

SPICES

November 08- 14, 2005

Overview:

- **Pepper Prices Improved Over Crop Loss and Export Subsidy**
- **Cardamom Prices Steady on Good North Indian Demand**
- **Chilli Prices Rise Significantly on Lower Production Estimates**
- **Spices Board Going to Propose Pepper Export Subsidy for EOUs and SEZs too**
- **Cardamom Prices Increased Slightly over Short Supply in Short Run**
- **Spices Board Announces the Release of Black Pepper Exports Subsidy**
- **Chilli Prices to Stay Bullish on Crop Loss**
- **Turmeric Export Increased, Overall Spices Export Declined**

News Highlights:

Pepper Prices Improved Over Crop Loss and Export Subsidy

Black Pepper spot prices have increased around Rs 300 per quintal in Kochi. Pepper futures also have been showed upward trend of about 200-300 points in all major commodity exchanges last week. Spot prices on Friday were MG1 Rs 6600 and Ungarbled Rs 6200 per quintal as against Rs 6500 and Rs 6100 respectively last weekend. Just before the announcement of the subsidy, the prices were ruling at Rs 6200 and Rs 5900 respectively. Mr Kishor Shamji, President, India Pepper and Spice Trade Association (IPSTA), reported that the WTO compatible subsidy has bridged the gap between the current international price and the domestic price here, and as a result, an estimated 15000 tonnes of pepper could move out of the country till the arrival of the Vietnam pepper in the international market expected in April next year. The Indian parity is at \$1425-1500 per tonne f.o.b as against the Indonesian price of \$1400. Brazil has raised its price from \$1250 to \$1300 per tonne. Vietnam is said to be not interested in selling ASTA grade, as is the case with Brazil also. Their pepper did not have the required weight of minimum 550 GL needed for the ASTA grade. He also revealed that, there is a chance for Indian pepper in the international market because of the price parity and signals are there that the world players might now resort to buying Indian pepper. In the domestic market also, buying interest is emerging. Many north Indian investors, including those from Delhi, Jaipur and Indore are showing interest to invest in pepper now. According to Trade Experts current market trends indicating that pepper prices would remain firm in near future with some more improvement in prices as well as in demand.

Cardamom Prices Steady on Good North Indian Demand

Cardamom prices steady on good north Indian demand at the auctions held in Kerala and Tamil Nadu during the week. However, the prices remained at lower levels due to heavy arrivals. Up to Wednesday, arrivals were around 3344 tonnes and of which 3121 tonnes were sold. Whereas, arrivals in the same period previous year were 1967 tonnes and sales 1848 tonnes. The weighted average price this season was Rs 232.09 a kg as against Rs 304.19

per kg last season. Prices of the graded varieties were AGEB Rs 295-305, AGB Rs 220-230, AGS Rs 200-210 and AGS1 Rs 190-200 per kg. However, at the auction in Kumily on Wednesday the average price was Rs 235.88. Compared with the previous days" the prices moved up by Rs 10 per kg for all the varieties at this auction. The 8 mm bold variety fetched Rs 420 - 430 per kg. Market sources in Bodinayakannur reported that North Indian traders as well as exporters were active in other auctions also, but due to the heavy arrivals, the prices failed to move up and remained steady.

Chilli Prices Rise Significantly on Lower Production Estimates

Chilli has suddenly become so hot that seasoned traders are puzzled at the unusual swing in prices. Prices of red chilli have risen around 50 per cent within a month. They have gone up from Rs 2000-2200 a quintal, and have started hovering around Rs 3100-3300 a quintal on Thursday. According to experts it is difficult to find any single reason for the sudden shoot, but most likely it can be due to fears of lower harvest in coming season and Future market assumptions. Market sources reported that the price hike was artificial and there was no big demand pull from consumers but it is rising and the fluctuations are exceptional. The news of crop loss due to heavy rains in Andhra Pradesh rains provoked traders to hoard stock and that could have impacted the spot rates. It rained for three days and the rates jumped by Rs 900-1100. When it stopped raining for just a couple of hours, the rates fall by Rs 300. This type of volatility in chillies has never been seen. Now Market sources are of the view that chilly price would most likely stay steady at current levels but some more rains can shoot up prices further.

