

## SPICES

November 01 - 07, 2005

### Overview:

- Chilli Export Declined Significantly in First Half of Current Fiscal
- Black Pepper Export Subsidy Scheme Getting Severe Criticism
- Black Pepper Production likely to Decline
- Pepper Subsidy Insufficient -Kerala Marketfed
- Farmer's Federation of AP Asks Centre to Scrap Spices Board Act

### News Highlights:

#### Chilli Export Declined Significantly in First Half of Current Fiscal

The chilli export, which is prime constituent of the India's Spices Export basket declined about 7-8 percent in its contribution to the total, Spices export in First half of the Current Fiscal. In volume terms it is 59500 tonnes valued Rs.201.01 crores against 75997 tonnes valued Rs.277.78 crores in first half of the last fiscal. The main competitor of India in the world chilli market is China. Which is reported to have a better April-May crop, while its October-January crop is also reported to be better than last year. Therefore, the main buyers of Indian chilli viz. Sri Lanka, Malaysia, Bangladesh, USA and the UAE are waiting for the harvesting of the next chilli crop in China anticipating that the some more decline in prices. This is one of the main reasons for decrease in Indian export of chilli. At domestic front prices increased significantly due to crop loss caused by continuous rainfall in chilli producing areas.

#### Black Pepper Export Subsidy Scheme Getting Severe Criticism

Black Pepper export subsidy scheme announced by Central government last week, getting severe criticism from Exporters and traders. According to exporters the subsidy scheme became a curse for them. On positive impact of the scheme prices of both spot and futures trading increased marginally for two days, after which there was a continuous decline in prices seen especially in futures. The market has already realized that the scheme is too little and too late to support the price line and that affected the sentiments badly. According to exporters, the inherent weakness of the scheme itself was self-defeating as 100 per cent export-oriented units (EOUs) and units of Special Export Zones (SEZ) were not entitled to enjoy the benefit. More than 70 per cent of the export of pepper and pepper based products from India is done through such units. Since this had created criticism among exporters, chairman, Spices Board, assured that he would initiate action to extend the scheme to EOUs and SEZ units. Meanwhile, domestic prices are at higher levels and even by adding the subsidy of Rs 7 per kg, it will not be at par with global rates. The current export price tag for ASTA in Vietnam is \$1350, a tonne and in Indonesia it is \$1375 free on board. But local price is around \$1500. By adding subsidy, price could be reduced to \$1400 but still Vietnam and Indonesia will have

strong price advantage. They also said the announcement of the subsidy scheme became a threat to black pepper as major importers are bargaining for reduced prices. There are a few takers from countries like Canada, Germany and Japan who specially prefer Indian grades are now asking for reduced price tags. The present scheme will be in effect till the end of current fiscal and the target is to export pepper to the tune of 20000 tonne. On the other hand market sources are of the view that it would not be possible since it is too short period to export 20000 tonnes of pepper even if the benefit of the scheme is extended to EOUs and SEZs. Kerala government had asked for export subsidy of Rs 22 a kg and Spices Board recommended Rs 15, but Rs 7 was sanctioned. As Indian price is higher than the global average price by \$150, a tonne, it is too little to have an impact on the global export front. So there is only hope to support the prices in global as well as domestic front is lower production estimates for the coming season.

#### Black Pepper Production likely to Decline

Global as well as Domestic Black Pepper production is likely to decline in coming season. In Indian context pepper production is estimated to fall by 30 per cent in the next season due to the negative impact of the heavy southwest monsoon rains this year. According to trade estimates, it would be around 50000 tonnes next year against an estimated 70000 tonnes in 2005. Because of the continual heavy rains, pollination did not take place; as a result, the spikes are not full and berry formation is less and scattered, according to growers in Wayanad and Idukki districts of Kerala. In the southern districts of the State, the growers said the production would be less by 50 per cent. The situation in pepper plantations in Karnataka is also same. According to earlier international reports, production in other major producing countries is likely to be less. Against a projected demand of 216000 tonnes in 2005, the quantity available for export from all the producing countries would add up to 171900 tonnes, according to a market review for 2005 by the Brazilian Pepper Trade Board. The report also said the total world consumption of pepper in 2005 has been estimated at 341500 tonnes, including 123500 tonnes by the producing countries. Production in Vietnam, the world's top producer of pepper, is estimated to be around 86000 tonnes, of which 79000 tonnes would be available for export. The reasons attributed to the decline in the

supply position are potential drop in Vietnam production by 20 per cent in 2005 and production loss in other countries. In other pepper producing countries like Brazil, Malaysia and Indonesia trade sources estimating a decline of 10-20 per cent in pepper production. This decline in production would help the pepper prices to improve, which are almost touching bottom level now a days.

