in subsidizing operations to upgrade the quality of pepper as well as to subsidize internal and international transport of the commodity. The basis of the proposal was that while Indian exports tended to drop, export from Vietnam had gone up with that country exporting the bulk of its production. The Spices Board proposal had put up an estimate of 15000 tonnes of pepper exports from the country with the help of the subsidy. The 5000 tonnes of pepper procured by the Government of Kerala during the last financial year at Rs.75 per kg also stands to benefit from the export subsidy scheme. Indian pepper is totally out of the international market because of the lowering of price by Vietnam. Indian pepper price is more than the international price and almost 20000 tonne of pepper is there with farmers and traders, waiting for favorable export condition. Market sources reported that International buyers are negotiating with the traders but without the export subsidy Indian pepper can't compete in the world market. The export incentive is framed to leverage the dipping pepper export from the country.

Growers Confront with Spices Board and Middlemen on Vanilla Prices

All Kerala Vanilla Growers Association Blamed the Spices Board and middlemen for creating an artificial decline in vanilla prices. The Association had decided to purchase vanilla from growers at Rs 6000 per kg as against Rs 1500 fixed by the board. The price of processed vanilla, which was hovering between Rs 25000-Rs 50000 per kg in international markets two years ago, was brought down to Rs 250 by "middlemen and monopolies", and after the intervention by the board, it was fixed at Rs 1500, Ashoka Ambalavayal, secretary of the association reported to media at Coimbatore. It was the association's prime motive that the farmers should decide the prices of their produce, and in view of this, the association, which has established Vaga agro products, had decided to purchase vanilla at higher price. To implement the goal, the association, which was already purchasing vanilla from the farmers in Kerala and Karnataka, would procure them from the farmers of the Nilgiris district of Tamil Nadu. Without depending on the international market, the processed vanilla beans and

vanillated products could be distributed in Indian markets, with an assured premium to the growers. Vaga, with processing factories at Sulthan Bathery in Wayanad district and Kallar in Idukki district in Kerala, has launched vanilla blended coffee and tea. Commercial production would commence within two months. Another factory at a cost of Rs 3.5 crore was coming up at Wayanad.

Ghana Emerges as a New Competitor in Pepper Export

India may soon face competition from Ghana after Vietnam in black pepper exports. Indian pepper production monopoly was challenged by Vietnam in the first half of 1990s. Soon, the country became a less important destination for the importers especially from US, Europe and the Middle East. Black pepper production in the country mainly depends on domestic consumption rather than exports. Currently, the country does not have any impact on the global price line. The country's position may weaken further as nations like Ghana and Ecuador are taking pepper cultivation very seriously. An official of Ghana exports Promotion Council, (GEPC) said that in medium and long term Ghana would be in a position to control at least 10 per cent of the world export. It is estimated that total cultivated area in Ghana will be 13000 hectare within a few years and total pepper production will be around 22000 tonnes. Ghana which entered the production of black pepper 3-4 years back has now appeared as one of the most promising producers. zonal officer of GEPC said that Ghana may earn \$45 million from pepper exports within a short period which will be more than a quarter of the total earnings from agricultural non-traditional exports. Ecuador has an average annual production of 7000 tonne and Europe is actively importing from that country. Ecuador entered the production of pepper four years back. Vietnam is the role model of these emerging pepper producing nations, which at present controls 60 per cent of the total global exports. Starting during 1990s Vietnam is producing almost 100000 tonne annually and offers the product at the lowest tariff in the world. Sri Lanka has also surpassed India in the export with an average export of 12000 -15000 tonne annually. India's total exports in 2004-05 were 14000 tonne and in April - August 2005 this was 6000 tonne according to the estimates of Spices Board. According to an export trader of Kochi the main reason is productivity as the average per hectare production in Vietnam is 1800 kg while in India it is just 400 kg. This advantage helps Vietnam control the exports by offering lower price tags which India can not afford. Interestingly, all the major pepper producing countries had adopted plantation farming and taking the advantage of large scale production, while India is still adopting traditional style of small holdings. But as the world changes, Indian farmers have also begun to switch over to plantation farming and Karnataka is taking the lead according to traders here. According to some projections total production in Karnataka would be around 60000 tonnes, which equal to the present total production in the country.