Spices Board Going to Propose Pepper Export Subsidy for EOUs and SEZs too

Spices Board of India is going to submit a proposal to the commerce ministry for including export-oriented units (EOUs) and special economic zones (SEZs) in the recently announced WTO compatible subsidy scheme for pepper exports. The scheme announced earlier had omitted EOUs and SEZ units, and this has created extensive

condemnation among the exporters organizations. The exporters expressed their views at a meeting convened by the Spices Board on November 2. The Spices Board chairman CJ Jose reported that the board had considered their views and decided to submit a detailed proposal to the ministry in this regard. The government had announced a subsidy at the rate of Rs 7 per Kg (Rs 5 a kg or actual cost incurred whichever is less for international freight and Rs 2 or actual cost incurred whichever is less for domestic transport), effective from November 2, 2005 to March 31, 2006. The government had also fixed a limit of 20000 tonne and disbursed to exporters on a first-come-first-serve basis. But along with the announcement there had been criticism among the exporters, especially from organizations like Spice Exporters Forum. They argued that the scheme would not benefit pepper trade as more than 70 per cent of the exports of pepper and pepper-based products are through 100 per cent EOUs and units in SEZs. Thus the purpose of the government will not be served properly, and the current sluggish movement of the market upholds their criticism. Mr. Jose also told that the most difficult problem is that EOUs and SEZ units mostly use imported pepper, and there should be proper mechanism to estimate Indian black pepper exports through these units, unless a mechanism is developed for this estimating proportions, the scheme would be a failure. Experts are of the view that if such scheme would takes places then it will really help the black pepper market.

Cardamom Prices Increased Slightly over Short Supply in Short Run

Cardamom prices improved slightly about 5 per cent after north Indian festivals because of supply shortage in Mumbai. As traders holding stocks to create an artificial crisis a price hike was seen in the market over short supply by around 25000-30000 kg. The current price rise has lifted the handpicked (8mm) with good colour to Rs 41000-42000 per quintal, while slight dull variety is quoted in the range of Rs 39000-40000 per quintal. Low-quality cardamom, generally used with pan and pan masala, is currently sold in the range of Rs 20500- 21000 per quintal. Mumbai market generally see a supply of about 200000 kg per week, but in the last week supply was short of demand, and hence, there was a rise in prices for a the time being. Cardamom production is expected to increase by around 12 per cent this year to 13000-14000 tonne, following good crops throughout the country. Market Sources reported that in near future cardamom prices would see some more bearish sentiment in prices due to bumper crop.

Spices Board Announces the Release of Black Pepper Exports Subsidy

Spices Board will release the WTO compatible subsidy announced by Central Government with effect from November 2 for export of pepper and value-added pepper products. Mr. S. Kannan, Director, Marketing of the Board reported that The Board has asked exporters to apply for the subsidy scheme, which is intended to boost exports of domestic pepper and value-added pepper products processed from indigenously-produced pepper. The subsidy would be at Rs 5 a kg or actual cost incurred whichever is less for international freight and Rs 2 a kg or actual internal cost incurred whichever is less for internal transport. He also reported that the subsidy would be

available for export of a maximum of 20000 tonnes effective from November 2, the date of notification of the scheme. It will be released to eligible exporters on a first-come-first-served basis; the scheme will end on March 31, 2006. The subsidy would not be available to 100 per cent EOUs, units situated in SEZs for re-export of imported pepper and export of pepper products processed from imported pepper, irrespective of the percentage of imported pepper contained therein; and for export of pepper and pepper products to SAARC countries. The documents required to be attached include purchase bills, copy of B/L, shipping/airway bill, freight memo issued by the shipping liner, sales invoice, mandatory inspection report, details of source from which pepper was procured for export, delivery notes relating to internal freight, and transport bills relating to local transport etc. Also details such as port of shipment and discharge, delivery confirmation from the shipping line, and international freight paid would have to be provided. Experts are of the view that the News of Announcement of Release of pepper export subsidy would give a positive impact on prices.

