

Overview:

- **IPC Pepper Price Index Rise**
- **Coriander, Fennel to Trade on e-Platform**
- **Cardamom Auctions Recommences**

News Highlights:

IPC Pepper Price Index Rise

The latest release of International Pepper Council revealed a significant rise in IPC Pepper Price Index in June 2006. The index increased by 4.6 points for black pepper and 3.6 points for white pepper. At most of the places the average FOB prices for both the kinds of pepper increased with an exception of India that showed a fall. White pepper Index in June was 81.40

Coriander, Fennel to Trade on e-Platform

Coriander and fennel seeds may find place at NMCE's online spot exchange to be set up in Rajasthan. The e – platform is likely to become functional by October this year. NMCE had applied to Forward Market Commission (FMC) for permission to set up online spot exchanges in Gujarat and

Rajasthan and has so far received permission for starting e – spot trading in Rajasthan.

Cardamom Auctions Recommences

Cardamom auctions in TamilNadu and Kerala resumed as the Spices Board of India assured the traders by forming a committee to study the problems and demands of the auctioneers, pertaining to the Boards decision of not to charge any thing other than the commission from growers. Consequently the prices increased by around Rs. 500 - 550 a quintal in TamilNadu. The sources described, in Tamil Nadu smuggling of Cardamom was also noted during the week. The committee was formed on July 31'06 and is to be headed by the Boards Marketing Director.

Domestic Prices For the week ending 05.08.2006:

Spice	Grade/Variety	Market	Price (RS/KG) For The Week (05.08..06)	Price (RS/KG) For The Week (29.07.06)	Last Month (RS/KG)Same Week (08.07.06)	Last Year Same Week (RS/KG) (06.08..05)
Black pepper*	Malabar garbled (mg-1)	Cochin	102.67	94.00	75.42	63.25
Cardamom	(Small Auction Price) Ungraded	Vandanmettu	No auction	No auction	209.17	246.17
Cardamom	Cardamom (large Bada Dana)	Gangtok	137.50	130.00	120.00	97.50
Chilli	Non -cold storage	Guntur	35.40	34.80	35.00	15.40
Ginger	Best	Cochin	47.40	47.80	44.50	19.00
	Medium	Cochin	50.00	46.00	45.00	100.00

Turmeric	Alleppey finger (AFT)	Cochin	45.00	45.00	45.00	50.00
	Rajapuri	Mumbai	55.50	55.50	55.50	51.25
	Duggirala	Mumbai	26.38	26.38	26.00	24.63
Coriander	Indori 5%	Mumbai	29.75	31.75	29.00	18.88
	Kanpuri M/C	Mumbai	33.00	32.88	32.50	20.75
Cumin	1%	Mumbai	82.50	80.63	73.13	74.38
	4%	Mumbai	77.50	75.63	68.13	68.13
Clove		Cochin,	343.33	330.00	330.00	225.83
		Nagarcoil	330.00	340.00	360.00	240.00
Cinnamon		Delhi	67.50	53.50	50.00	46.50

Source: Spices Board

International Spot Prices for the week ending 05.08.2006:

Spice	Origin/Grade	Market	Price For The Week (05.08.06) (US\$/TON)	Price For The Week (28. 07. 06) (US\$/TON)	Last Month Same Week (07.07.06) (US\$/TON)	Last Year Same Week (05.08.05) (US\$/TON)
Black pepper	Malabar garbled (mg-1)	New York	2426	2161	1852	1698
Cardamom (small)	Guatemala Fancy green	New York	8820	8820	8820	8820
	Indian (AGEB)	Saudi Arabia	8640	8500	7920	9390
Chillies	Indian sannm-4 (stem less)	New York	1940	1940	1830	1213
Ginger	India cochin	New York	1962	1962	2029	3418
	Chinese peeled	New York	1830	1830	1830	3087
Turmeric	India Alleppey finger	New York	1852	1852	1852	2050
Garlic	Chinese	New York	2844	2844	2977	2756
Coriander	Canada	New York	772	772	772	770
Cumin	Syrian	New York	2051	1940	1808	1808
	Indian		2183	2029	1808	2029
Fennel	Indian (Asta)	New York	2007	2007	1808	1455
	Egyptian		1654	1654	1654	1367
Fenugreek	India/turkey	New York	816	816	794	750
Clove	Mad/zanz/com/ Indo Sri Lanka (hand picked)	New York	4961	4961	4961	3859
			7166	7166	7166	7166
Cinnamon	Ceylon h2 cinnamon	New York	5843	5843	5843	4630

