

SPICES

December 24, 2005

TURMERIC

Fundamentals

Nizamabad Mandi:

Nizamabad Turmeric market witnessed negligible trading activity on being Saturday today. Prices improved slightly and 10 - 20 bags of fresh crop arrived in Mandi today. Harvesting has started and fresh crop has started arriving in the markets and is expected to be at its peak by February month. 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:

Erode market remains closed on Saturday however prices remained near about same as of yesterday. The fresh crop is expected to hit the market in February month. The prices are expected to remain steady in the coming days.

NCDEX Futures Market:

Turmeric futures remained slight firm

Turmeric prices in Future prices today witnessed slightly bearish sentiments. NCDEX April contact opened slightly weak and finally settled lower than yesterday's closing prices.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

| Grades | 24.12..05 | 23.12.05 | Change |
|--------|-----------|----------|--------|
| Finger | 2600.00 | 2590.00 | +10.00 |
| Gattah | 2500.00 | 2490.00 | +10.00 |

Futures Prices

NCDEX FUTURES (April 2006)

(Rs Per Quintal)

| Last Traded Price | Previous Closing | Change |
|-------------------|------------------|--------|
| 2291 | 2302 | -11.00 |

Technical Analysis:

Candlesticks are indicating bearish sentiments for tomorrow; stochastic oscillator is indicating a bullish crossover however MACD and RSI are indicating that prices should decline. The prices may remain bearish tomorrow.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The market may open firm and thereafter may close low.

Supports & Resistances

| Particulars | 25.12.2005 |
|----------------|------------|
| Support-1 | 2286.00 |
| Support-2 | 2270.00 |
| Previous Close | 2302.00 |
| Resistance-1 | 2310.00 |
| Resistance-2 | 2323.00 |

BLACK PEPPER

Fundamentals

Market Commentary: In domestic spot markets pepper prices traded weak today when compared to previous trading day. The prices are expected to remain on a lower side in coming days due to fresh arrivals in the market and steady demand. Also weather has reported to become normal and suitable for drying of new pepper.

Price Drivers:

Steady demand in market

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

After continuous disturbed weather conditions in Southern India now sign of some normal weather which is conducive for drying new pepper

Markets witnessing Fresh arrivals that is creating some supply pressure

NCDEX Futures Market:

Black Pepper Falls Today

NCDEX Black pepper prices remained bearish today. The contract opened lower than the previous days close, thereafter it improved and finally settled low.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

| Grades | 24.12.05 | 23.12.05 | Change |
|-----------|----------|----------|--------|
| Ungarbled | 6800 | 6850 | -50 |
| Garbled | 7200 | 7250 | -50 |

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

| Last Traded Price | Previous Closing | Change |
|-------------------|------------------|--------|
| 7216.00 | 7295.00 | -79.00 |

Outlook: The pepper prices at the spot markets are expected to witness steady to slight weak sentiment in the coming days as fresh arrivals have started coming in the market.

Technical Analysis:

Candlesticks, RSI, MACD and PROC all technical indicators are showing bearish sentiments in the market. Overall there are maximum chances of downward movement tomorrow.

Technical Chart



Market Advice:

Pepper January NCDEX:

Prices are expected to remain bearish initially and might become little tentative near first resistance.

Supports & Resistances

| Particulars | 25.12.2005 |
|----------------|------------|
| Support-1 | 7181.00 |
| Support-2 | 7075.00 |
| Previous Close | 7295.00 |
| Resistance-1 | 7332.00 |
| Resistance-2 | 7416.00 |

RED CHILLIES

Fundamentals

Guntur Mandi

Prices remain stable

At Guntur mandi Prices remained range bound to steady as supply pressure started easing out. Total stock is of around 23 lakh bags. Market witnessed, steady to firm market sentiments.

Spot Market Prices

Red Chilli Prices at Guntur (Rs. Per quintal)

| Grades | 24.12.05 | 23.12.05 | Change |
|---------|----------|----------|--------|
| Pala | N.A. | 2707.05 | - |
| LCA 334 | N.A. | 2630.45 | - |

Futures Prices

NCDEX FUTURES (March 2006) (Rs Per Quintal)

| Last Traded Price | Previous Closing | Change |
|-------------------|------------------|--------|
| 2981.00 | 2980 | +1.00 |

Technical Analysis:

Most of the indicators are showing bullish sentiments in the market. However Candlesticks are negating the same .

Technical Chart



Market Advice:

Chilli March NCDEX:

Prices are expected to remain volatile with slightly positive bias.

Supports & Resistances

| Particulars | 25.12.2005 |
|----------------|------------|
| Support-1 | 2944.00 |
| Support-2 | 2914.00 |
| Previous Close | 2980.00 |
| Resistance-1 | 3029.00 |
| Resistance-2 | 3080.00 |

CUMIN (JEERA)

Fundamentals

Unjha Mandi

Jeera Prices stable

Jeera prices at Unjha market remained stable today around 15000-2000 bags arrived in the market today. Around 4500 bags were sold today. Demand for Jeera in the month of December usually remains low and was normal 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. 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.

Spot Market Prices

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

| Grades | 24.12.05 | 23.12.05 | 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 |
|-------------------|------------------|--------|
| | 6349.80 | |

Technical Analysis:

Indicators are sending mixed signals and Candlesticks are also supporting the indecisiveness in the market sentiments.

Technical Chart



Market Advice:

Jeera January NCDEX:

The prices are most likely expected to remain bearish. However at the end the prices may witness slight improvement.

Supports & Resistances

| Particulars | 24.12..2005 |
|----------------|-------------|
| Support-1 | 6318.00 |
| Support-2 | 6282.00 |
| Previous Close | 6349.80 |
| Resistance-1 | 6374.00 |
| Resistance-2 | 6413.00 |

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.