Chilli Prices to Stay Bullish on Crop Loss

Chilli prices have seen a significant increase from the price levels of September- October. Now a days chilli prices moving around Rs 32- 36 per kg, and is expected to remain high upto January-February, 2006 since the new crop will hit the market only by the end of February. Prices were at a range of Rs 20- 25 in September-October. Main reason behind the significant improvement in prices is about 30 per cent estimated decline in chilli production in major production centres in Andhra Pradesh in the coming season. The recent low pressure over the Bay of Bengal has affected the chilli crop in whole Andhra Pradesh, mainly in Guntur and Prakasham districts. The continuous heavy rainfall in the past few weeks has checked the arrivals chilli market. Average price during the harvesting season of the current year was Rs 22-25 per kg and the total production was to the tune of 700000 lakh tonne. The market is expected move with some more bullish sentiments in coming year as production is expected to be around 500000-525000 tonne. Market sources reported that prices would see some more improvement over the crop loss.

Turmeric Export Increased, Overall Spices Export Declined

In turmeric export India continued to monopolize reached at 27800 tonnes in the first half of 2005-06 as against 23829 tonnes in the same period last fiscal. Spice oils and oleoresins continued to grow. Exports of spices from the country continued to show a declining trend as the shipments of commodities such as chilli, coriander, other seeds and cumin fell sharply during the first-half of the current fiscal. The total export of spices in first half of this fiscal i.e. April-September 2005 was 166683 tonnes valued at Rs 1050.13 crore in comparison with same period in last fiscal 186493 tonnes valued at Rs 1195.11 crore. This shows a drop in volume of 19810 tonnes and Rs 144.98 crore in terms of value. Chilli, coriander, cumin, celery, fennel, fenugreek, other seeds and mint products declined, while others such as turmeric, ginger, garlic, nutmeg and mace, other spices; vanilla and value-added spices maintained their upward trend. Market sources reported that the prices of turmeric would remain steady upto January.

Domestic Prices For the week ending 05.11.2005:

Spice	Grade/Variety	Market	Price (RS/KG) For The Week (05.11.05)	Price (RS/KG) For The Week (29.10.05)	Last Month (RS/KG)Same Week (08.10.05)	Last Year Same Week (RS/KG) (30.10.2004)
Black pepper*	Malabar garbled (mg-1)	Cochin	65.00	64.42	64.10	62.00
Cardamom	(Small) Ungraded	Vandanmettu	212.55	229.55	238.31	294.81
Cardamom	Cardamom (large)	Gangtok	90.00	95.63	102.50	86.25
Chilli	Non -cold storage	Guntur	15.50	13.80	12.40	31.33
	Cold storage		29.00	25.60	21.20	20.34
Ginger	Unbleached (new)	Cochin	100.00	100.00	100.00	140.00
Turmeric	Alleppey finger (AFT) Selam	Cochin	50.00	50.00	50.00	55.00
		Chennai	36.50	42.00	38.50	47.50
Coriander	Indori 5%	"	28.50	26.50	26.50	25.50
Cumin	4%	"	72.00	72.50	68.50	72.50
Clove	Grade 1	Cochin, Nagarcoil	220.00	220.00	230.00	250.00
			240.00	240.00	230.00	290.00
Cinnamon		Delhi	46.50	46.50	46.50	50.50

International Spot Prices for the week ending 04.11.2005:

Spice	Origin/Grade	Market	Price For The Week (04.11. 05) (US\$/TON)	Price For The Week (28.10. 05) (US\$/TON)	Last Month Same Week (30.09.05) (US\$/TON)	Last Year Same Week (0511.04) (US\$/TON)
Black pepper	Malabar garbled (mg-1)	New York	1720	1720	1720	1632
Cardamom * (small)	Fancy green Indian Asta (8 mm)	New York	8820	8820	8820	9592
		Saudi Arabia	7730	7730	8740	8380
Chillies	Indian sannm-4 (stem less)	New York	1367	1367	1257	1300
Ginger	India cochin	New York	3484	3484	3484	5181
	Chinese peeled	New York	3462	3462	3462	2736
Turmeric	Indian ground India	New York	1213	1213	1213	1213
	Alleppey finger		2050	2050	2050	1985
Garlic	Chinese	New York	2822	2822	2822	1566
Coriander	Canada	New York	772	772	772	816
Cumin	Syrian	New York	1830	1830	1808	1940
	India		2029	2029	2029	1962
Fennel	Indian	New York	1455	1455	1455	1234
	Asta Egyptian		1411	1411	1411	1300
Fenugreek	India/turkey	New York	750	750	750	750
Clove	Mad/zanz/com/ Indo Sri Lanka (hand picked)	New York	3704	3815	3925	4167
			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	5182	4740	4630	4630

