

SPICES

December 26, 2005

TURMERIC

Fundamentals

Nizamabad Mandi:

In Nizamabad market turmeric prices traded same when compared to previous day. Arrivals of 10 - 20 bags of fresh crop are reported in Mandi today. 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 slightly bullish sentiments. NCDEX April contact opened slightly weak and finally at today high i.e. higher than yesterday's closing level.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

Grades	26.12.05	24.12..05	Change
Finger	2600.00	2600.00	0.00
Gattah	2500.00	2500.00	0.00

Futures Prices

NCDEX FUTURES (April 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2310.00	2291.00	+19.00

Technical Analysis:

Candlesticks are indicating bullish sentiments for tomorrow; stochastic oscillator is indicating a bullish crossover however MACD and RSI are indicating that prices should increase. The prices may remain bullish tomorrow followed by some downward movement on fundamentals.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The market may open steady firm and bullish initially and afterwards some downwards movement in later trading sessions. Buy (go long) above 2305 with target of 2320 and stop loss at 2290. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.12.2005
Support-1	2302
Support-2	2292
Previous Close	2310
Resistance-1	2323
Resistance-2	2331

BLACK PEPPER

Fundamentals

Market Commentary: Pepper prices today are trading steady at Kochi spot market with nil arrivals and off take. At the futures market the pepper NCDEX January contract futures opened slightly firm and thereafter became bearish and then recovered and moved in the range of 7181-7262.

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

Fresh arrivals picking up volume

Pepper Prices Declined on Fresh Arrivals, Srilankan Supply

NCDEX Futures Market:

Black Pepper Improved slightly Today

NCDEX Black pepper prices remained improved slightly today and settled 17 points above the previous close in January contract. The contract opened slightly firm than the previous days close, thereafter it improved and finally settled with some improvement.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

Grades	26.12.05	24.12.05	Change
Ungarbled	6800	6800	0.00
Garbled	7200	7200	0.00

Futures Prices

NCDEX FUTURES (January 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
7233	7216	+17.00

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. At NCDEX in January contract prices are expected to improve tomorrow with some downward movement thereafter in the later trading session.

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 losing 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 bullish initially and afterwards some downward movement. Buy (go long) above 7230 with target of 7280 with stop loss at 7180. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.12.2005
Support-1	7218
Support-2	7151
Previous Close	7233
Resistance-1	7284
Resistance-2	7320

RED CHILLIES

Fundamentals

Guntur Mandi

Prices remain stable

At Guntur market prices remained range bound today. The new crop is expected to hit the market after 20-25 days. Harvesting will continue upto April end. 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.

Spot Market Prices

Red Chilli Prices at Guntur (Rs. Per quintal)

Grades	26.12.05	24.12.05	Change
Pala	2650.00	N.A.	-
LCA 334	2750.00	N.A.	-

Futures Prices

NCDEX FUTURES (March 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2998	2981	+17.00

Technical Analysis:

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

Technical Chart



Market Advice:

Chilli March NCDEX:

Prices are expected to move with bullish sentiment. Buy (go long) above 2995 with a target of 3020 and stop loss at 2970. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.12.2005
Support-1	2981
Support-2	2970
Previous Close	2998
Resistance-1	3020
Resistance-2	3035

CUMIN (JEERA)

Fundamentals

Unjha Mandi

Jeera Prices stable

Jeera prices at Unjha market remained same today. Arrivals were also of around 1500-2000 bags. Demand for Jeera remained normal to low 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 in increased prices.

Spot Market Prices

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

Grades	26.12.05	24.12.05	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
6357.90	6338.30	+19.60

Technical Analysis:

All the Indicators are giving bullish signals and Candlesticks are also supporting the bullish movement in the market sentiments. But MACD is 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 upwards. However at the end the prices may witness slight downward movement. Buy (go long) above 6355 with target of 6395 and stop loss at 6320. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.12..2005
Support-1	6353
Support-2	6324
Previous Close	6357.90
Resistance-1	6385
Resistance-2	6402

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