

PULSES

12th January, 2006

HIGHLIGHTS

- Downtrend to Persist in Urad Markets
- Tur Prices to Continue Southward

TECHNICAL ANALYSIS

(Perspective- Short Term)

Commodity: URAD

Market-Commentary

January Urad Future opened weak and see substantial moves in the first 30 minutes. Later it got stuck in narrow range for most of the day and saw sharp fall in the last hour. Unlike chana, which is another actively traded pulses at NCDEX; there is not much difference between open interest and volume in the first two months. Still high OI in January needs regular check before its expiry. Stock of Urad is still short in domestic markets.

Indicators-

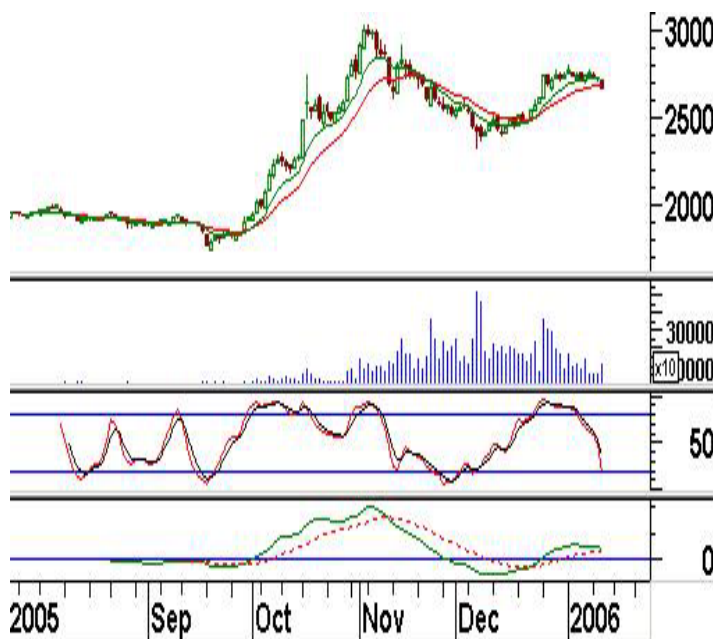
1. Candlestick making a black body and prices closed below the 9-days EMA and closed above the 18-days EMA indicating bearishness in near term.
2. MACD started moving downwards but still in the neutral zone reflecting weakness in the pattern.
3. Stochastic indicator moving further downwards in the neutral territory towards the over-sold zone reflecting highly bearish trend.

Market Advice: Go short near 2660 with target towards 2645, put stop loss at 2670.

Urad Future Closing price

Contract	10.01.06	11.01.06	Chg	Daily Spread (%)
January	2717	2658	-59	2.17
February	2545	2486	-59	2.32

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	2633	2700
	2609	2743

Commodity: CHANA

Market Commentary

Markets extended the slump that started during the last 30 minutes of trading yesterday and fell 28 points in the first 90 minutes. Thereafter it traded sideways until 4 pm and any feeble attempts to rally were short lived. In the last hour, markets crashed 2.5 percent to 1925 as selling pressure mounted. Most spot markets were closed on occasion of Eid Ul Zuha. Markets may remain weak tomorrow.

Indicators-

1. Candlestick making a long black body reflecting bearishness in the short- term.
2. Today prices closed below of both the 9-days EMA and 18-days EMA indicating bearishness in near term.
3. %k crossing the %d and is moving downwards in the neutral zone reflecting highly bearish pattern.

Market Advice: Go short near 1930 with target towards 1910. Put stop loss at 1940

Chana Future Closing price

Contract	10.01.06	11.01.06	Chg	Daily Spread (%)
January	1997	1927	-70	3.50
February	1815	1963	-52	2.86

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1902	1974
January	1878	2022

Commodity: LEMON TUR

Market Commentary

There was no impetus in tur right from the beginning of the session. Futures moved down gradually in the first half and saw even bigger dips later in the session. Volume was seen lower in January month showing rolling over of position by the participants to the deferred months.