#### Pepper Subsidy Insufficient -Kerala Marketfed

Kerala Marketfed has procured 4800 tonnes of black pepper at Rs 75 per kg directly from the growers so as to ensure a remunerative price to them, is likely to earn an estimated loss of Rs 13 crore as the subsidy announced by the Centre is less than one-third of the amount demanded by the State Government. Chairman, Marketfed reported that the subsidy announced is inadequate and the amount should have been Rs 22 a kg as suggested by the Spices Board. The federation would be approaching the Government demanding either to raise the subsidy or to get back the loss to be incurred by it. The Centre has announced a subsidy of Rs 7 a kg, of which Rs 5 would be for exports and Rs 2 for transporting the commodity to the domestic market. The subsidy would be available for exports of 20000 tonnes of exportable quality Indian black pepper till March 31, 2006. He also revealed that the cost of pepper procured at Rs 75 per kg for the Marketfed would come to around Rs 85 per kg for domestic sale when the weight loss and the garbling and cleaning cost are added. The world market price is ruling at around Rs 61 per kg while the Indian parity is Rs 71 per kg. Thus, the difference in the cost of the produce and the international price would not be fully met by the subsidy and, hence, Marketfed would earn a loss of around Rs 13 crore. The Kerala Government had appealed to the Union Government to extend a subsidy of around Rs 22 per kg for exporting the pepper procured by it. The Centre, in response, has now announced the subsidy, which it claims is WTO compatible and would make the Indian produce competitive in terms of price in the overseas markets. Besides, it would help regulate the supply, which in turn would hold the fall in prices while the farmers would get a remunerative price. At this rate it is not going to help the growers. According to reliable sources, the export price of the pepper procured by the Marketfed would come to Rs 99 per kg when cost of

special processing, packing, stuffing etc are included, as against the Indian parity of Rs 71 per kg. Market sources also reported that the subsidy is insufficient and would not help in stabilizing the pepper prices in Market.

#### Farmer's Federation of AP Asks Centre to Scrap Spices Board Act

The Federation of Farmers' Associations, Andhra Pradesh, has asked Centre during a presentation on Development of Spices, chaired by Ms Radha Singh, Secretary, Union Agricultural Development. The federation suggested the opening of "spice malls" in all major consuming centres such as Hyderabad, Mumbai and Delhi, where growers could sell directly to traders and consumers and to scrap the Spices Board Act 1986 and de-constitute the board. It is also suggested that use of unapproved pesticides control methods by the Spices Board scientists should be made punishable. The AP-based farmers' body, analyzing the relevance of the Spices Board in the current context of declining export revenues, has wondered if the benefits derived by the growers are commensurate with the money spent for maintenance of the board. Seeking a halt to wasteful expenditure in the name of trade promotion, the body has recommended that officials should be made accountable for both their actions and inaction. It has also called for fixing of monthly targets for revenue and profit. The only rising stars in India's spices export basket now are chilli, turmeric, cumin and coriander, and according to the federation, the Spices Board is hardly known in the areas producing the above items. Mr P. Chengal Reddy, Hon. Chairman of the federation, reported that while the share of spices in exports came down from 20.5 per cent in 1970 to 8.5 per cent in 2002, that of rice (which has no board incidentally) has grown from 0.6 per cent to 18.10 per cent. According to him, "Think India, Think spices" was no longer valid, and clearly, the Spices Board has failed to keep pace while other countries like China and Madagascar have taken a lead. He also having the views that India needs sharp business acumen and trading skills to correct this situation, and not costly branding exercises as proposed by the Spices Board. Pointing out that global marketing did not mean participation in trade exhibitions alone, but focus must be on improving crop productivity while keeping the costs down.