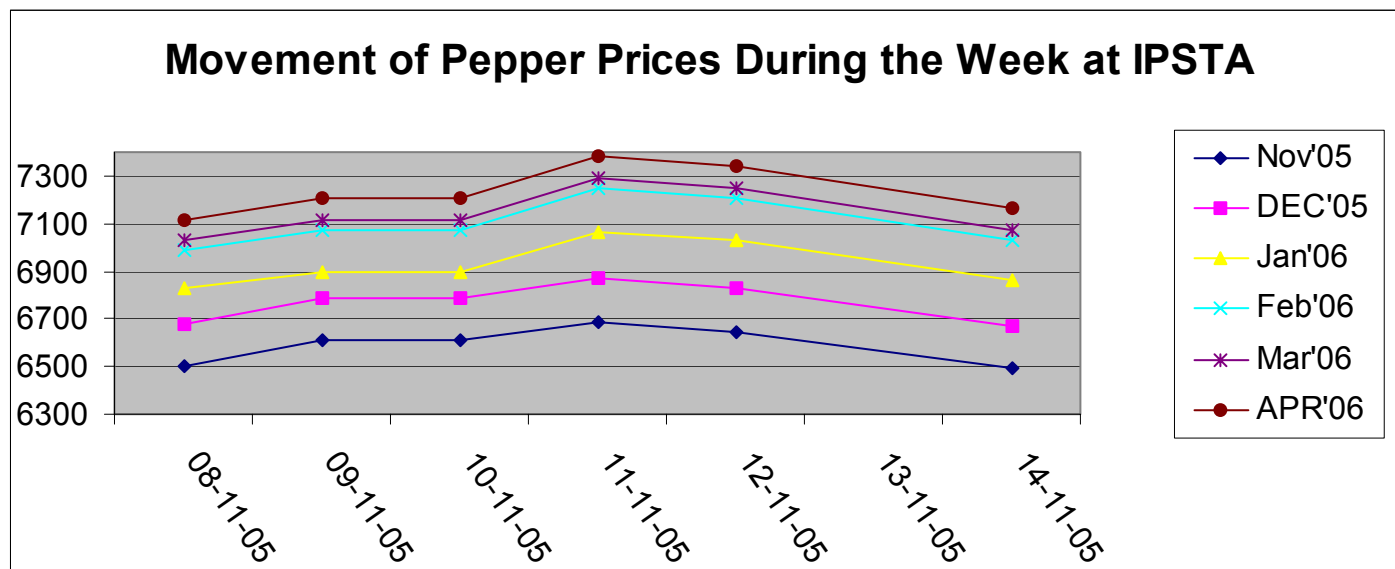
Market Analysis:

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. Prices

taken upward movement upto Friday and then downward on Saturday and on Monday of the week in every contract, the prices would most likely to take upward movement in coming days.



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

Pepper	08.11.05	09.11.05	10.11.05	11.11.05	12.11.05	14.11.05
Ungarbled	6100	6150	6200	6200	6200	6200
Garbled	6500	6550	6600	6600	6600	6600

The prices of garbled and ungarbled varieties of pepper increased by Rs.100 per quintal in Kochi market during the week; Demand for black pepper started coming from north India and some export demand from USA. Arrivals were nil for 4 days during the week except 10 tonnes on Friday and 30 tonnes on Monday, Off take were in the range of 10 -30 tonnes expect nil on Thursday and Saturday. Market sources reported that prices started picking up on domestic buying support and release of export subsidy. In coming week prices would see some more improvement.

Delhi terminal mandi

In Delhi market prices improved by Rs.3-5 per Kg. Prices of black pepper firm due to less arrivals from the Kochi and fair amount of buying support. Prices at Delhi Market would remain firm in coming week.

Pepper	Nov 01- 07	Nov 08- 14
Golden Unpolished	68	68-72
11.5	85	82-85
No. 12	95	95-98

Note: Prices are in Rs. Per Kg.

