

SPICES

December 27, 2005

TURMERIC

Fundamentals

Nizamabad Mandi:

In Nizamabad market turmeric prices traded Rs. 50 per quintal below previous day level with Arrivals of 500 bags with sluggish demand. Harvesting of turmeric may be at its peak in February. The demand for Turmeric is sluggish and traders are waiting for prices to come down with increased arrivals of fresh crop. The prices are expected to decline in coming days due to increased arrivals in the market.

Erode Mandi:

The prices of Turmeric for both finger and gattah grades declined today due to sluggish demand. The demand is slow as traders have reduced buying and are waiting for the fresh crop to come. The fresh crop is expected to hit the market after two weeks. The prices are expected to decline in the coming days.

NCDEX Futures Market:

Turmeric futures remained firm

Turmeric prices in Future prices today witnessed bearish sentiments. NCDEX April contact opened slightly weak and finally settled at today's low.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

Grades	27.12.05	26.12..05	Change
Finger	2550	2600.00	-50.00
Gattah	2450	2500.00	-50.00

Futures Prices

NCDEX FUTURES (April 2006)

(Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2282	2310.00	-28.00

Technical Analysis:

Candlesticks, MACD and RSI are indicating bearish sentiments for tomorrow; stochastic oscillator is also indicating a bearish crossover. The prices may remain bearish tomorrow followed by some recovery at later trading sessions tomorrow.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The market may open steady firm and bearish and slight recovery at later trading sessions. Sell (go short) below 2285 with target of 2265 and stop loss at 2305. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	28.12.2005
Support-1	2270
Support-2	2259
Previous Close	2282
Resistance-1	2292
Resistance-2	2311

BLACK PEPPER

Fundamentals

Market Commentary: Pepper prices today are trading weak at Kochi spot market. At the futures market the pepper NCDEX January contract futures opened weak and thereafter became bearish and then recovered some what at last and moved in the range of 7036-7225 today.

Price Drivers:

Kerala Marketfed's decision to delay in further auction of pepper

Normal weather conditions in Southern India giving a push up to the fresh pepper production

Entry of Srilankan pepper in domestic market again

Fresh arrivals picking up volume

NCDEX Futures Market:

Black Pepper Improved slightly Today

NCDEX Black pepper prices declined significantly today and settled 183 points below the previous close in January contract. The contract opened slightly weak than the previous days close, thereafter it declined and finally settled with some improvement.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

Grades	27.12.05	26.12.05	Change
Ungarbled	6750	6800	-50.00
Garbled	7150	7200	-50.00

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
7050	7233	-183.00

Outlook: The pepper prices at the spot markets are expected to witness weak sentiment in the coming days as fresh arrivals have started coming in the market. At NCDEX in January contract prices are expected take downward movement with some recovery in later trading sessions tomorrow.

Technical Analysis:

Candlesticks, RSI and PROC all technical indicators are showing some bullish sentiments in the market, except MACD which is still bearish showing market loosing its strength over supply pressure. Overall there are maximum chances of upward movement tomorrow with some downwards movements thereafter.

Technical Chart



Market Advice:

Pepper January NCDEX:

Prices are expected to remain bearish. Sell (go short) below 7050 with target of 6960 with stop loss at 7140. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	28.12.2005
Support-1	6954
Support-2	6898
Previous Close	7050
Resistance-1	7092
Resistance-2	7146

RED CHILLIES

Fundamentals

Guntur Mandi

Prices remain stable

At Guntur market prices remained steady today. More fluctuations can be seen during the months of February, March and April. Recent drizzling in Guntur region has benefited the chilli crop. Traders are expecting yield to be of 50-70 percent. The carry over stock is of 22.5 lakh tonnes that is quite normal. On increased arrivals the prices are expected to decline in the coming days. Prices would most like to be remain steady tomorrow.

Spot Market Prices

Red Chilli Prices at Guntur (Rs. Per quintal)

Grades	27.12.05	26.12.05	Change
Pala	2650.00	2650.00	-
LCA 334	2750.00	2750.00	-

Futures Prices

NCDEX FUTURES (March 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2984	2998	-14.00

Technical Analysis:

Most of the indicators are showing bearish sentiments in the market. Candlesticks are also showing indecisive sentiment. So prices most likely to move range bound in downward direction tomorrow.

Technical Chart



Market Advice:

Chilli March NCDEX:

Prices are expected to move with bearish sentiment. Sell (go short) below 2985 with target of 2955 and stop loss at 3015. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	28.12.2005
Support-1	2954
Support-2	2943
Previous Close	2984
Resistance-1	2991
Resistance-2	3008

CUMIN (JEERA)

Fundamentals

Unjha Mandi

Jeera Prices stable

Jeera prices at Unjha market remained steady today too. Arrivals were around 2000 bags. Demand for Jeera remained normal around 4500 bags today. Sowing in Gujarat region is over and is around 1.5 times of the previous years sowing. In Rajasthan sowing is near its completion and it would be around 1.25 times above as against previous year. In Gujarat jeera crop is expected to come in March-April. The prices are expected to remain stable in the coming days but if climate witnesses some rain or moisture then it may affect jeera crop adversely resulting improvement in prices.

Spot Market Prices

Cumin (Jeera) Prices at Unjha (Rs. Per 20 Kg)

Grades	27.12.05	26.12.05	Change
FAQ	1120-1400	1120-1400	-
Ganesh new	1320	1320	-
Machine cleaned	1425-1450	1425-1450	-

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6340.00	6357.90	-17.90

Technical Analysis:

All the Indicators are giving bearish signals and Candlesticks are also supporting the bearish movement in the market sentiments. But MACD is bullish but still in Negative region showing the weakness in the market.

Technical Chart



Market Advice:

Jeera January NCDEX:

The prices are most likely expected to move downwards. However at the end the prices may witness slight upward movement to in later sessions. Sell (go short) below 6345 with target of 6305 and stop loss at 6385. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	28.12..2005
Support-1	6301
Support-2	6267
Previous Close	6340.00
Resistance-1	6367
Resistance-2	6386

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