Source: Spices Board

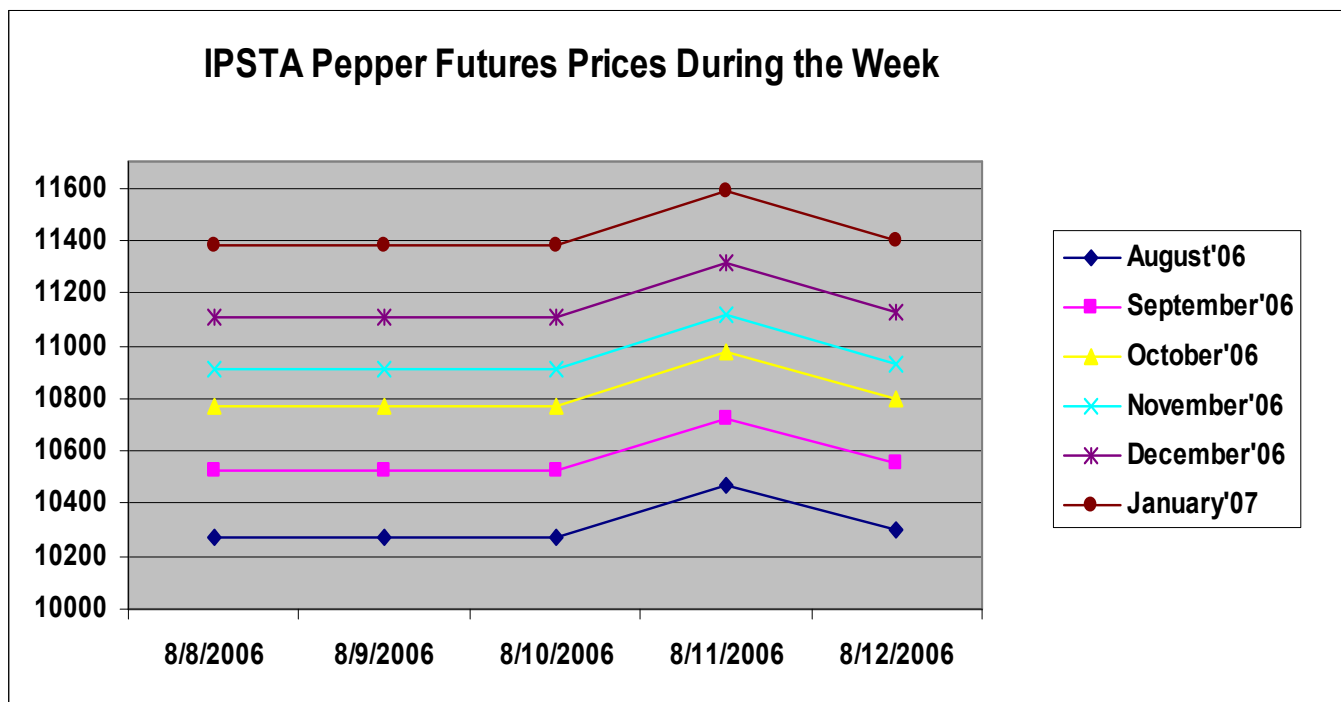
Market Analysis:

Pepper:

Kochi Market:

A Brief Weekly Analysis of IPSTA Pepper Futures Trading

The graph below is displaying the closing prices for August, September, October, November December and January month contracts at the IPSTA during the week. The Prices remained mostly steady till mid week and thereafter recovered slightly to end with bearish sentiments. The prices are most likely expected to continue to consolidate.



Movement of Garbled and Ungarbled prices at Kochi during the week (Rs/quintal):

Pepper	8/ 07/ 2006	8/ 08/ 2006	8/ 09/ 2006	8/ 10/ 2006	8/ 11/ 2006	8/ 12/ 2006
Ungarbled	9800	9600	9600	9700	9700	9500
Garbled	10200	10000	10000	10100	10100	9900

Black Pepper prices at the Kochi market after reaching astronomical highs in the past and thereafter declining in the last week. The prices remained bearish this week on no fresh export demand and lack of domestic demand due to rains. Another major reason for decline in prices was selling of 210 MT's of pepper from its stock by Kerala Marketfed. In Kochi market Garbled grade witnessed a decline of Rs. 300 a quintal and traded between Rs. 9900 – 10200 a quintal. In similar line Ungarbled grade traded between Rs. 9800 – 9500 per quintal. The market saw arrivals of around 55 MT's of pepper and the off take was of 372 MT's. World production is low and the markets are facing supply crunch thus are likely to remain firm once the consolidation phase gets over and fresh demand arise from foreign

buyers. The prices of pepper might remain steady to range bound in the coming days.