Turmeric:

Erode mandi: Turmeric prices increased by Rs. 50 per quintal in comparison with previous week level. Average Arrivals of turmeric in the Erode were reported between 5000-7000 bags daily during the week maximum 10000 bags on Friday . Since, firm demand is coming from north India due to winter season and starting of marriage season, trade sources reported that prices would remain firm with slight improvement in near future.

DATES	Nov 01- 07	Nov 08- 14
Loose Finger	2900-2950	2950-3000
Bilty	3100-3150	3100-3200
Loose Gattah	2900	2900-2950
Bilty	3100	3100-3150
Loose SP Gattah	2950-3000	3000-3050
Bilty	3150-3250	3200-3300
Loose DP Gattah (Salem)	3000-3050	3050-3100
Bilty	3300-3350	3350-3400
Kolkata Quality Bilty (75 kg)	2200-2250	2250-2300

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

Nizamabad Mandi

Prices remain steady to firm in finger and gattah grades in comparison with previous week levels. Daily off take in Nizamabad were reported about 700-800 bags daily during the week. Prices would remain steady at these levels in coming week too.

DATES	Nov 01- 07	Nov 08- 14
Nizamabad Gattah	3100	3025-3150
Nizamabad Finger	3150	3075-3100

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

Warangal mandi: Market opened after one week . Prices for turmeric in the market continued to hold steady levels.

Delhi Mandi: Demand for turmeric was slightly improved due to marriage seson in North India. Prices remained steady on slight stronger side in all grades of turmeric. However, talks of sufficient stock and steady demand would keep the movement of prices steady in coming week also.

DATES	Nov 01- 07	Nov 08- 14
Nizamabad finger	3100-3200	3100-3200
E.Finger mini Selam	3500-3600	3500-3600
E. Single polish Gattah	3150-3200	3150-3200
E. Double polish Gattah	3500-3600	3500-3600
Warangal polish	3000-3100	3000-3100
Selam Finger	4000-4100	4000-4100

Note: Prices are in Rs/ Qtl.

Clove:

Delhi mandi

Delhi clove market prices and demand remained steady to firm. 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	Nov 01- 07	Nov 08- 14
Indonesia	200	200-210
Ketan	205	205-210
Colombo	178-180	178-180
Madagascar	190	185-190
Zanzibar	205	205-215

Note: Prices are in Rs/Kg

Hyderabad mandi demand seen some improvement following firm demand from the retail end. Indonesian clove grade was offered at Rs. 200 per kg. While Colombo grade was traded at Rs. 200-205 per kg. The price of Zanzibar was recorded at Rs 215 per Kg.

Cumin:

Unjha Mandi: Cumin market opened after a week's closure for Diwali and New Year. Prices trying to pick up but just remain steady on weaker side during the week. Sowing of jeera started in Saurashtra and North Gujarat region. Daily average arrivals were in the range of 3000-3500 bags per day and off takes were in the range of 6000-7000 bags per day during the week. As the prices are already moving at

ground zero level so there are maximum chances of some upward movement in demand and prices in coming week.

DATES	Nov 01- 07	Nov 08- 14
Kisan Mal-FAQ	1175-1550	1150-1450
Ganesh	1325	1300
M/c. Cleaned	1450-1525	1400
Sup. M/c. Cleaned	1625	1375-1450

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of Kisan mal-FAQ grade was reported between Rs.1220/20kg.during this week. Prices are likely to remain firm in the coming week.

Delhi Mandi:

Cumin prices remain steady in different grades i.e. more or less same, as expectation of improvement in demand due to starting of festive season. Prices would remain steady in coming week.

Grade	Nov 01- 07	Nov 08- 14
Chalu	63	63
Ganesh	68	68-69
M/Cleaned	69-80	68-80
Best	84-92	83-92

Red Chillies:

Guntur Mandi. Market was opened for whole week. Daily average arrivals were about 25000 bags and out of that about 20000 bags average daily off takes were recorded. Chilli prices remain steady on weaker side this week after seen a significant improvement due to the news of crop damage due to excess rain and demand from north India last week. Prices had seen steady sentiments on weaker side from the previous week. Market sources reported that prices would remain steady in coming week too.