Indicators-

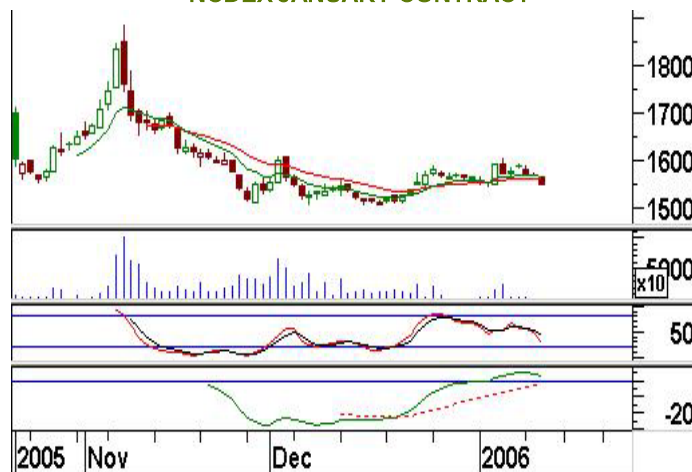
1. Prices closed far below the 9-day EMA and 18-day EMA reflecting bearishness in the near term.
2. Stochastic indicator moving downwards in the neutral territory reflecting the bearishness in the short-term.
3. MACD started moving downwards but is still in the neutral territory indicates weakness in near-term.

Market Advice: Go short near 1550 with target towards 1530, put stop loss at 1565.

Lemon Tur Future Closing price

Contract	10.01.06	11.01.06	Chg	Daily Spread (%)
January	1566	1547	-19	1.21
February	1558	1542	-16	1.03

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1540	1560
January	1533	1573

MARKET HIGHLIGHTS & ANALYSIS

Urad Trade Analysis

Crash in urad markets was not out of the blue for majority market participants. Fall in the urad prices was expected for long. Weakness in dollar versus INR and slackening demand were two prime factors blamed for this downfall in urad markets. Since, December 01, 2005 INR has appreciated by Rs 2.00 per dollar, which translates into decline in import prices of urad by more than Rs 100 per qtl. Further, demand for urad is declining from the retail end. Harvest of urad still is continuing in some parts of Andhra Pradesh and Tamilnadu.

Forex Impact on Import Prices of Urad

Cost	Cost while 1\$= 45.99 on Dec 01, 05	Cost while 1\$= 43.99 on Jan 11, 06
Cost in INR	22995	21995
Add. Costing (Import Tax (10%) + other costing (approx 4%))	3219.3	3079.3
Total cost	26214.3	25074.3
Difference per ton	1140	

* CNF Prices of Urad as on Dec 01, 2005 - \$500/ton

Urad Price Change in Delhi - Rs Per Quintal

QUALITY	10.01.06	11.01.06	Change
Burmese FAQ 2005	2825	2800	-25
Local grade -Bihar	2250	2225	-25

Urad Price Changes in Mumbai

QUALITY	10.01.06	11.01.06	Change
Burmese FAQ 2005	2750	2700	-50

Urad Price Change at Secondary Centers

CENTERS	10.01.06	11.01.06	Change
Vijaywada	3100	3050	-50
Gulbarga	NA	Closed	-
Latur	2700	Closed	-
Akola (Motor cut)	2950	Closed	-
Indore	2850	2800	-50

Tur Trade Analysis

Weakness in other pulses also spilled over to tur markets. Arrivals are increasing in major producing areas. Quotes for lemon tur interestingly have still been higher despite increasing availability of domestic tur in majority producing areas. Importers have been away than venturing its import at the time of harvest. Leftover stock of earlier imported tur has been finding its way to consumer end, where its

harvest has not yet picked up like markets in Maharashtra. Since, sporadic harvest has started also in Maharashtra, traders rule out possibility of its prices to continue clinging higher in long.

Tur Price Change in Mumbai

QUALITY	10.01.06	11.01.06	Change
Burmese Lemon Spot	1601	1590	-10

Tur Price Change in Delhi

QUALITY	10.01.06	11.01.06	Change
Burmese Lemon	1750	1725	-25
Maharashtra line Tur	-	-	-
-UP/ Haryana Tur	-	-	-

Tur Prices at Other Important Centres

CENTERS	10.01.06	11.01.06	Change
Gulbarga - Red Tur	1575	Closed	-
Gulbarga- Fatka Dal	2550	Closed	-
Latur Red Tur (Mh Line)	1750	Closed	-
Latur White Tur (Mh Line)	1750	Closed	-
Jalna Red	1650	Closed	-
Jalna White	1750-1850	Closed	-
Jalna BDM	1875	Closed	-
Akola Red Marathwada Line (motor cut)	1770-1785	Closed	-
Akola Red Vidharbha Line (motor cut)	1790-1800	Closed	-
Vijaywada-Tur Local	1575	Closed	-

Moong Trade Analysis

Moong markets continued to see bullish trend despite easy tone in most of the pulses. Traders still see its outlook promising in near to medium term. Nearly 90% of moong is grown in kharif season, which undesirably was low this year. Cost of imported cargo is very high compared to the cost of domestic harvest. CNF quotes for Burmese Pedishewar grade were last quoted at Mumbai port at \$580 per ton.