Spices Export Continue to Decline

Spices exports continue to decline during the current fiscal on sharp fall in the shipments of chilly, coriander, other seeds, cumin etc. Compared to the exports of 158054 tonnes valued at Rs 984.71 crore during the April-Aug 2004, total exports in the same period in 2005-06 stood at 140233 tonnes valued at Rs 875.04 crore. Chilli, coriander, cumin, celery, fennel, fenugreek, vanilla, other seeds and mint products have declined, while others such as turmeric, ginger, garlic, nutmeg and mace, other spices, and value-added spices maintained upward trend. Shipments of garlic showed a sharp rise from 468 tonnes valued at Rs 1.63 crore in April-Aug 2004-05 to 8550 tonnes worth Rs 10.52 crore. The major competitor of India in the world chilly market, China is reported to have a better production in its April-May crop, while its October-January crop is also said to be better than last year. Therefore, the major buyers of Indian chilly such as Sri Lanka, Malaysia, Bangladesh, US and UAE are waiting for the harvesting of the next chilly crop in China anticipating that the prices would fall further. This has led to the decline in export of chilly. Similarly, production of other spices, which had shown a good export performance last fiscal, is said to be good in other origins this year, according to sources at the All-India Spices Exporters Forum. Export of turmeric in which India continues to maintain a monopoly, stood at 23500 tonnes in April-Aug 2005 as against 20230 tonnes in the same period last fiscal reported Spices Board. Spice oils and oleoresins continued to grow. However, there has been a drop in the unit value of this product. Curry powder/paste/condiments has moved up slightly, while the export of mint products continued to decline this year also. Production of these spices in India is also expected to maintain the previous year's level.

AP Turmeric Yield Down may lead to Significant Price Rise

Turmeric yield in Andhra Pradesh has come down to 15 quintals per acre this year as compared to the normal yield of 25 quintals. Further the problem are the recent floods, which washed away growing turmeric crop (2006 harvest) a major cropped area of Guntur and Krishna districts. Preliminary estimates made by farmers and traders put the crop loss at 60000 bags (each bag 75 kg) and farmers' expenditure at Rs 40000 per acre. Although there has been a spurt in the prices paid by the bidders at the national turmeric market yard at Duggirala, 20 km from Guntur, during the last week with average quality turmeric fetching farmers Rs 2200 per quintal, best quality Rs 2300 per quintal, special variety Rs 2400 per quintal and bulb turmeric Rs 2450 per quintal, many grieved that any price less than Rs 2900 per quintal would put them in loss. Farmers asking for a price of Rs 2900-3000 per quintal, otherwise they would lose heavily. The government should fix a MSP for turmeric as it did in 2002 when prices crashed. Trade Sources expecting a significant improvement in prices due to loss in yield.

Domestic Prices For the week ending 24.09.2005: (Recent week NA)

Spice	Grade/Variety	Market	Price (RS/KG) For The Week (24.09.05)	Price (RS/KG) For The Week (17.09.05)	Last Month (RS/KG)Same Week (26.07.05)	Last Year Same Week (RS/KG) (24.09.2004)
Black pepper*	Malabar garbled (mg-1)	Cochin	63.80	63.88	63.00	66.00
Cardamom	(Small) Ungraded	Vandanmettu	259.29	257.03	257.01	318.35
Cardamom	Cardamom (large)	Gangtok	90.00	101.25	90.00	105.00
Chilli	Non -cold storage Cold storage	Guntur	12.00 18.00	12.00 18.40	10.00 15.00	22.50 31.75
Ginger	Unbleached (new)	Cochin	120.00	120.00	120.00	140.00
Turmeric	Alleppey finger (AFT) Rajapuri Duggirala	Cochin	50.00	50.00	50.00	55.00
		Mumbai	53.50	52.50	52.25	60.50
		Mumbai	28.38	28.38	25.00	35.75
Coriander	Indori 5%	"	18.88	18.88	18.88	18.25
Cumin	4%	"	66.50	66.50	65.63	74.25
Clove	Grade 1	Cochin, Nagarcoil	230.00	230.00	235.00	250.00
			230.00	235.00	230.00	250.00
Cinnamon		Delhi	46.50	46.50	46.50	50.50

International Spot Prices for the week ending 23.09.2005: (Recent week NA)

Spice	Origin/Grade	Market	Price For The Week (23.09. 05) (US\$/TON)	Price For The Week (16.09. 05) (US\$/TON)	Last Month Same Week (26.08.05) (US\$/TON)	Last Year Same Week (24.09.04) (US\$/TON)
Black pepper	Malabar garbled (mg-1)	New York	1720	1720	1698	1654
Cardamom * (small)	Fancy green Indian Asta (8 mm)	New York	8820	8820	8820	9922
		Saudi Arabia	9360	9360	9000	9730
Chillies	Indian sannm-4 (stem less)	New York	1213	1213	1213	1300
Ginger	India cochin	New York	3484	3484	3087	5181
Turmeric	Chinese peeled Indian ground India Alleppey finger	New York	3462	3462	3308	2315
		New York	1213	1213	1213	1213
			2050	2050	2050	1985
Garlic	Chinese	New York	2822	2822	2844	1566
Coriander	Canada	New York	770	770	770	816
Cumin	Syrian India	New York	1808	1808	1808	1918
			2029	2029	2029	2182
Fennel	Indian Asta Egyptian	New York	1455	1455	1455	1234
			1411	1411	1367	1300
Fenugreek	India/turkey	New York	750	750	750	750
Clove	Mad/zanz/com/ Indo Sri Lanka (hand picked)	New York	3859	3859	3859	3418
			7166	7166	7166	7720
Cassia	Vera c/w a volatile oil content	New York	1455	1455	1455	1455
Cinnamon	Ceylon h2 cinnamon (soft bark)	New York	4740	4740	4630	4630