DATES	Nov 01- 07	Nov 08- 14
COLD	3300-3550	3200-3300
UNCOLD	2200-2500	2200-2400
WHB	3300	3200-3300
Byadgi	3200	3400-3500
Sannam Best	3200-3500	3200-3300
Sannam Med. Best	3200-3300	2800-3300
Namdhari	3200-3300	3000-3100
273	3400-3500	3000-3200
Guntur Fullcut	4400-4600	4400-4600
Ankur	3500-3600	3500-3600
Phatki	1500	1400-1500
Indo5	3600-3700	3100-3200
Tejaseed	3900-4000	3300-3700
Roshni	3200-3300	2900-3100

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

Delhi Mandi:

Chilli prices improved Rs.100-200 per quintal in different grades on good festive demand. 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 steady trend to persist in coming months. Price would remain firm in coming week.

DATES	Nov 01- 07	Nov 08- 14
Guntur Pala	2900-3300	2900-3300
Guntur Fullcut	4600-5000	4600-5000
Guntur Packing (new)	3400-4000	3400-4000
Nagpur Pala	2900-3200	2900-3200
Nagpur Fullcut	3500-3600	3500-3600
Nagpur Packing	3400-3700	3400-3700

Note: Prices are in Rs/Qt

Cardamom:

Delhi mandi

Cardamom prices remain firm due to good marriage season demand. Prices were more or less same in comparison to previous week. Traders in Delhi have done aggressive buying from the sources markets and build up inventory ahead of festivals. The prices would remain steady to firm in coming week.

DATES	Nov 01- 07	Nov 08- 14
Panwali	200-205	200-205
Colour Robin	200-210	200-210
C Bold 6.5mm	215-230	215-230
Extra Bold 7mm	250-270	250-270
Ex Bold 7.5mm	325-350	325-350
Handpicked	430-470	430-485

Note: Prices are in Rs/kg

Hyderabad Mandi

Prices improved significantly in Hyderabad, as demand is started picking up on starting of marriage season; prices improved by Rs 10-25 per kg in comparison with previous week in superior grades. Harvesting of Current crop in Guatemala is expected to start in December. Prices would remain steady in coming week.

DATES	Nov 01- 07	Nov 08- 14
Colour Robin	187	200
C Bold 6.5mm	198	210-215
Extra Bold 7mm	272	240-250
Ex Bold 7.5mm	295	320-330
8.00 mm	418	400-425

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

Coriander:

Delhi Mandi

Delhi market seen a steady trend in prices and demand. Prices of coriander remain more or less same in comparison to previous week in all grades. In coming week prices would remain firm.

Coriander Grade	Nov 01- 07	Nov 08- 14
FAQ (Chalu)	1900-2300	1900-2300
Medium	2100-2800	2100-2800
Green	2800-3800	2800-3800
Extra Green	4000-5600	4000-5600

Note: Rate Per Quintal

Rajasthan Mandi

In Rajasthan due to good demand Prices seeing a continuous improvement, Rs 40-100 per quintal in loose grades. Average daily arrivals of coriander in Ramganj 4000 bags, Kota 3000 bags, Baran 2500 bags and Guna 800 bags recorded during the week.. There would be some more improvement in demand and prices in coming week.

DATES	Nov 01- 07	Nov 08- 14
Kota Badami (40 kg)	780-800	820-860
Kota Eagle (40 kg)	820-840	860-920
Ramganj Badami (loose per qtls)	1600-1650	1600-1700
Ramganj Eagle (loose per qtls)	1700-1750	1675-1775
Kota Badami (loose per quintal)	1600-1650	1600-1700
Kota Eagle (loose per quintal)	1700-1750	1675-1775

Methi

Kota mandi:

Methi prices seen significant improvement during the week in Kota mandi. Daily average arrivals were in the range 200 bags per day during the week. Arrivals at Neemuch mandi were 800-800 bags daily with an increase of Rs.300 per quintal in prices on better demand. Market sources expecting some more improvement in demand and prices in near future. Prices would see some more improvement in coming week.

Methi price at Kota Mandi

Methi Grade	Nov 01- 07	Nov 08- 14
Methi (Uncleaned)	1150-1300	1500-1600
Methi (Cleaned)	1400-3000	1700-3000

Note: Rate Per bag (90 Kg. each)

Prices of Methi seen a notable improvement during the week. Delhi market witnessed firm trade. The prices would remain firm on positive side in coming week.

