

SPICES

January 27th 2006

TURMERIC

Fundamentals

Nizamabad Mandi:

Turmeric prices at Nizamabad market traded steady to low today. Fresh crop arrivals were of around 2000 bags and all were sold. The mandi has a stock of 5000 bags. The demand for fresh turmeric is more as it has better aroma and colour as against old stock. Fresh turmeric has moisture of around 5 percent. The carry over stock of turmeric across the country is high and crop expectation this year is more thus giving weight to supply this season. According to traders the prices may decline for few days and after that may remain stable.

Erode market:

Turmeric prices in Erode market remained steady to today. Inflow was of around 3000 bags of turmeric. Each bag contains 70 Kgs of turmeric. Off take was near about 70 percent. The traders are expecting demand and arrivals of turmeric to improve next week. Peak arrivals are in the month of March. The prices may remain stable for few days on increased supplies and improved demand.

Spot Market Prices

Turmeric Prices at Nizamabad (Rs. Per quintal)

Grades	25.01.06	24.01.06	Change
Finger	2350	2400	-50.00
Gattah	2250	2250	-

Futures Prices

NCDEX FUTURES (April 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
2120	2136	-16.00

NCDEX Futures Market:

Technical Analysis:

Candlesticks are reflecting indecisiveness. MACD is in negative zone and stochastic is in oversold region trying to recover. The prices may most likely open low but may be firm thereafter.

Technical Chart



Market Advice:

Turmeric APRIL NCDEX: The prices may most likely to open low and then be bullish. Risk lovers can Buy above 2117 with take profit of 2128 and a strict stop loss at 2108. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.01.06
Support-1	2102
Support-2	2087
Previous Close	2120
Resistance-1	2131
Resistance-2	2150

BLACK PEPPER

Fundamentals

Market Commentary: Pepper prices at Kochi spot market remained down today. Pepper is trading at lower prices by reason of harvesting in Karnataka is in progress and is expected to pick up by the end of next month. Another possible reason is release of stocks held by stockiest in North India

Price Drivers:

Indian pepper prices not in parity with other major exporting nations.

Government on talks with Srilanka to levy tariff on import of pepper India from Srilanka

Release of stock by stockists of North India

Harvesting in Karnataka in progress

Heavy stocks of inferior quality of pepper with commodity exchanges

NCDEX Futures Market: NCDEX February contract opened far below previous days close and traded bearish throughout the day. The prices moved in the range of 6799 - 6660. The prices settled Rs. -132 below as against previous days close.

Spot Market Prices

Black Pepper Prices at Kochi (Rs. Per quintal)

Grades	25.01.06	24.01.06	Change
Ungarbled	6350	6400	-50
Garbled	6750	6800	-50

Futures Prices

NCDEX FUTURES (February 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
6672	6814	-132.00

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

Technical Analysis:

Candlesticks is reflecting strongly bearish sentiments. MA, MACD and stochastic are indicating decline in prices is likely to continue. The prices may most likely to trade low as bears are more active.

Technical Chart



Market Advice:

Pepper February NCDEX:

Prices are most likely expected to trade bearish. Sell below 6670 with a take profit of 6625 and then 6600 with a strict stop loss at 6705. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.01.06
Support-1	6616
Support-2	6553
Previous Close	6672
Resistance-1	6725
Resistance-2	6770

RED CHILLIES

Fundamentals

Guntur Mandi

Red chilli at Guntur market traded steady to slightly low today. Fresh crop arrival has begun however today market did not witness any fresh crop arrivals. The total arrivals today were of 2000 bags and all were sold. However the arrivals at this time of the year are usually of 20000 to 25000 bags. The crop is continuously arriving in other major markets of Warangal and Khammam. The climate for drying chilli is favourable. The demand for chilli is good but due to payment problem only the non-member traders are conducting trade. Traders are expecting this strike to come to end by 30th of January. According to traders the prices may remain steady and in future depends on the decision as to medium of payment finalized by the government.

Spot Market Prices

Red Chilli Prices (loose) at Guntur (Rs. Per quintal)

Grades	25.01.06	24.01.06	Change
LCA 334	2600-2650	2600-2700	-50.00

Futures Prices

NCDEX FUTURES (March 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
3203	3208	-5.00

Technical Analysis:

Candlesticks are showing bearish sentiments. Stochastic is in neutral zone moving downwards, MACD, Moving Averages are indicating that prices may decline. The prices are most likely to be bearish.

Technical Chart



Market Advice:

Chilli March NCDEX:

Prices are expected to decline. Sell below 3202 with take profit of 3175 and then 3160 and a strict stop loss of 3225. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.01.06
Support-1	3155
Support-2	3174
Previous Close	3203.00
Resistance-1	3226
Resistance-2	3255

CUMIN (JEERA)

Fundamentals

Unjha Mandi

Prices at Unjha market remained weak today. Arrivals were of 1000-1200 bags of 60 Kg each and comprised of 50 bags of fresh crop. The demand for jeera is low particularly for old jeera. Traders are expecting the demand for new jeera may come up after 20-25 days. The Demand from North India is expected to improve. Sowing in Gujarat and Rajasthan is complete. Crop condition is good and climate is favourable for growth of crop. The fresh crop arrivals are expected to gain pace from first week of February and peak in March. 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	25.01.06	24.01.06
FAQ	1240	1070-1250
Ganesh new	1160	1200
Machine cleaned	1190	1200

Futures Prices

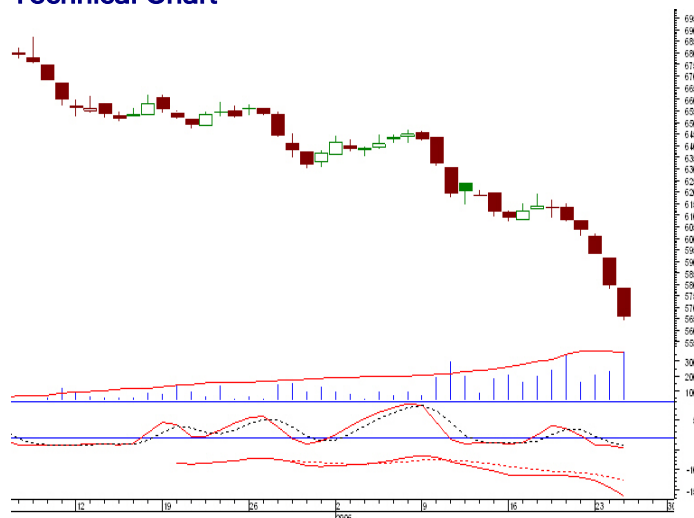
NCDEX FUTURES (February 2006) (Rs Per Quintal)

Last Traded Price	Previous Closing	Change
5662.20	5796.90	-134.70

Technical Analysis:

Candlesticks are showing bearish sentiments. MA, MACD are indicating bearishness in prices. However stochastic is in oversold region. The prices are most likely expected to be bearish till afternoon and in the late trading hours may recover.

Technical Chart



Market Advice:

Jeera February NCDEX:

The prices are most likely to be bearish but may recover slightly in later trading hours. Sell below 5660 with take profit at 5620 and then 5595 with a strict stop loss at 5692. Trade cautiously with intra day outlook.

Supports & Resistances

Particulars	27.01.06
Support-1	5624
Support-2	5579
Previous Close	5662.20
Resistance-1	5729
Resistance-2	5783

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