Market Analysis:

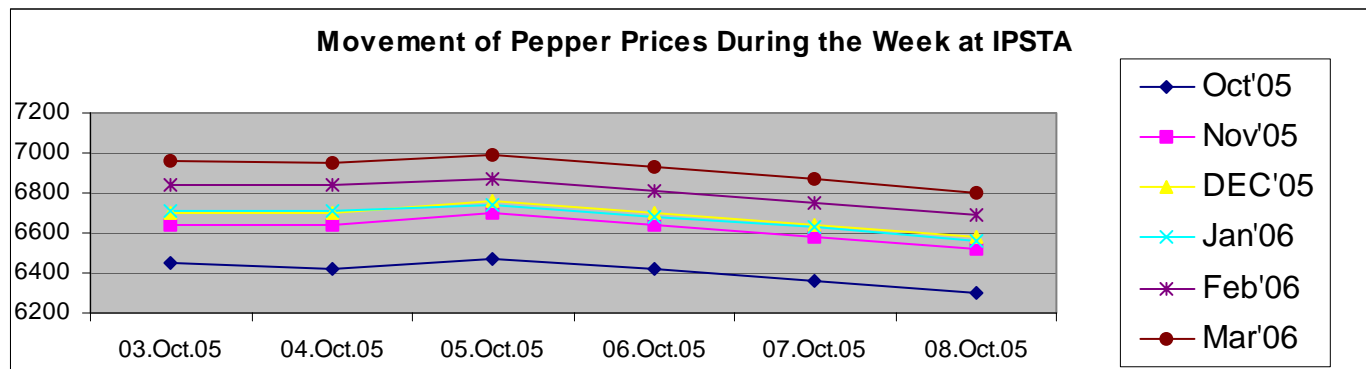
Price Trends Analysis:

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 the week. No final notifications on export subsidy and increase duty on import

from Sri Lanka were the main factors behind downward movement of prices. Prices taken downward trend from the second day of the week in every contract, Till the news of export subsidy not confirmed, there would be a bearish movement in all the contracts.



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

Pepper	03.10.05	04.10.05	05.10.05	06.10.05	07.10.05	08.10.05
Ungarbled	6050	6000	6050	6050	6000	5950
Garbled	6450	6400	6450	6450	6400	6350

The prices of garbled and ungarbled varieties of pepper decreased by Rs. 100 per quintal in Kochi market during the week. Production of Black Pepper in the country is expected to be around 65000 tonnes. Demand for black pepper remained confined from local consumption centres. Arrivals and off takes were nil here at Kochi market as traders and producers are not interested in trade till the confirmation of the export subsidy. There is no official notification on approval of export subsidy yet received from Union Ministry. Market sources reported that prices may see some more decrease till the notification comes.

Delhi terminal mandi

In Delhi market prices remained firm. Prices of black pepper slightly increased due to festival demand. Prices at Delhi Market would remain firm in coming week.

Pepper	Sep 26 - Oct 01	Oct 03 - 08
Golden Unpolished	65 - 68	68-69
11.5	75-90	85
No. 12	90-100	95

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi: Turmeric prices remain steady on upper side in comparison with previous week level. Arrivals of turmeric in the Erode were reported between 1000 bags daily during the week. Since, demand is increasing from north India due to festivals of deepawali and Dushehra, trade sources

reported that prices would remain firm with slight upper side in near future.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Loose Finger	2800-2850	2850
Bilty	3000	3000
Loose Gattah	2750-2800	2750-2800
Bilty	2900	2900
Loose SP Gattah	2900-2950	2900-2950
Bilty	3100-3150	3100-3150
Loose DP Gattah (Salem)	3000-3100	3000-3050
Bilty	3300-3500	3300-3450
Kolkata Quality Bilty (75 kg)	2125-2200	2150-2200

Prices are in Rs/ Qtl; NR: Not Reported;(1 bag=75 Kg)