Methi price at Delhi Mandi

Methi Grade	Nov 01- 07	Nov 08- 14
Chalu	1600-1700	1900-2000
Jabara	2450-2900	2650-3100
Better	2850-3300	3150-3500

Note: Rate Per quintal

Technical Analysis:
Commodity: Black Pepper
Contract Month: December 2005
Exchange: NCDEX

Candlesticks are showing bearish sentiment. Stochastic oscillator in neutral region moving downward signs of bearish sentiment but likely to take positive correction. RSI is in neutral zone and taken downward movement sign of

bearish sentiment. MACD is reached in positive region and bearish showing weakness in the market. Overall there are maximum chances of downward movement with maximum chances of upward correction on Wednesday or Thursday.



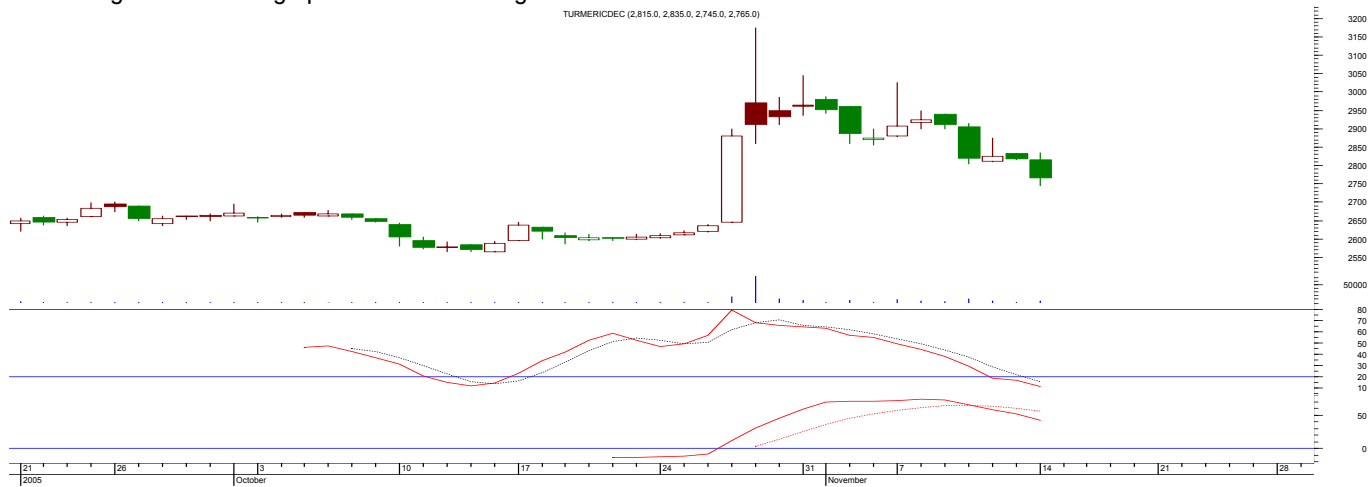
Recommendation: The prices would fall during first two days of the week then most likely positive correction would take place. So one should go for short the positions at

upper levels. From Thursday onwards go for long positions during the positive correction. The prices would be in the range of 6652-6927 in this week.

Commodity: Turmeric
Contract Month: December 2005
Exchange: NCDEX

Candlesticks showing maximum chances of positive correction in the market. Prices would see some more decrease in the coming days. Stochastic oscillator is in neutral region and moving upward movement sign of bullish

sentiment. MACD is bearish at 130.6 points showing but strength in the market. So overall bearish sentiment with positive correction in 2-3 days in prices.



Recommendation: Go for Short term as well as intra day selling at upper levels in the week. Again go for long

positions after positive correction takes place. The prices would be in the range of 2701-2915 in this week.

Commodity: Cumin (Jeera)

Contract Month: December 2005

Exchange: NCDEX

All the indicators are showing bearish sentiment in the market. Candlesticks are showing Maximum chances of trend reversal in prices. RSI and MACD is showing bearish sentiments in the prices. Stochastic oscillator at -40.85 point is also in oversold region so maximum chances of

[positive correction. MACD is already in Negative zone showing the weakness in market also started moving downwards. Overall all the technical indicators showing bearish sentiments in the prices.



Recommendation: As the market fundamentals as well as technical showing bearish sentiment in the market. To short positions on short term and intra day basis holds good.

