

PULSES

3rd January, 2006

HIGHLIGHTS

- Urad Prices To Stay Higher
- Tur Markets Likely to Ease Ahead

TECHNICAL ANALYSIS (Perspective- Short Term)

Commodity: URAD

Market-Commentary

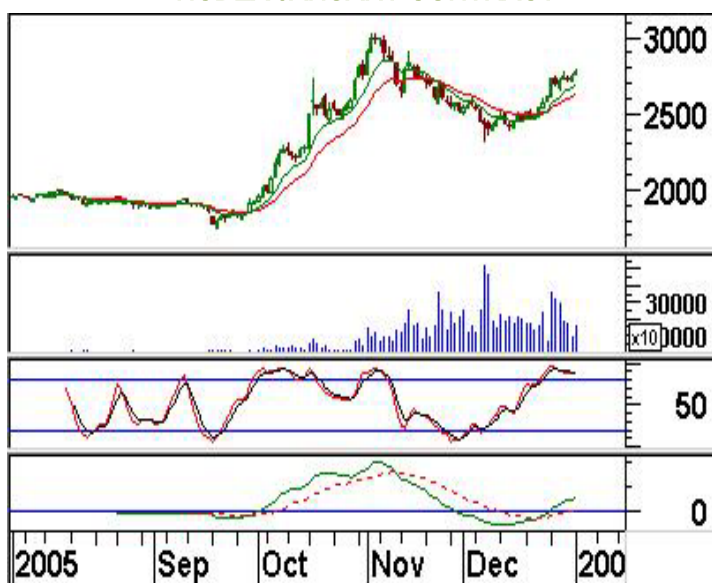
Urad futures opened strongly at the NCDEX, gaining more than 1% in the first half hour of trading. Thereafter, the market traded sideways, trying to digest the gains. After failing to break through the resistance at the 2790 levels, the market started falling gradually. A strong bout of profit taking after 1pm, saw the markets trade near the lows of the day at 2747. Markets then traded sideways the rest of the day and closed at 2760. Open interest and volumes both showed healthy interest among traders. The next 3 Urad (Jan, Feb & Mar) contracts all showed good volumes and open interest, indicating good liquidity.

Indicators-

1. Prices closed far above of both the 9-day EMA(2692) and the 18-day EMA(2633), indicates bullishness in near-term.
2. MACD is constantly moving upwards and is now in the neutral zone.
3. %k and %d lines are still in the over-bought zone indicating bullishness.

Market Advice: Go long near 2755 with target towards 2785, put stop loss at 2735.

NCDEX JANUARY CONTRACT



Urad Future Closing price

Contract	31.12.05	02.01.06	Chg	Daily Spread (%)
January	2755	2760	+5	0.18
February	2645	2632	-13	0.49

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	2740	2785
	2721	2810

Commodity: CHANA

Market Commentary

Chana futures opened firm at NCDEX and accrued more than 1% gains in first half an hour. However, January future failed to breach the resistance at 2015. Thereafter, future declined gradually till 3 PM shedding all the gains posted in early hours. Downfall in future halted at 1993 levels, where it started moving higher to close at 2005.

Indicators-

1. Price closed above 9-days EMA (1969) and 18-days EMA (1948) indicating firm trend in the market.
2. Stochastic indicator moving upwards and is still in the over-bought zone. Indicators in over-bought region hinting a trend reversal in near-term.
3. MACD is moving upwards and is in neutral zone indicating strength in short-term

Market Advice: Go long near 2000 with target towards 2025, put stop loss at 1985.

