

SPICES

January 20th 2006

TURMERIC

Fundamentals

Nizamabad Mandi:

Turmeric prices at Nizamabad market observed some improvement today. Market witnessed inflow of 1000 bags of old turmeric and around 200 to 300 bags of new turmeric. New turmeric has moisture of 5 percent. The prices improved on increase in demand. The demand for turmeric is good for both fresh and old crop. The stock of turmeric with traders is sufficient. Trade sources are expecting that prices may remain moderate and once fresh arrivals increase the prices may decline.

Erode market:

Turmeric prices remained steady today. Around 2500-3000 bags arrived in the market comprising of 100-125 bags of fresh turmeric. Off take was of 1500-1800 bags each bag of 90 Kg. According to traders arrivals of fresh crop may increase from next week and thereafter may peak. The prices may fall further on increased supplies.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

Grades	19.01.06	18.01.06	Change
Finger	2500	2450	+50.00
Gattah	2425	2375	+50.00

Futures Prices

NCDEX FUTURES (April 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2218	2237	-19.00

NCDEX Futures Market:

Technical Analysis:

Candlesticks are reflecting bearish sentiments. MACD is in negative zone and stochastic is in neutral zone. The prices may most likely remain bearish.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The prices may most likely to remain bearish. Sell below 2220 with take profit of 2205 and a strict stop loss at 2232. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	20.01.06
Support-1	2211
Support-2	2197
Previous Close	2218
Resistance-1	2232
Resistance-2	2241

BLACK PEPPER

Fundamentals

Market Commentary: At Kochi spot market Pepper prices traded bearish today at both the Kochi spot market and at NCDEX futures contract for February. The NCDEX February contract opened far below previous days close and throughout the day traded bearish. The prices moved in the range of 6820 - 6751. The prices declined on some news questioning the quality of pepper traded in various commodity exchanges of India.

Price Drivers:

Heavy stocks with commodity exchanges

NCDEX January futures contract cutting tomorrow

January Vayda cutting at IPSTA increasing the supply

Farmers unwilling to sell at current prices

Domestic demand improves slightly

Vietnam crop position becomes better

Rupee becomes more weak

Entry of heavy stock of inferior quality pepper from Srilanka

NCDEX Futures Market: NCDEX February Black pepper prices traded bearish today and was 49 points down when compared to previous days close.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

Grades	19.01.06	18.01.06	Change
Ungarbled	6350	6350	-
Garbled	6750	6750	-

Futures Prices

NCDEX FUTURES (February 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6783	6832	-49.00

Outlook: The prices at domestic spot market are expected to be steady to low and at NCDEX futures market may be bearish.

Technical Analysis:

Candlesticks are showing indecisiveness and 3 MA, MACD are indicating decline in prices. However stochastic is improving after a crossover but is slightly bending. The prices are expected to be dominated by bears.

Technical Chart



Market Advice:

Pepper February NCDEX:

Prices are most likely expected to be moved by bears. Sell below 6785 with a take profit of 6755 with a strict stop loss at 6810. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	20.01.06
Support-1	6752
Support-2	6701
Previous Close	6783
Resistance-1	6810
Resistance-2	6856

CUMIN (JEERA)

Fundamentals

Unjha Mandi

Prices at Unjha market remained steady today for most of the grades. Arrivals were of 2000 bags of 60 Kg each and off take were of around 6000 - 7000 bags. The demand for jeera has improved. Climate is still cloudy in Gujarat and rainfall at this stage may affect the crop adversely. Sowing in Rajasthan is complete and in Gujarat the acreage has increased and is around 1.5 times of that of previous year. Traders are expecting crop in Gujarat this year may be of around 14 lakh bags and is expected to arrive in the market at some time in first week of February. The prices are expected to remain steady to slightly firm in coming days.

Spot Market Prices

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

Grades	19.01.06	18.01.06
FAQ	1100-1270	1100-1270
Ganesh new	1250-1300	1250-1300
Machine cleaned	1300-1550	1300-1550

Futures Prices

NCDEX FUTURES (February 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6130	6140.40	-10.40

Technical Analysis:

Candlesticks are showing a doji indicating reversal. Stochastic, MA, MACD are indicating bullishness in prices. The prices are most likely expected to remain firm.

Technical Chart



Market Advice:

Jeera February NCDEX:

The prices are most likely to be firm. Buy above 6132 with take profit at 6165 and then 6180 and a strict stop loss at 6105. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	20.01.06
Support-1	6117
Support-2	6093
Previous Close	6130
Resistance-1	6148
Resistance-2	6180

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