#### Domestic Prices For the week ending 22.10.2005: (NA for Recent week)

Spice	Grade/Variety	Market	Price (RS/KG) For The Week (22.10.05)	Price (RS/KG) For The Week (15.10.05)	Last Month (RS/KG) Same Week (23.09.05)	Last Year Same Week (RS/KG) (23.10.2004)
Black pepper*	Malabar garbled (mg-1)	Cochin	63.50	63.00	63.80	64.00
Cardamom	(Small) Ungraded	Vandanmettu	241.46	233.59	259.29	276.70
Cardamom	Cardamom (large)	Gangtok	96.25	98.75	90.00	90.63
Chilli	Non -cold storage Cold storage	Guntur	12.60	12.67	12.00	32.33
			25.00	20.33	18.00	22.33
Ginger	Unbleached (new)	Cochin	100.00	100.00	120.00	140.00
Turmeric	Alleppey finger (AFT) Rajapuri Duggirala	Cochin	50.00	50.00	50.00	55.00
		Mumbai	56.50	56.50	53.50	57.25
		Mumbai	28.38	28.38	28.38	33.25
Coriander	Indori 5%	"	18.63	18.38	18.88	18.06
Cumin	4%	"	60.63	61.25	66.50	68.13
Clove	Grade 1	Cochin,	220.00	227.50	230.00	250.00
		Nagarcoil	240.00	230.00	230.00	285.00
Cinnamon		Delhi	46.50	46.50	46.50	50.50

## International Spot Prices for the week ending 21.10.2005: (NA for Recent week)

Spice	Origin/Grade	Market	Price For The Week (21.10. 05) (US\$/TON)	Price For The Week (14.10. 05) (US\$/TON)	Last Month Same Week (23.09.05) (US\$/TON)	Last Year Same Week (22.10.04) (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	8620	9370	8920
Chillies	Indian sannm-4 (stem less)	New York	1257	1257	1213	1300
Ginger	India cochin	New York	3484	3484	3484	5181
Turmeric	Chinese peeled	New York	3462	3462	3462	2756
	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	770	816
Cumin	Syrian		1830	1808	1808	1896
	India	New York	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/	New York	3815	3859	3859	4079
	Indo Sri Lanka (hand picked)		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	4740	4740	4630	4630

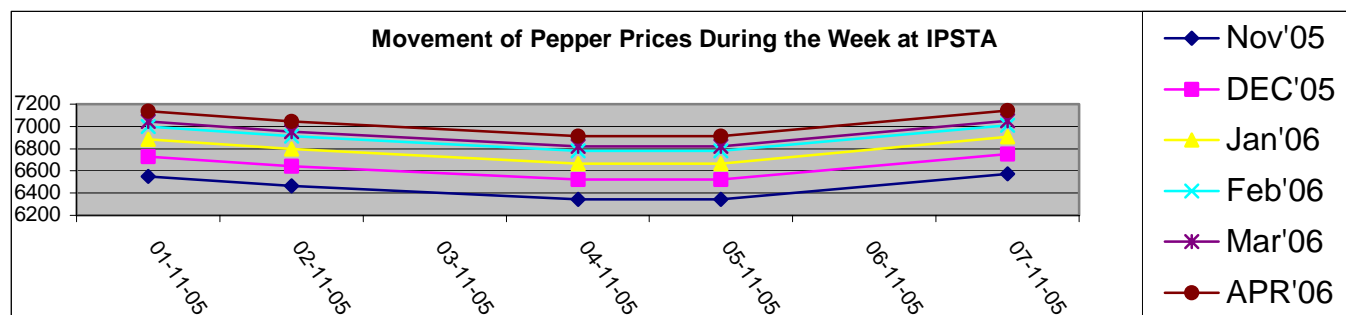
## Market Analysis:

### 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 downward movement upto Friday and then slight increase on Saturday and significant increase on Monday of the week in every contract, the prices would see some more upward movement in coming days.