NCDEX JANUARY CONTRACT



Chana Future Closing price

Contract	31.12.05	02.01.06	Chg	Daily Spread (%)
January	1988	2005	+17	0.85
February	1794	1803	+9	0.50

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1994	2016
	1982	2026

Commodity: LEMON TUR

Market Commentary

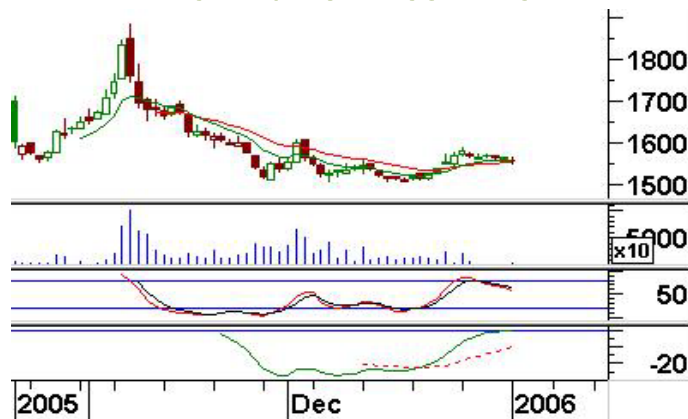
Tur Futures witnessed more or less similar trend as was noted in other pulses. January tur touched the day's high in first half an hour, but failed to maintain the momentum for rest of the day. January future plunged to days low at 1548 near 1 pm, where it started recovering to close at 1554.

Indicators-

1. Prices closed near to 9-days EMA and the 18-days EMA indicating indecisiveness in the prices in near-term.
2. %k and %d further moving downwards indicating bearishness in medium-term.
3. MACD is still in the negative territory reflecting further weakness in its prices.

Market Advice: Go short near 1555 with target towards 1540, put stop loss at 1565.

NCDEX JANUARY CONTRACT



Lemon Tur Future Closing price

Contract	31.12.05	02.01.06	Chg	Daily Spread (%)
January	1558	1554	-4	0.26
February	1540	1536	-4	0.26

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1546	1565
	1537	1575

MARKET HIGHLIGHTS & ANALYSIS

Urad Trade Analysis

Urad markets continued to see firm trend. Demand for the same is good. Stock is in the possession of strong hands having good stamina to withhold even at threshold levels. Although arrivals are continuing in AP, but are not sufficient to placate the demand in southern markets. Arrivals in Nellur markets were reported at 1000 bags. Unless any consignment reaches from Myanmar traders see little room for downhill movements.

Urad Price Change In Delhi - Rs Per Quintal

QUALITY	31.12.05	02.01.06	Change
Burmese FAQ 2005	2850	2925	+75
Burmese FAQ 2004	2750	2800	+50

Urad Price Changes in Mumbai

QUALITY	31.12.05	02.01.06	Change
Burmese FAQ 2005	2800	2800	-

Urad Price Change at Secondary Centers

CENTERS	31.12.05	02.01.06	Change
Vijaywada	3150	3200	+50
Gulbarga	Closed	NA	-
Latur	2850	2900	+50
Akola (Motor cut)	3000	3000	-
Indore	Closed	2800	-

Tur Trade Analysis

Spill over strength in other pulses helped tur to retain higher levels despite increase in its arrivals. Arrivals have started picking up in Maharashtra. Arrivals of tur in Latur increased to 5000 bags. Arrivals of red tur have started in Akola. Production is bumper as evident from the arrivals gushing in all the producing mandis. Arrivals in Gulbarga are averaging 8000-10000 bags daily, which traders say has yet to peak. Production this year might cross the earlier trade estimates of 22 lakh ton.

Tur Price Change in Mumbai

QUALITY	31.12.05	02.01.06	Change
Burmese Lemon Spot	1591	1601	+10

Tur Price Change in Delhi

QUALITY	31.12.05	02.01.06	Change
Burmese Lemon	1750	1725	-25
Maharashtra line Tur	2000	2000	-
-UP/ Haryana Tur	-	-	-