Nizamabad Mandi

Prices weakened slightly in comparison with previous week levels. According to trade sources, stock of turmeric in different producing markets like Erode, Nizamabad and Sangali etc is aggregated at 12 lakh bags. Apart from that, sufficient stock is reported in terminal markets. So, off take from producing centers till fresh harvest is likely to remain around 8 lakh bags. Arrivals in Nizamabad were reported about 1000 bags daily during the week. Prices would remain steady in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Nizamabad Gattah	2825	2800
Nizamabad Finger	2875	2850

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

Warangal mandi: Market activities thinned down due to poor arrivals i.e. 200-250 bags daily. Prices for turmeric in the market continued to hold steady levels. Prices of gattah and finger were quoted at Rs 2775 per qtls.

Delhi Mandi: Demand for turmeric was slightly improved due to increased demand of spicy stuff with the weather change and starting of festive seasons in North India. Prices increased by Rs. 50 in some grades of turmeric. However, talks of sufficient stock and steady demand would keep the movement of prices steady in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Nizamabad finger	3200-3300	3200-3300
E.Finger mini Selam	3600-3700	3600-3700
E. Single polish Gattah	3100-3200	3200
E. Double polish Gattah	3500-3600	3500-3600
Warangal polish	2900-3050	2950-3050
Selam Finger	4100-4200	4100-4200

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

Delhi clove market prices and demand remains firm except some decline in Colombo grade prices. Traders are expecting improvement in its prices in coming week or so following the low production reports from the origin countries. Prices would remain firm in coming week

DATES	Sep 26 - Oct 01	Oct 03 - 08
Indonesia	200	200
Ketan	205	205
Colombo	180-185	178-185
Madagascar	185-190	190
Zanzibar	205-210	205

Note: Prices are in Rs/Kg

Hyderabad mandi continued to see the declining trend following poor demand from the retail end. Indonesian clove grade was offered at Rs. 188-190 per kg. While Colombo grade was traded at Rs. 178-180 per kg. The price of Zanzibar was recorded at Rs 195 per Kg.

Cumin:

Unjha Mandi: Unjha market continued to see sluggish trend in demand and arrivals. Average trade of cumin in Unjha were reported at 5000 - 5500 bags daily with average arrivals of 1500-2500 bags per day. Stock of cumin is about 6 lakh bags, which is more than total estimated demand of 4.5 lakh bags. This going to be problem of plenty, in lack of export demand. Traders are expecting likely decline in farmers' inclination towards this crop owing to dull trend in the markets. Sowing of cumin crop would start in

October/November. Prices would see more southward movement in next week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Kisan Mal-FAQ	1100-1500	1050-1450
Ganesh	1300	1280-1300
M/c. Cleaned	1360-1365	1325-1400
Sup. M/c. Cleaned	1375-1450	1425-1500

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of Kisan mal-FAQ grade was reported between Rs.1240-1320/20kg.during this week. Prices are likely to see slight downward movement in the coming week.

Delhi Mandi:

Cumin prices decreased by Rs. 3-4 per kg in different grades, as demand is not picking up properly. Prices would remain steady in next week as chances of increase in demand due to coming festivals.

Grade	Sep 26 - Oct 01	Oct 03 - 08
Chalu	63-66	62-63
Ganesh	69-71	66-69
M/Cleaned	65-80	65-80
Best	82-90	82-90

Red Chillies:

Guntur Mandi: Daily average arrivals were in the range of 15-20 thousand and off take 20000 bags per day. Chilly markets have been still struggling with bumper harvest this year. As now a days festive demand from north India and the news of crop damage due to excess rain had given upward movement in the prices. So the prices had seen a significant increase of Rs.100-150 per quintal from the previous week. Market sources reported that prices would remain firm in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
COLD	2400-2500	2400-2500
UNCOLD	1300-1700	1400-1700
WHB	2700	2600-2750
Byadgi	3000	3000
Sannam Best	2400-2500	2500
Sannam Med. Best	2100-2200	2100-2300
Namdhari	2200-2300	2300-2400
273	2200-2300	2200-2400
Guntur Fullcut	3600-3700	3600-3800
Ankur	3000	3000
Phatki	900	900
Indo5	2500	2500
Tejaseed	2700	2800
Roshni	2200	2300

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

Delhi Mandi:

Delhi market on demand of chilly prices improved significantly by Rs.2-5 per kg in different grades. News of

chilly crop damage due to excess rain in producing areas of AP and Karnataka give a push to the prices. Traders are expecting slight bullish trend to persist in short to medium term. Price would see some more bullish movement in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Guntur Pala	2400-2800	2600-2800
Guntur Fullcut	3500-4300	4200-4300
Guntur Packing (new)	2700-3200	3100-3400
Nagpur Pala	2100-2500	2400-2500
Nagpur Fullcut	3000-3200	3300-3300
Nagpur Packing	2300-2800	2800-3400