Moong Prices in Delhi Rs/Quintal

QUALITY	10.01.06	11.01.06	Change
Kekdi/Kishangarh	-	-	-
Shekhawati/ Medta	2950	2950	-
Bisao	-	-	-

New Mung Mandi Prices at Other Important Centres

CENTERS	10.01.06	11.01.06	Change
Indore	2950	2950	-
Latur	2750	Closed	-
Vijaywada	2650	Closed	-
Jalna	2750	Closed	-
Akola	2850-2900	Closed	-

Gram Trade Analysis

Chana markets eventually rolled on real fundamentals than to keep blabbering on rumors of stock shortage. Harvest has started in almost all the major markets of early sown states. Traders are expecting its arrivals to pick up in all the key markets of Maharashtra within a week or so. Arrivals, though inconspicuous, already have started in almost all the major markets of Maharashtra. Situation of crop is good. Traders are expecting production of chana to come in the range of 62-65 lakh ton. In view of this markets are expected to continue to remain weak.

Desi Chana Price Change in Delhi And Indore

QUALITY	10.01.06	11.01.06	Change
Rajasthan	2015	1975	-35
M.P.	2000	1965	-45
Indore New	1920-1925	1890	-30

Gram Prices at Secondary Centres

CENTERS	10.01.06	11.01.06	Change
Gulbarga New	1725	Closed	-
Latur (Gauran)	1800	Closed	-
Latur(Annagiri)New crop	2000	Closed	-
Latur Vijay	1800-1850	Closed	-
Jalna (Gauran)	2000	Closed	-
Jalna (Pila)	1900	Closed	-
Akola (Mixed) motor cut	2015-2020	Closed	-
Akola new (Chapa) motor cut	2035-2040	Closed	-
Kanpur	2120	Closed	-

Lentil Trade Analysis

Lentil also continued its downward journey. There is nothing pushy in immediate fundamentals. Crop is in very good situation, which traders expect will come to mandis by end of next month. Production of lentil this year is expected to reach at 11 lakh ton this year. Stock of tur is still close to one lakh ton in different terminal markets.

Lentil Price Movement in Delhi/Indore/ UP

CENTERS	10.01.06	11.01.06	Change
Delhi- MP/Kota Line	1575	1550	-25
Delhi- UP/Sikari	2000	1975	-25

Kanpur local mill delivery	1700	1675	-25
Kanpur new - Bareilly delivery	1750	Closed	-
Kanpur- new Malka Dal	2000	Closed	-
Indore - Masra	1720	1720	-
Indore - Masoor New	1710	1710	-
Indore Medium new	1625	1625	-
Bahraich-Masoor	2005	2005	-
Bahraich - Export Chanti	2525	2525	-
Kolkata (truck delivery)	2625	2620	-5
Masur Dal	2125	2125	-
local conditioned	-	-	-
Bareilly delivery	1925	1925	-

Field Pea Trade Analysis

Contrary to ease in chana, field pea prices posted marginal gains. Gushing of peas from the overseas markets seemingly has come to halt and traders see fresh harvest still far off in areas, where pea is grown for the purpose of dall making.

Peas Price Movement (Rs/qt)

CENTERS	10.01.06	11.01.06	Change
Kanpur New	1125-1130	Closed	-
Mumbai	990	1001	-

PORT-WATCH (Latest)

Mumbai Port is expecting 'Alkeviades' to deliver 13,143 MT of chick peas. Sahi Oretrans agents will be handling the vessel.

Current Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.990
European Union	Euro	53.675
United Kingdom	GBP	78.025

International Prices as on 11.01.06: CNF 90 Days

Quality	Prices Us\$/Mt	Landed Cost in INR/MT
Burmese new Lemon Tur Mumbai/ Chennai	310	1568
Burmese FAQ new Tur Mumbai/ Chennai	280	1417
Burmese Shwebo Tur Mumbai/ Chennai	260	1310
Burmese FAQ Urad Mumbai/ Chennai	480	2430
Burmese SQ Urad Mumbai/ Chennai	550	2780

Burmese Pedishewa Mung Chennai /Mumbai	580	2935
Burmese Pokako Mung Chennai / Mumbai	520	2630
Thai Bold Grade Mung Mumbai	620	3135

Australian Chickpea Chennai/Mumbai	385- 390	1950-1975
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