Market would move downward. Market would move in the range of 6253-6474 in this week.

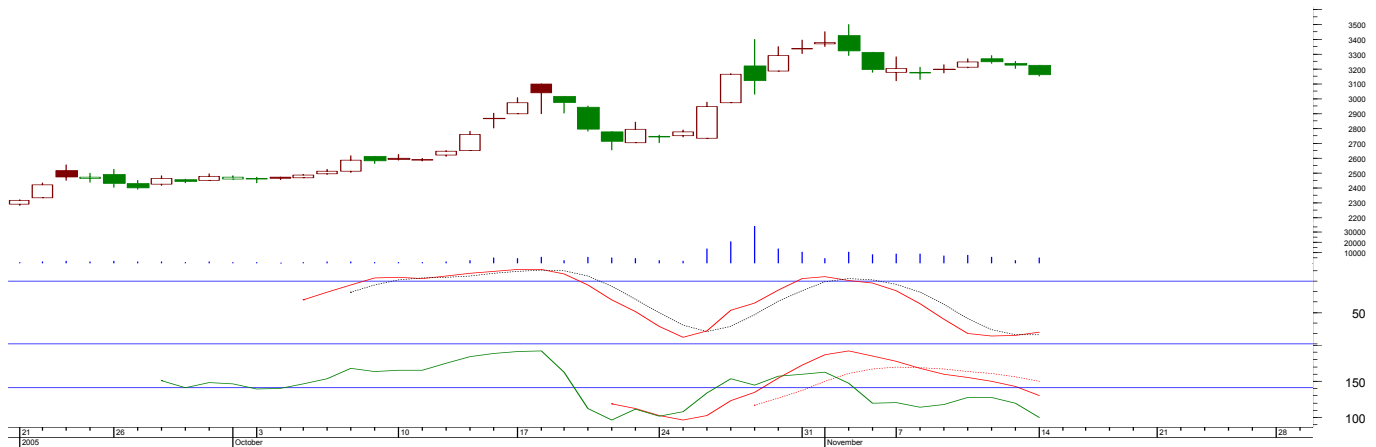
Commodity: Red Chili

Contract Month: December 2005

Exchange: NCDEX

Stochastic Oscillator is bullish. RSI is bullish and PROC is bearish. Candlesticks also showing the weak sentiments with maximum chances of trend reversal in coming two

three days. Overall technical and fundamentals showing the bearish range bound sentiments with positive correction in the prices coming week.



Recommendation: As per Fundamental and technical analysis, market would move slight downward with maximum chances of positive correction. So one can go for

making positions short near resistance levels long near support levels. Prices would be in the range of 3018-3351 in this week.

WEATHER WATCH (As on 13.11.05)

ALL INDIA WEATHER FORECAST BULLETIN VALID FOR NEXT 5 DAYS

Weather Outlook

The upper air cyclonic circulation over southwest Bay of Bengal persists and extends upto 3.1 km above sea level. Another upper air cyclonic circulation over southeast Arabian sea also persists. Under the influence of these systems, fairly widespread rains with isolated heavy falls are likely over Coastal Tamil Nadu & Pondicherry, Kerala and Lakshadweep during next 48 Hrs. NE monsoon flow is expected to weaken further leading to reduction of rainfall activity over the region. Under this scenario, scattered light to moderate rainfall is likely over Tamil Nadu, South Coastal Andhra Pradesh and Kerala during 15-17 November, 2005. Model prediction suggest that a western disturbance is likely to approach J&K and adjoining area by 16th November, 2005 and cause isolated to scattered rains/snow over the region beginning from 16th.

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

Isolated to scattered snow/rains are expected over J & K, Himachal Pradesh and adjoining area during 16-17 November. Mainly dry weather may prevail over plains of NW India.

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

Isolated to Mainly dry weather is likely to prevail over the region.

CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]
Mainly dry weather is likely to continue during next 5 days.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]
Scattered to fairly widespread rains are likely over Tamil Nadu & Pondicherry, Kerala and Lakshadweep Islands during next 2 days. Thereafter, rainfall activity over the region is likely to reduce.

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

Mainly dry weather is likely to prevail over the region.

Source: GOI (NCMRWF & IMD)

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