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

Cardamom prices remain firm on good festive demand. Traders in Delhi have done aggressive buying from the sources markets and build up inventory ahead of festivals. Prices were remain steady. The prices would remain firm on current level in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Panwali	205-210	205-210
Colour Robin	210-215	210-215
C Bold 6.5mm	220-230	220-230
Extra Bold 7mm	290-310	270-310
Ex Bold 7.5mm	330-350	330-350
Handpicked	430-470	430-470

Note: Prices are in Rs/kg

Hyderabad Mandi

Prices were firm in Hyderabad markets, as demand is picking up; prices were more or less same as in previous week. Downtrend in global markets also had negative impact on the prices. Harvesting of Current crop in Guatemala is expected to start in December. Prices would remain steady in coming week too.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Colour Robin	210	210
C Bold 6.5mm	230	230
Extra Bold 7mm	240-245	240-245
Ex Bold 7.5mm	300	300
8.00 mm	450	450

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

Coriander:

Delhi Mandi

Delhi market continued to see moderate trade. Prices of coriander remain more or less same in comparison to previous week except slight decrease were seen in FAQ and Medium grades. In coming week prices would remain steady.

Coriander Grade	Sep 26 - Oct 01	Oct 03 - 08
FAQ (Chalu)	2000-2300	2000-2250
Medium	2800-3200	2800-3150
Green	3500-3700	3500-3700
Extra Green	4400-4600	4400-4600

Note: Rate Per Quintal

Rajasthan Mandi

Demand for coriander started picking up in Rajasthan markets. Prices remain firm with some improvement of Rs 75 per quintal in loose grades. Arrivals of coriander in Ramganj, Kota and Baran mandi were reported about 2500-3000 bags daily. Arrivals in Guna mandi remained 1000 bags daily. Prices would see some improvement as demand started picking up in coming week.

DATES	Sep 26 - Oct 01	Oct 03 - 08
Kota Badami (40 kg)	680-700	680-690
Kota Eagle (40 kg)	720-740	720-730
Ramganj Badami (loose per quintal)	1250-1325	1250-1400
Ramganj Eagle (loose per quintal)	1350-1425	1350-1500
Kota Badami (loose per quintal)	1250-1325	1250-1325
Kota Eagle (loose per quintal)	1350-1425	1350-1425

Methi

Kota mandi:

Methi markets observed steady trend in prices this week. Daily average arrivals were in the range 250-300 bags per day during the week. Arrivals at Neemuch mandi were 400-500 bags daily with firm prices and demand. Market sources expecting improvement in demand and prices in near future. Prices would remain firm in coming week.

Methi price at Kota Mandi

Methi Grade	Sep 26 - Oct 01	Oct 03 - 08
Methi (Uncleaned)	1200-1350	1200-1350
Methi (Cleaned)	1350-3150	1350-3150

Note: Rate Per bag (90 Kg. each)

Prices of Methi remain steady throughout the week. Delhi market witnessed firm trade. There were slight decline in prices of Jabara and Better quality grades. The prices would remain firm on positive side in coming week.

Methi price at Delhi Mandi

Methi Grade	Sep 26 - Oct 01	Oct 03 - 08
Chalu	1500-1600	1500-1600
Jabara	2400-2750	2400-2700
Better	2800-3200	2800-3000

Note: Rate Per quintal

Prices of Major Spices available in Major Rajasthan Mandi as on 08th October, 2005:

The prices of major spices in major Rajasthan mandis remain steady to increasing trend this week as compared to the last week. At the Jaipur grain mandi the prices of Jeera showed decreasing trend and Chilly dry steady trend throughout the week. Arrivals of Chilli (dry) and cumin remain nil in Jaipur mandi. Arrival of Methi was also recorded nil except on 5th October 10 quintal during the week with steady prices.

Prices of Major Spices

Name of Spice	Place	Rate (Rs. Per quintal)
Chilly Dry	Jaipur (Grain) Mandi	2750
Jeera (Cumin)	Jaipur (Grain) Mandi	5750
Methi	Jaipur (Grain) Mandi	1250

Others Spices during week at Delhi Mandi

At the Delhi mandi the prices of other spices remained steady during this week as compared to the last week except in Cardamom brown (Jhundiwali and Kanchicut), Mace and Nutmeg prices decreased significantly. It is expected that the prices of other spices in Delhi mandi would maintain steady trend in the coming week.