Delhi Market

Black Pepper prices at Delhi market declined on low demand due to rains in most of the buying states. The demand for pepper might improve ahead of festival season. The prices might recover slightly.

	July 31 - August05	August 07 - 12
Golden Unpolished	104 – 109	95 - 102
11.5	125 – 130	105 - 120
No. 12	135 - 140	130 - 138

Note: Prices are in Rs. per Kg.

Turmeric:

Erode Mandi:

Turmeric prices at Erode market declined during the week. The market saw average arrivals of 6000 – 7000 bags however Tuesday market saw hefty arrival of 10000 bags and the demand was not too high thus declining the prices. The offtake was of near around 70 – 80 percent. The arrivals and demand both might increase after a few days. The traders are expecting demand to improve ahead of festival season. Turmeric prices might continue to remain range bound to slightly firm.

	July 31 - August 05	August 07 - 12
Loose Finger	2400 - 2600	2350 - 2500
Loose Gattah	2400 - 2500	2350 - 2400

Prices are in Rs/ Qtl.; NR: Not Reported;(1 bag=75 Kg)

Nizamabad Mandi:

Turmeric prices at Nizamabad market traded range bound to slightly firm as demand for the commodity improved. The market saw arrivals in the range of 1000 – 2000 bags. The traders are expecting slight improvement in demand could be seen in coming days and stockists might sell at higher price levels. Sowing is complete with greater acreage this year. The prices are expected to remain range bound to slightly firm.

	July 31 - August 05	August 07 - 12
Nizamabad Finger	2100 - 2260	2225 - 2350
Nizamabad Gattah	2000 - 2150	2075 - 2180

Note: Prices are in Rs/ Qtls; NR: Not reported

Delhi Mandi:

Turmeric prices in Delhi market remained mostly range bound for most of the grades during the week. However slight rise in price of Nizamabad finger grade was seen as the prices for this grade increased in Nizamabad market also. The prices are expected to increase slightly as domestic demand might improve in coming days.

	July 31 - August 05	August 07 - 12
Nizamabad finger	2725 - 2780	2675 – 3200
E.Finger mini Selam	3550 - 3600	3525 - 3600
E. Single polish Gattah	2950 - 3000	2900 - 3000
E. Double polish Gattah	3700 – 3750	3500 -3650
Warangal polish	2725 – 2775	2675 - 2800
Selam Finger	4350 - 4500	4300 - 4500

Note: Prices are in Rs/ Qtl.

Cumin:

Unjha Mandi:

Jeera prices at Unjha market declined during the week as the supply and demand both got affected badly due to rains in the state and neighbouring states. The demand for the commodity was expected to improve on better export scenario, coupled with closure of sea routes due to geopolitical tensions in Lebanon. During the period the export was made only through Kandla port. The domestic demand was also expected to improve however due to rains road routes blocked and trade got hampered. Trading sources reported Jeera absorbed moisture and gained weight thus kept off buyers from domestic market. Thus demand was not high unlike the expectations declining the prices slightly. However prices might again improve once the weather conditions improve and demand picks up.

	July 31 - August 05	August 07 - 12
Kisan Mal-FAQ (New)	1520 - 1680	1440 - 1590
Ganesh	1600 - 1620	1590
M/c. Cleaned	1670 - 1840	1630 - 1800

Note: Prices are in Rs/20 Kg

Delhi Mandi:

Jeera prices at Delhi market declined slightly during the week following bearish sentiments prevailing in the primary markets. The demand for Jeera is expected to improve ahead of festival season. The prices are expected to remain range bound to slightly firm.

	July 31 - August 05	August 07 - 12
Ganesh New	87 - 88.25	81 - 86.75
FAQ	80 - 81.25	78 - 79.75
M/c. Cleaned	87 - 106.25	87.75 - 110
M/c Cut	90 - 106.25	89.75 - 110

Note: Prices are in Rs/ Kg

Red Chillies:

Guntur Mandi. :

Red Chilli prices in Guntur market increased on improved demand for the commodity. The Export and domestic consumption demand was high. Export demand was mainly from Bangladesh, Sri Lanka and Singapore Guntur market has a stock of around 20 - 25 lakh bags of chilli. Seeding and sowing is in progress with an expectation of increased acreage this year. According to trading sources Warangal and

Khammam needs to be seeded again due to loss from rains. The market also has reports of loss in Maharashtra, Madhya Pradesh and Andhra Pradesh. The sowing might end in a fortnight. The prices might remain slightly firm for few days.