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

Pepper	01.11.05	02.11.05	03.11.05	04.11.05	05.11.05	07.11.05
Ungarbled	Closed	6100	Closed	6100	6100	6100
Garbled	Closed	6500	Closed	6500	6500	6500

The prices of garbled and ungarbled varieties of pepper remain steady in Kochi market during the week; Market was closed on Tuesday and Thursday. Demand for black pepper remained confined from local consumption centres. Arrivals were nil during the week except 10 tonnes on Saturday. Off take were 10 tonnes on Wednesday and Monday. Market sources reported that prices started picking up with domestic buying support, In coming week prices would see some more improvement.

#### Delhi terminal mandi

In Delhi market prices remained firm with slight upper side. Prices of black pepper firm due to short supply from the Kochi market due to bad weather conditions. Prices at Delhi Market would remain firm in coming week.

Pepper	Oct 25 - 31	Nov 01- 07
Golden Unpolished	67-68	68
11.5	83-85	85
No. 12	93-95	95

Note: Prices are in Rs. Per Kg.

#### Turmeric:

**Erode mandi:** Turmeric prices increased significantly in comparison with previous week level, Market was open only on Thursday and Monday. Arrivals of turmeric in the Erode were reported between 5000-0000 bags daily during the week. Since, demand is increasing 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	Oct 25 - 31	Nov 01- 07
Loose Finger	2750-2825	2900-2950
Bilty	2900-2950	3100-3150
Loose Gattah	2775	2900
Bilty	2900	3100
Loose SP Gattah	2800-2850	2950-3000
Bilty	3050-3100	3150-3250
Loose DP Gattah (Salem)	2950-3000	3000-3050
Bilty	3250-3300	3300-3350
Kolkata Quality Bilty (75 kg)	2150	2200-2250

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

#### Nizamabad Mandi

Prices increased Rs.150 per bag in finger and Rs.100 in gattah grades in comparison with previous week levels. Daily off take in Nizamabad were reported about 1000 bags daily during the week, market was closed for two days. Prices would remain steady at these levels in coming week.

DATES	Oct 25 - 31	Nov 01- 07
Nizamabad Gattah	3000	3100
Nizamabad Finger	3000	3150

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

**Warangal mandi:** Market was closed for whole week. Prices for turmeric in the market continued to hold steady levels.

**Delhi Mandi:** Demand for turmeric was slightly improved due to festive demand 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	Oct 25 - 31	Nov 01- 07
Nizamabad finger	3000-3200	3100-3200
E.Finger mini Selam	3500-3600	3500-3600
E. Single polish Gattah	3100-3200	3150-3200
E. Double polish Gattah	3500-3600	3500-3600
Warangal polish	2950-3000	3000-3100
Selam Finger	4000-4100	4000-4100

Note: Prices are in Rs/ Qtl.

#### Clove:

#### Delhi mandi

Delhi clove market prices and demand remains 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	Oct 25 - 31	Nov 01- 07
Indonesia	200	200
Ketan	205	205
Colombo	178-180	178-180
Madagascar	190	190
Zanzibar	205	205

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. 190-195per kg. While Colombo grade was traded at Rs. 180-182per kg. The price of Zanzibar was recorded at Rs 197 per Kg.

#### Cumin:

**Unjha Mandi:** Cumin market remains closed from starting of the week due to Diwali and New Year. Prices would see some improvement, as pending demand due to market closure would take place, so there are maximum chances of some upward movement in demand and prices in coming week.

DATES	Oct 25 - 31	Nov 01- 07
Kisan Mal-FAQ	1175-1550	1175-1550
Ganesh	1325	1325
M/c. Cleaned	1450-1525	1450-1525
Sup. M/c. Cleaned	1625	1625

Note: Prices are in Rs/20 Kg

In **Hyderabad mandi** the rates of Kisan mal-FAQ grade was reported between Rs.1220-1300/20kg.during this week. Prices are likely to remain firm in the coming week.

**Delhi Mandi:**

Cumin prices improved slightly in different grades, as demand improved due to festive season. Prices would remain steady in coming week too.

