

SPICES

December 31, 2005

TURMERIC

Fundamentals

Nizamabad Mandi:

Prices of Turmeric in Nizamabad market remained unchanged. Harvesting of turmeric has begun and scarce arrivals from fresh crop is visible. The demand for Turmeric is moderate. The prices are expected to remain stable in coming days. They may decline by reason of increased supply in the market.

Erode Mandi:

The prices of Turmeric remained same for both finger and gattah grades. The demand for turmeric is expected to remain good in coming days. The fresh crop is expected to arrive in the market from February month. With the arrival of fresh crop in the market the prices may come down. However in the coming days the prices are expected to improve.

Nizamabad market and Erode market remain close on Saturdays.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

Grades	31.12.05	30.12.05	Change
Finger	2550.00	2550.00	-
Gattah	2450.00	2450.00	-

Futures Prices

NCDEX FUTURES (April 2006) (Rs Per Quintal)

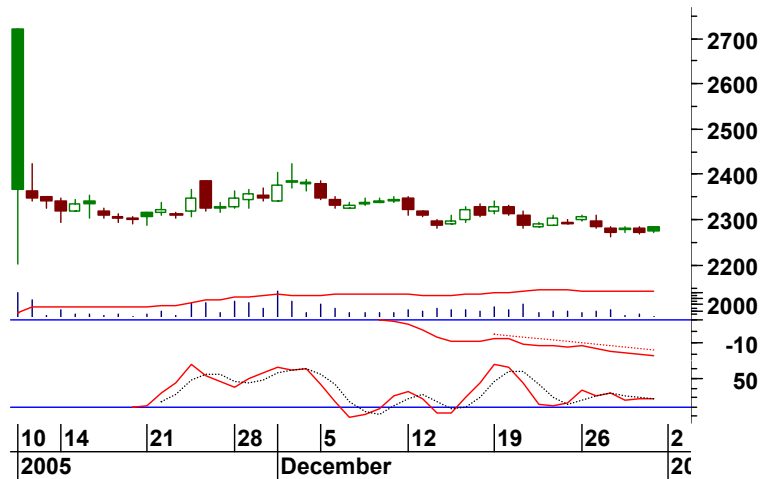
Last Traded Price	Previous Closing	Change
2274.00	2273.00	+1.00

NCDEX Futures Market:

Technical Analysis:

Candlesticks are reflecting bullish sentiments. MACD is showing bearishness in medium term. However stochastic is indicating bullishness in prices. The prices may remain range bound on firm side tomorrow.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The prices may remain range bound to firm tomorrow. Buy above 2270 with target of 2290 and a strict stop loss at 2258. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	01.01.06
Support-1	2272.00
Support-2	2261.00
Previous Close	2274.00
Resistance-1	2291.00
Resistance-2	2300.00

BLACK PEPPER

Fundamentals

Market Commentary: Pepper prices traded slight bearish today at Kochi spot market. However at the NCDEX futures market the prices observed correction today. At NCDEX January contract future opened low as compared to previous days close and then finally settled high. The spot prices declined on absence of effective global demand and inflow of fresh pepper in markets.

Price Drivers:

Lack of Global demand due to closure of major international markets

High carry over stock of around 40000 - 60000 tonnes

Increased arrivals in market

Entry of heavy stock of inferior quality pepper from Srilanka

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

NCDEX Futures Market:

Black Pepper Improves on Correction

NCDEX Black pepper prices improved today and observed correction by 40 points as against previous close. Jan contract opened lower than previous close and thereafter improved.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

Grades	31.12.05	30.12.05	Change
Ungarbled	6650	6650	-
Garbled	7050	7050	-

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6891.00	6851.00	+40.00

Outlook: The domestic spot market for pepper may continue to witness bearish sentiments. However at NCDEX futures market prices are expected to improve.

Technical Analysis:

Candlesticks are indicating bullish sentiments. Stochastic and 3 days MA are also indicating rise in prices is likely. The prices may improve tomorrow.

Technical Chart



Market Advice:

Pepper January NCDEX:

Prices are expected to be firm tomorrow. Buy above 6892 with target of 6960 with a strict stop loss at 6830. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	01.01.06
Support-1	6853.00
Support-2	6820.00
Previous Close	6891.00
Resistance-1	6935.00
Resistance-2	6982.00

RED CHILLIES

Fundamentals

Guntur Mandi

Prices Remained Unchanged

Chilli prices at Guntur market declined today. The demand for chilli is moderate and no fresh demand from foreign markets is visible. The carry over stock is of 22.5 lakh tonnes. Fresh crop are expected to arrive in markets from February month. Traders this year are expecting a yield of 60 percent. Chilli prices are expected to remain steady to range bound in coming days.

Guntur Market remains close on Saturday.

Spot Market Prices

Red Chilli Prices at Guntur (Rs. Per quintal)

Grades	31.12.05	30.12.05	Change
LCA 334	2500-2600	2500-2600	-

Futures Prices

NCDEX FUTURES (March 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2960.00	2959.00	+1.00

Technical Analysis:

Candlesticks are showing indecisiveness among buyers and sellers. Stochastic, RSI, and Moving Average are indicating that prices may decline slightly. The prices are most likely to move range bound with slight bearish undertone tomorrow.

Technical Chart



Market Advice:

Chilli March NCDEX:

Prices are expected to move range bound with bearish sentiment. Its better not to take any position and wait for clear indications.

Supports & Resistances

Particulars	01.01.06
Support-1	2932.00
Support-2	2912.00
Previous Close	2960.00
Resistance-1	2972.00
Resistance-2	2989.00

CUMIN (JEERA)

Fundamentals

Unjha Mandi

at Unjha market prices of jeera remained steady today. Demand for Jeera is low and traders are expecting it to improve with arrivals of new crop in the market. Sowing in Gujarat is complete and Rajasthan is near completion. Acreage in Gujarat has widened by around 50 percent. In Gujarat jeera crop is expected to come near holi festival. The prices are expected to remain stable in the coming days.

Spot Market Prices

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

Grades	31.12.05	30.12.05	Change
FAQ	1280	1280	-
Ganesh new	1280	1280	-
Machine cleaned	1350-1550	1350-1550	-

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6178.00	6127.80	+50.20

Technical Analysis:

Candlesticks are showing bullish sentiments and stochastic, 3 days MA are indicating bullishness in prices. However MACD is in oversold region. The prices are expected to improve tomorrow.

Technical Chart



Market Advice:

Jeera January NCDEX:

The prices are most likely expected to remain firm. BUY above 6180 with take profit at 6230 and strict stop loss at 6140. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	01.01.06
Support-1	6128.00
Support-2	6099.00
Previous Close	6178.00
Resistance-1	6190.00
Resistance-2	6233.00

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.