Grades	July 31 - Aug 05	August 07 - 12
(LCA 334loose)Cold storage	4400 - 5000	4400 - 5200
(LCA 334 loose)Non Cold storage	3500 - 4100	NA

Note: Prices are in Rs/Qt, NR-Not Reported

Delhi Mandi:

Red chilli for most of the grades at Delhi market continued to trade at firm during the week. The demand for chilli recovered on improved consumption

and export demand. The prices are expected to continue to increase ahead of festival season in the coming days.

	July 31 - August 05	August 07 - 12
Guntur Pala	5300 – 5400	5300 - 5500
Guntur Fullcut	6600	6600 - 6700
Guntur Packing	5600 – 5800	5600 – 5900
Nagpur Pala	5200	5200 - 5400
Nagpur Fullcut	6000	6000 - 6400
Nagpur Packing	5300 - 5400	5300 - 5800

Note: Prices are in Rs/Qtl

Technical Analysis:

Commodity: Black Pepper

Exchange: NCDEX

Contract Month: September 2006

Candlesticks are indicating bearish sentiments. MACD is in positive territory, Stochastic is bearish in

neutral region. Moving Averages are indicating prices might remain range bound with bearish inclination in the beginning of the week.



Recommendation: The prices might move in the range of 9650 – 10540 this week.

Commodity: Turmeric

Exchange: NCDEX

Contract Month: September 2006

Candlesticks are indicating bearish sentiments. Stochastic is in neutral region and MACD is in positive zone. Moving Averages are indicating

bearish sentiments. The prices might decline in the beginning of the week and recover slightly later.



Recommendation: The prices are most likely to be in the range of 2540 - 2635 this week.

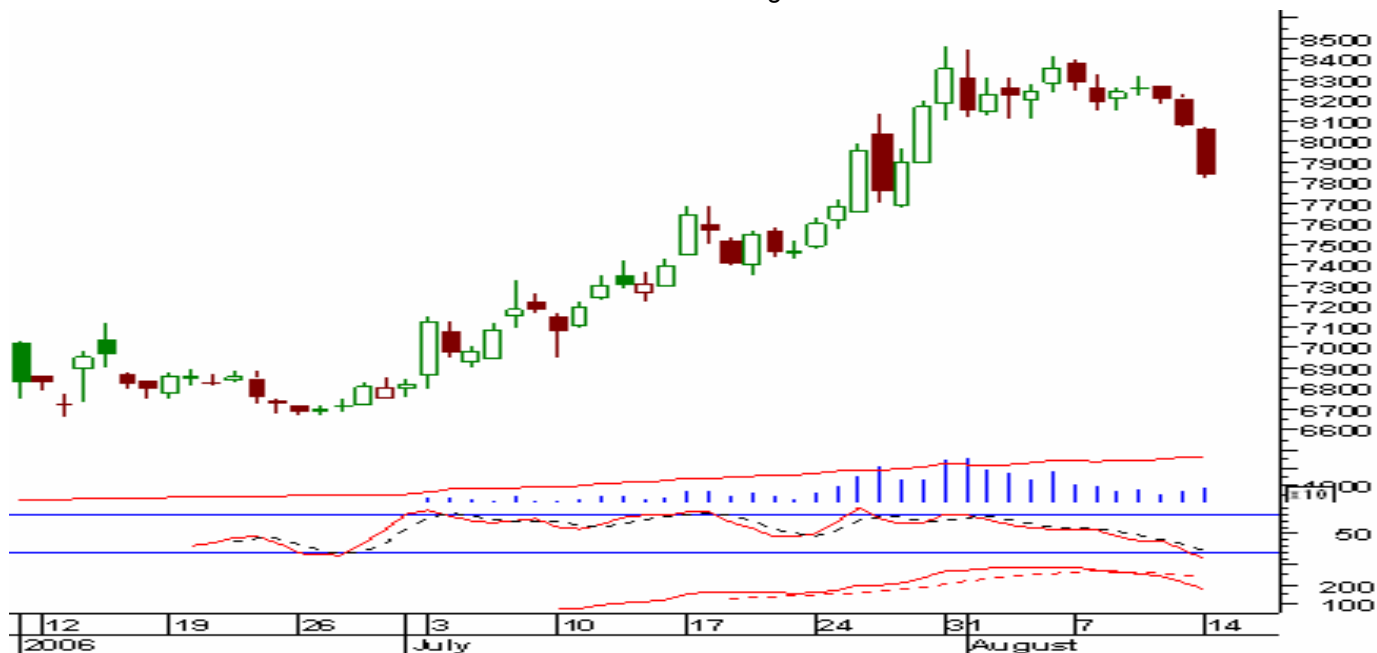
Commodity: Cumin (Jeera)

Exchange: NCDEX

Contract Month: September 2006

Candlesticks are indicating bearish sentiments in the market. Stochastic is in oversold region. MACD is in

positive zone. Moving Averages are indicating prices might decline.