Grade	Oct 25 - 31	Nov 01- 07
Chalu	62	63
Ganesh	66-67	68
M/Cleaned	67-80	69-80
Best	83-91	84-92

**Red Chillies:**

**Guntur Mandi.** Market was closed for whole week except on Monday. Arrival was 70000 bags and out of that 50 per cent sold out on same day. Chilli prices improved significantly due to the news of crop damage due to excess rain and demand from north India. Prices had seen a significant increase of Rs.100-300 per quintal from the previous week. Market sources reported that prices would remain steady in coming week.

DATES	Oct 25 - 31	Nov 01- 07
COLD	3200	3300-3550
UNCOLD	NR	2200-2500
WHB	3200	3300
Byadgi	3100	3200
Sannam Best	3200-3500	3200-3500
Sannam Med. Best	3200-3300	3200-3300
Namdhari	3200	3200-3300
273	3100-3200	3400-3500
Guntur Fullcut	4300-4500	4400-4600
Ankur	3400-3500	3500-3600
Phatki	1500	1500
Indo5	3200-3300	3600-3700
Tejaseed	3600-3700	3900-4000
Roshni	3100-3200	3200-3300

Note: Prices are in Rs/Qtl, 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	Oct 25 - 31	Nov 01- 07
Guntur Pala	2900-3100	2900-3300
Guntur Fullcut	4600-4800	4600-5000
Guntur Packing (new)	3400-3800	3400-4000
Nagpur Pala	2900-3000	2900-3200
Nagpur Fullcut	3500-3600	3500-3600
Nagpur Packing	3400-3500	3400-3700

Note: Prices are in Rs/Qtl

**Cardamom:****Delhi mandi**

Cardamom prices remain firm due to good festive 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 in coming week.

DATES	Oct 25 - 31	Nov 01- 07
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	430-470

Note: Prices are in Rs/kg

**Hyderabad Mandi**

Prices improved slightly in Hyderabad, as demand is started picking up on account of Diwali and Eid; prices improved by Rs 2-8 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	Oct 25 - 31	Nov 01- 07
Colour Robin	185	187
C Bold 6.5mm	197	198
Extra Bold 7mm	270	272
Ex Bold 7.5mm	290	295
8.00 mm	410	418

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

**Coriander:****Delhi Mandi**

Delhi market seen slight improvement in prices as market was closed for three days. Prices of coriander increased slightly in comparison to previous week in all grades. In coming week prices would remain firm.

Coriander Grade	Oct 25 - 31	Nov 01- 07
FAQ (Chalu)	1900-2000	1900-2300
Medium	2100-2600	2100-2800
Green	2800-3600	2800-3800
Extra Green	4000-5500	4000-5600

Note: Rate Per Quintal

**Rajasthan Mandi**

Better Demand after three-day festive closure of markets in Rajasthan, improved Prices by Rs 100 per quintal in loose grades. Arrivals of coriander in Ramganj, Kota and Baran



mandi were reported about 2000-4000 bags daily. Arrivals in Guna mandi remained 500-700 bags daily. There would be some more improvement in demand and prices in coming week.

DATES		
	Oct 25 - 31	Nov 01- 07
Kota Badami (40 kg)	750-760	780-800
Kota Eagle (40 kg)	780-800	820-840
Ramganj Badami (loose per qtls)	1500-1550	1600-1650
Ramganj Eagle (loose per qtls)	1600-1650	1700-1750
Kota Badami (loose per quintal)	1500-1550	1600-1650
Kota Eagle (loose per quintal)	1600-1650	1700-1750

## Methi

### Kota mandi:

Methi prices seen slight improvement during the week in Kota mandi. Daily average arrivals were in the range 150-200 bags per day during the week. Arrivals at Neemuch mandi were 400-500 bags daily with firm prices and demand. Market sources expecting some more improvement in demand and prices in near future. Prices would remain firm in coming week.

### Methi price at Kota Mandi

Methi Grade	Oct 25 - 31	Nov 01- 07
Methi (Uncleaned)	1150-1275	1150-1300
Methi (Cleaned)	1300-3000	1400-3000

Note: Rate Per bag (90 Kg. each)

Prices of Methi seen slight 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	Oct 25 - 31	Nov 01- 07
Chalu	1500-1600	1600-1700
Jabara	2350-2800	2450-2900
Better	2750-3100	2850-3300

Note: Rate Per quintal

### Prices of Major Spices available in Major Rajasthan Mandi as on 07<sup>th</sup> November, 2005:

The prices of major spices in major Rajasthan mandis remain steady to increasing trend this week as compared to the last week. Chilly dry shown steady trend during the week. Arrivals of Chilli (dry) remain nil except 102 quintal on Monday. Arrivals of cumin also remain nil during the week. Arrival of Methi was also recorded nil during the week slight weakness in prices.