Other Spices	Rs. Per quintal	
	Sep 26 - Oct 01	Oct 03 - 08
Bishop's weed (Ajwain)-Jawara	4000-4400	4000-4400
Bettlenut (Mettaplayam)	9000-9500	9500-10000
Cardamom brown (Jhundiwali)	11600-11700	11100-11200
Cardamom brown (Kanchicut)	12500-15500	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)	44000-44500	40500-41500
Nutmeg (Jaifal)-(Cochin)	23500-24500	23000-24000
Kalaunji	3500-4000	3500-4000
Poppy seed (Turkey)	17800-18000	18000
Saffron (Irani)	15000-16000	15000-16000

Technical Analysis:

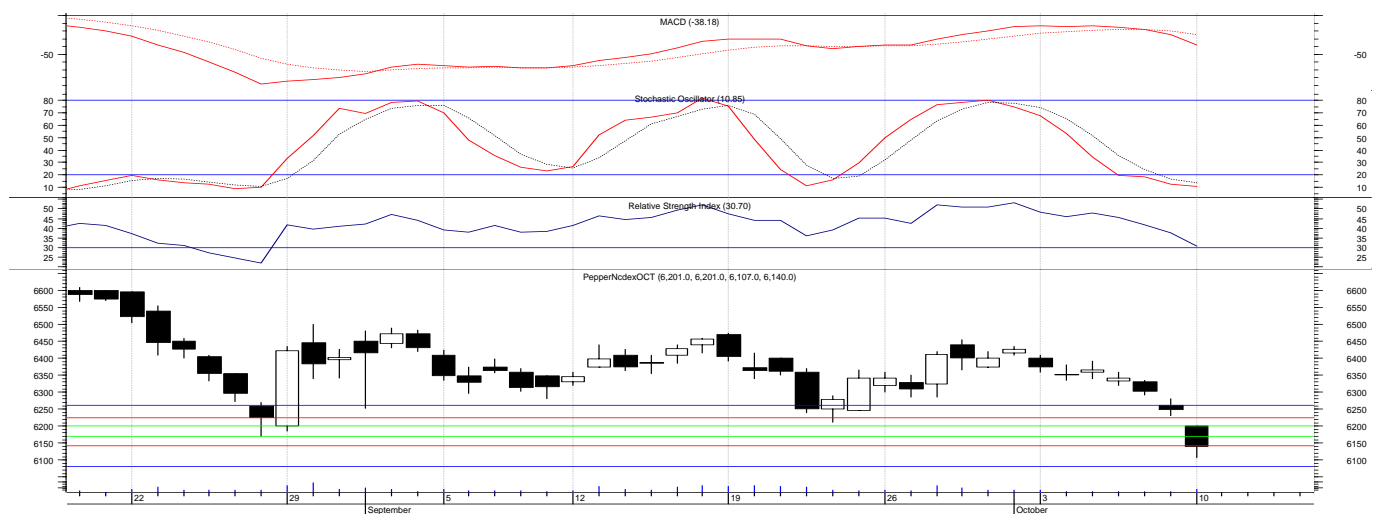
Commodity: Black Pepper

Contract Month: October 2005

Exchange: NCDEX

The all indicators are showing weakness in the market, candlesticks are showing bearish sentiment with maximum chances of positive correction next day and stochastic oscillator in oversold condition also indicating the chances of trend reversal. RSI is in neutral region but moving

towards oversold region. MACD is also bearish but in negative zone. Overall there are chances of upward correction on the basis of technical and fundamental prices are likely to go up then range bound upward movement in this week.



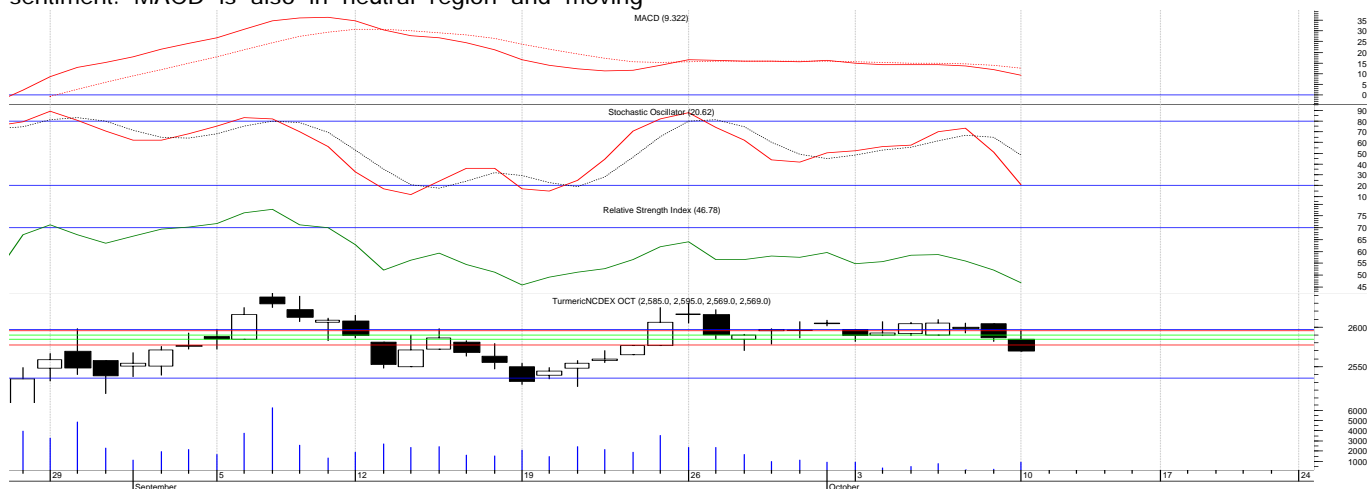
Recommendation: As there are maximum chances of bearish sentiment then positive correction in starting 2-3 day of the week in prices so one can maintain the medium