Recommendation: The prices might remain in the range of Rs. 7662 to 8079 during this week.

Commodity: Red Chilli

Exchange: NCDEX,

Contract Month: September 2006

Candlesticks are showing bullish sentiments. Stochastic has entered in overbought zone. MACD is bullish in positive

zone. Moving Averages are indicating bullish sentiments.



Recommendation: The prices might recover initially and then decline. Go for Long position at price dips. The prices might remain in the range of 5200 - 5570 during this week.

WEATHER WATCH (As on 14.08.06)

MONSOON WATCH & WEATHER OUTLOOK

Low pressure area over Chhattisgarh and neighbourhood now lies over East Madhya Pradesh and neighbourhood. The system is likely to move slowly in west-northwesterly direction. Under its influence, widespread rainfall with heavy to very heavy falls at a few places and isolated extremely heavy falls (25 cms or more) are likely over southwest Madhya Pradesh during next 24 hours. Fairly widespread rainfall with isolated heavy to very heavy falls are also likely over northwest Madhya Pradesh, north Marathwada, north Madhya Maharashtra, southeast Rajasthan, Gujarat and Konkan & Goa during 2-3 days. Yesterday's low pressure area over southern parts of West Rajasthan and neighborhood now lies over Kutch and neighborhood. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls likely over Saurashtra & Kutch during next 24 hours. Chief amounts of rainfall (cm) during past 24 hours are: Hoshangabad-38, Bhopal-29, Pachmarhi-23, Mahabaleshwar-13, Dwarka & Bhira-12 each, Jorahat-11, Porbandar-10, Cuttack & North Lakhimpur-7 each. Monsoon is likely to remain active

over Central and Peninsular India during next 4-5 days.

Heavy Rainfall Warning:

Heavy to very heavy rainfall at a few places with isolated extremely heavy falls (25 cms or more) likely over southwest Madhya Pradesh. Isolated heavy to very heavy falls also likely over Saurashtra & Kutch, southeast Rajasthan, northwest Madhya Pradesh, north Marathwada and north Madhya Maharashtra.

Zone-wise weather forecast

NORTH & NORTH-WEST INDIA [J&K, HP, UTTARANCHAL, PUNJAB, HARYANA, DELHI, WEST UP]

The region is likely to experience scattered rains during next 3 days.

EAST AND NE INDIA [EAST UP, BIHAR, JHARKHAND, WEST BENGAL, ORISSA, NE STATES]

Fairly wide spread to widespread rainfall with isolated heavy to very heavy falls is likely over Orissa, Jharkhand and Gangetic West Bengal during 24Hrs. and decrease thereafter. Rainfall activities over East UP and Bihar is likely to increased during next 4-5 days.

CENTRAL INDIA [M, CHATTISGARH, VIDARBHA]

Widespread rainfall with isolated very heavy rains are likely over west M.P., Vidarbha during next 2 day, then decrease thereafter. Scattered to fairly widespread rainfall may continue over Chhattisgarh.

SOUTH INDIA [TAMILNADU, AP, KERALA, KARNATAKA, ANDAMAN & NICOBAR ISLANDS, LAKSHADEEP]

Fairly widespread rainfall with isolated heavy falls is likely over Coastal Karnataka, North Interior Karnataka, Coastal Andhra Pradesh and Telangana during next 2-3 days, then rainfall activities over the region may decrease. Ongoing rainfall activities over

Kerala is likely to enhance during next 3-4 days. Isolated to scattered rainfall is likely over Rayalseema and Tamilnadu during next 3-4 days.

WEST INDIA [MAHARASHTRA OTHER THAN VIDARBHA, GUJARAT, RAJASTHAN]

Fairly widespread to widespread with isolated heavy rainfall over Gujarat, southeast Rajasthan, Konkan & Goa, Marathwara and Madhya Maharashtra and during next 2-3 days and reduce thereafter. West Rajasthan may experience isolated to scattered rains in next 2-3 days.

Source: NCMRWF, GOI

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