### Prices of Major Spices

Name of Spice	Place	Rate (Rs. qtls)
Chilly Dry	Jaipur (Grain) Mandi	3000
Jeera (Cumin)	Jaipur (Grain) Mandi	7000
Methi	Jaipur (Grain) Mandi	1250

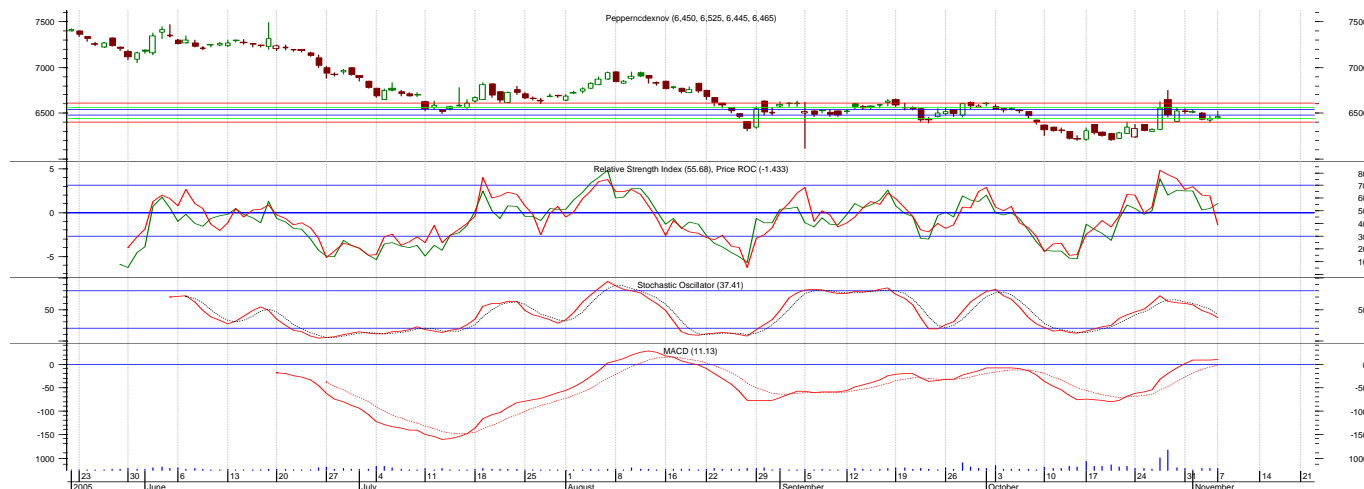
### Other Minor Spices during week at Delhi Mandi

At the Delhi mandi the prices of other minor spices seen firm to some improvement in prices during this week as compared to the last week It is expected that the prices of other spices in Delhi mandi would maintain steady trend in the coming week also.

**Technical Analysis:**  
**Commodity: Black Pepper**  
**Contract Month: November 2005**  
**Exchange: NCDEX**

Candlesticks are showing bullish 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 upward movement sign of

bullish sentiment. MACD is reached in positive region and bullish showing strength in the market. Overall there are maximum chances of upward movement on the basis of technical analysis and fundamentals in this week.