position as well as make profit in short term too. The prices would be in the range of 6080-6261 in this week.

Commodity: Turmeric
Contract Month: October 2005
Exchange: NCDEX

All the indicators are showing Bearish sentiments in the market. Prices would see more decrease in the coming days. Stochastic oscillator is in neutral region but approaching towards over sold region sign of bearish sentiment. MACD is also in neutral region and moving

downward sign of bearish movement. RSI also showing downward movement. So overall bearish sentiment prevails in prices with fair chances of positive correction at weekend.



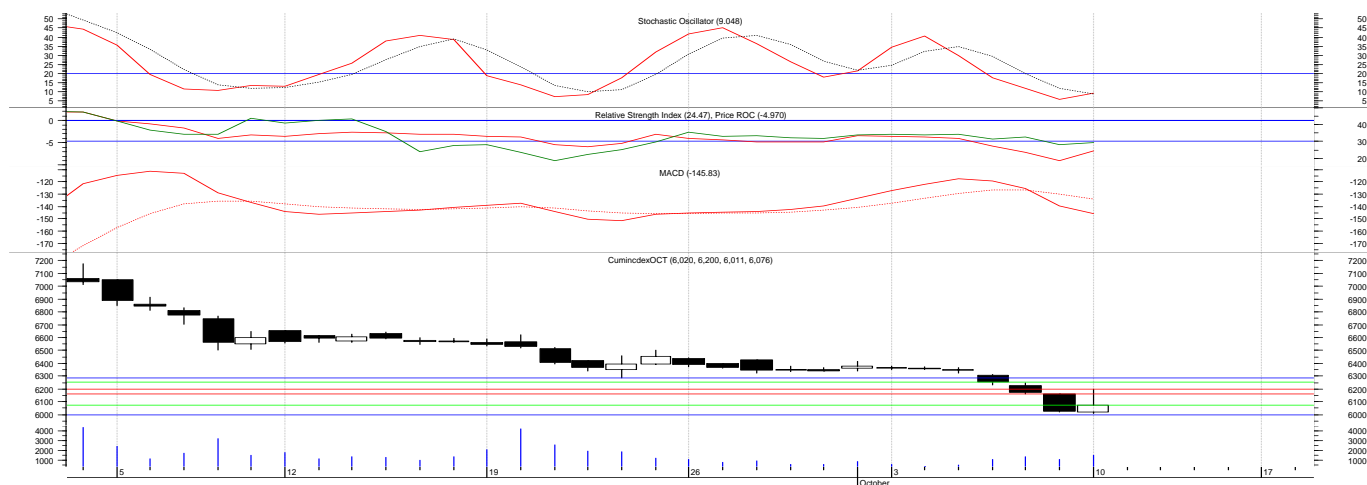
Recommendation: As market is overall bearish with fair chances of positive correction at weekend. Go for

Short term as well as intra day selling in the week. The prices would be in the range of 2535-2597 in this week.

Commodity: Cumin (Jeera)
Contract Month: October 2005
Exchange: NCDEX

All the indicators are showing some improvement in the market. RSI and PROC are indicating bullish sentiments in the prices. Stochastic oscillator is in oversold region and

bullish. MACD is already in Negative zone showing the weakness in market but bullish. Overall all the technical indicators showing bullish movement in the prices.