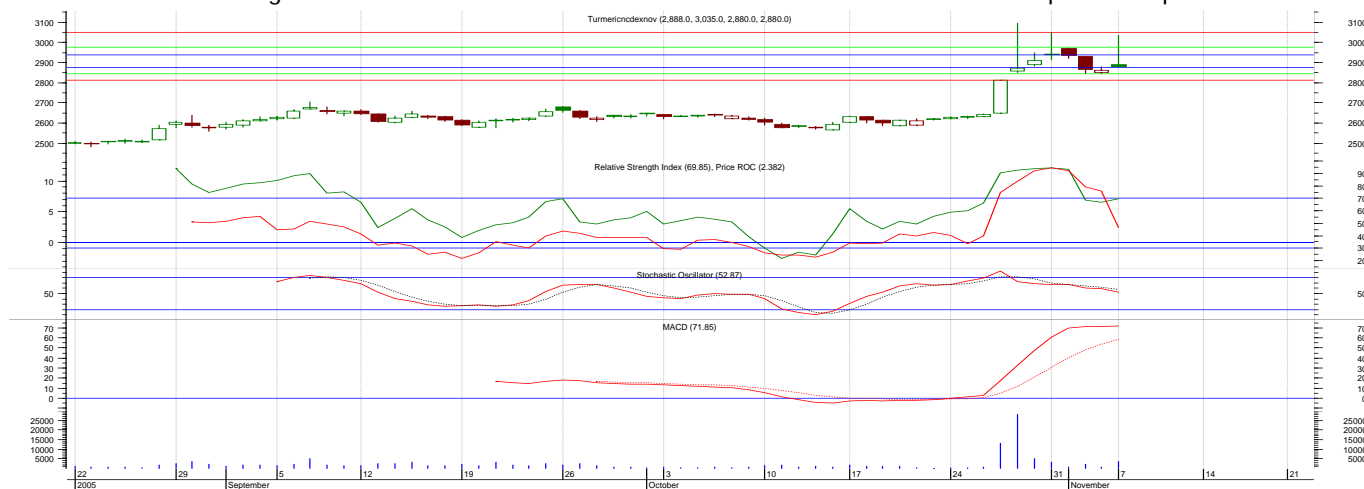
**Recommendation:** As all the indicators and fundamentals showing bullish sentiment in prices in

coming week. So on the basis of both prices would move upward. The prices would be in the range of 6402-66609 in this week.

**Commodity: Turmeric**  
**Contract Month: November 2005**  
**Exchange: NCDEX**

Candlesticks showing negative correction in the market. Prices would see more decrease in the coming days. Stochastic oscillator is in neutral region and moving downward movement sign of bearish sentiment. MACD is

bullish and at 71.85 points showing but taken horizontal movement sign of range bound movement in the market. PROC also showing downward movement RSI is bearish. So overall bearish sentiment prevails in prices.



**Recommendation:** As market is overall bearish in coming week. Go for Short term as well as intra day

selling at upper levels in the week. The prices would be in the range of 2812-3052 in this week.

## Commodity: Cumin (Jeera)

Contract Month: November 2005

Exchange: NCDEX

All the indicators are showing mixed sentiment in the market. Candlesticks are showing Maximum chances of trend reversal in prices. RSI is bullish and PROC is showing bearish sentiments in the prices. Stochastic oscillator at 27.63 point is also in neutral region and bearish

but not showing sharp movement. 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 6189-6424 in this week.