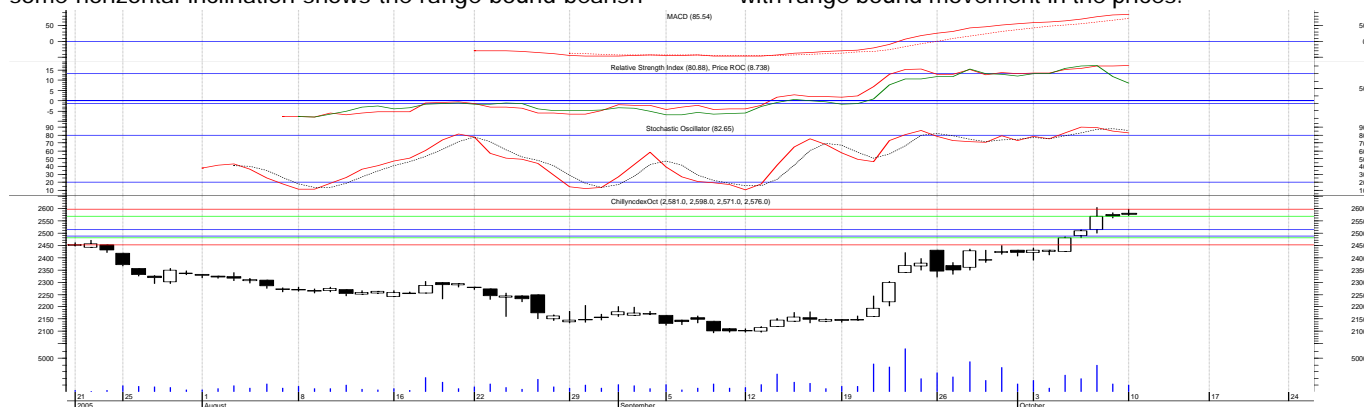
Recommendation: As the market fundamentals as well as technical showing bullish sentiment in the market. So one

may go for buy in short run. Market would move in the range of 6000-6287 in this week.

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

Stochastic Oscillator, %K line is below the % D line at 82.65 point just cutting it from above and in overbought region there and approaching towards neutral region but having some horizontal inclination shows the range bound bearish

sentiments. RSI is slightly bullish but PROC is bearish. Candlesticks also indicating the bearish sentiment. Overall technical and fundamentals showing the bullish sentiments with range bound movement in the prices.



Recommendation: As per Fundamental and technical analysis, market would move range bound with bearish

Sentiments. One can go for short-term profit by selling at resistance levels. Prices would be in the range of 2450-2597 in this week.

WEATHER WATCH (As on 08.10.05)

ALL INDIA WEATHER FORECAST BULLETIN VALID FOR NEXT 5 DAYS

Monsoon Outlook

Southwest monsoon has further withdrawn from, some more parts of Chhattisgarh and Maharashtra. The withdrawal line passes through Forbesganj, Dumka, Jamshedpur, Jharsuguda, Chanderpur, Wardha, Nanded, Ahmednagar, Mumbai, 19° N/73° E and 19° N/60° E. The upper air cyclonic circulation over Sub- Himalayan West Bengal & Sikkim has become less marked. The upper air cyclonic circulation over southwest Bay of Bengal now lies over Tamil Nadu & neighbourhood and now extends upto 0.9 km a.s.l. Another upper air cyclonic circulation has formed over southeast Bay of extending between 1.5 & 4.5 km a.s.l. The model predictions indicate that NW India and parts of Central & West India, may continue to witness mainly dry weather conditions for next 4-5 days. As per our earlier assessment, predictions continue to suggest that beginning from 10th October, 2005, favourable conditions such as setting up of north-easterly winds and an east-west shear zone in the lower tropospheric levels, are building up for onset of NE Monsoon over Tamilnadu & adjoining states. The rainfall activity over Tamilnadu & adjoining states is expected to increase during next 3-4 days.

NORTH & NORTH NORTH-WEST INDIA [J&K, HP, UTTARANCHAL, PUNJAB, HARYANA, DELHI, WEST UP] Mainly dry weather is likely to prevail over the region.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES] West Bengal & Sikkim and NE states are likely to experience isolated to scattered rainfall activity during next 24 hours and subsequently isolated spells of activity can only be expected. Isolated rains are likely over rest of the regions except over East U.P. where mainly dry weather may prevail.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA] Mainly dry weather is likely to prevail over the region during next 4-5 days.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP] Isolated rains are expected over the region during next 2 days. The rainfall activity over Tamilnadu, south interior Karnataka, Rayalseema and south coastal Andhra Pradesh is likely to increase thereafter.

WEST INDIA [MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN] North Konkan and Madhya Maharashtra are likely to experience isolated to scattered rainfall activity. Mainly dry weather is likely to prevail over rest areas of the region.

Source: GOI (NCMRWF & IMD)

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