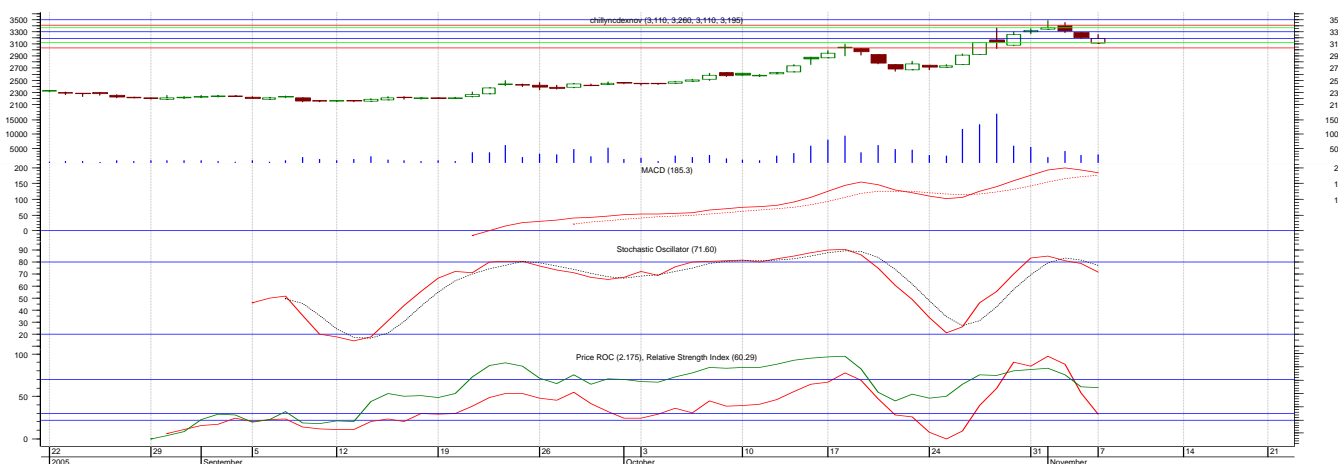
## Commodity: Red Chili

Contract Month: November 2005

Exchange: NCDEX

Stochastic Oscillator, %K line is below the % D line at 71.60 point cutting it from above and in neutral region shows the bearish sentiments. RSI is bullish and PROC is bearish. Candlesticks also showing the weak sentiments. Overall

technical and fundamentals showing the bearish range bound sentiments 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 at resistance levels. Prices would be in the range of 3030-3502 in this week.



## WEATHER WATCH (As on 06.11.05)

### ALL INDIA WEATHER FORECAST BULLETIN VALID FOR NEXT 5 DAYS

#### Weather Outlook

Scattered to fairly widespread rainfall activity with isolated heavy amounts has been realized during the last 24hrs over Tamilnadu, Kerala, Lakshadweep, coastal Karnataka, Andaman & Nicobar Islands and coastal Andhra Pradesh with significant amounts of rainfall recorded at Chennai-11cm, Cuddalore-9cm, Karaikal-12cm, Nagapattanam-10cm, Minicoy-4cm, Kochi and Kozhicode - 2cm each, Mangalore-1cm. Isolated to scattered rainfall is realized over south interior Karnataka and Rayalseema as well. Yesterday's low pressure area over southwest Bay of Bengal still persists today over the southwest Bay adjoining Srilanka with a slight westward movement observed since yesterday. It is expected that the low-pressure system is likely to move very slowly in west northwesterly direction in coming days and cross over to the Arabian Sea. Under this scenario, scattered to fairly widespread rainfall with isolated heavy falls at some places are likely over Tamilnadu & Pondicherry, south coastal Andhra Pradesh, Kerala, south interior Karnataka, Rayalseema and Lakshadweep in coming 3-4 days. North interiors Karnataka, coastal Karnataka, Telangana, parts of Chhattisgarh are likely to receive isolated to scattered rainfall in coming days. A weak westerly trough over Northeast Bay of Bengal and neighbourhood persists even today. It is expected that isolated to scattered rainfall activity to continue over NE states of Nagaland, Manipur, Mizoram, Tripura and Arunachal Pradesh at least for next 2-days. Currently fair weather persists over J & K and a fresh upper air cyclonic circulation associated with the passing westerly trough is

likely to extend over J & K by 7th Nov., 2005 and is expected to give isolated to scattered rain/snow over Jammu & Kashmir initially and subsequently over hills of Himachal and Uttaranchal.

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

Dry weather is likely to prevail over the region with a fall in night temperatures for 1-day or so. Subsequently, isolated to scattered snow/rains are expected over J & K, H.P., Uttaranchal.

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

Isolated to scattered rainfall activity is expected over North-eastern States for next 2-3 days only. Mainly dry weather may prevail subsequently.

#### **CENTRAL INDIA [MP, CHATTISGARH, VIDARBHA]**

Mainly dry weather is likely to prevail over the region except over Chhattisgarh where isolated to scattered rains are expected for next 1-2 days.

#### **SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]**

Scattered to widespread rainfall with isolated heavy amounts is likely over Tamilnadu & Pondicherry, south coastal Andhra Pradesh, Rayalseema, south interior Karnataka, Kerala and Lakshadweep. Isolated to scattered to rainfall is expected over Telangana, north interior Karnataka and Bay Islands.

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

Mainly dry weather is likely to prevail over the region.

Source: GOI (NCMRWF & IMD)

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.