Tur Prices at Other Important Centres

CENTERS	31.12.05	02.01.06	Change
Gulbarga - Red Tur	Closed	1625	-
Gulbarga- Fatka Dal	Closed	2600	-
Latur Red Tur (Mh Line)	1870	1875-1900	+5
Latur White Tur (Mh Line)	1870	1900	+30
Jalna Red	Closed	NA	-
Jalna White	Closed	1950	-
Jalna BDM	Closed	NA	-
Akola Red Marathwada Line (motor cut)	1725-1730	1725	-
Akola Red Vidharbha Line (motor cut)	1825	1820-1825	-
Vijaywada-Tur Local	1600	1600	-

Moong Trade Analysis

Moong markets observed slightly weak trend. Demand for the same has gone down in northern belts, which traders blamed to increased availability of cheaper seasonal vegetables. Cost of imported cargo also has gone down due to appreciating value of INR versus dollar. Few containers of fine grade moong have arrived from Uzbekistan past week.

Moong Prices in Delhi Rs/Quintal

QUALITY	31.12.05	02.01.06	Change
Kekdi/Kishangarh	-	-	-
Shekhawati/ Medta	2900	2850	-50
Bisao	-	-	-

New Mung Mandi Prices at Other Important Centres

CENTERS	31.12.05	02.01.06	Change
Indore	Closed	2900	-
Latur	2700	2700	-
Vijaywada	2650	2650	-
Jalna	Closed	NA	-
Akola	2850	2750-2800	-50

Gram Trade Analysis

Rift is on between psycho set of immediate fundamentals and speculative viewpoint. Stockists are still in dominions. Demand is good in southern states outshining the hypes over big dimensions of coming crop. According to trade sources, one consignment carrying 14000 ton of chickpea is due to arrive from Australia this week. CNF price for this cargo is quoted at \$410 per ton, which will translate in to INR 2105 per qtl. So, this factor won't have much impact on its prices.

Desi Chana Price Change in Delhi And Indore

QUALITY	31.12.05	02.01.06	Change
Rajasthan	2020-2025	2040	+15
M.P.	1995	1995-2000	+5
Indore New	Closed	2055-2060	-

Gram Prices at Secondary Centres

CENTERS	31.12.05	02.01.06	Change
Gulbarga New	Closed	2100	-
Latur (Gauran)	1750	NA	-
Latur(Annagiri)New crop	2050-2100	1950-2000	-50
Latur Vijay	1800	NA	-
Jalna (Gauran)	Closed	NA	-
Jalna (Pila)	Closed	NA	-
Akola (Mixed) motor cut	2030-2035	2065	+30
Akola new (Chapa) motor cut	2070-2075	NA	-
Kanpur	2080	2100	+20

Lentil Trade Analysis

Lentil markets observed lackluster trading. There were reports of scattered showers in northern states. Light showers are beneficial for the crop. Improving weather reports weighed on its values. Lentil is grown mainly in UP, MP, Bihar and in some areas of Rajasthan. Collective harvest in these states account for 95% of its total production. Production of lentil this year is expected to increase to 11 lakh ton this year.

Lentil Price Movement in Delhi/Indore/ UP

CENTERS	31.12.05	02.01.06	Change
Delhi- MP/Kota Line	1600-1650	1700	+50
Delhi- UP/Sikari	2000	2000	-
Kanpur local mill delivery	1740	1735-1740	-
Kanpur new - Bareilly delivery	1780	1770-1790	-
Kanpur- new Malka Dal	2000	2000	-
Indore - Masra	Closed	1710	-
Indore - Masoor New	Closed	1700	-
Indore Medium new	Closed	1600	-
Bahraich-Masoor	2040	2040	-
Bahraich - Export Chanti	2570	2570	-
Kolkata (truck delivery)	2700	2700	-
Masur Dal	2200	2200	-
local conditioned	-	-	-
Bareilly delivery	1975	1970	-5

Field Pea Trade Analysis

Situation of domestic crop is good in major producing areas of Uttar Pradesh. Although, field pea is grown across many states, its been grown for purpose of dall in UP and some areas of MP. Arrivals are also continuing from the overseas markets.

Peas Price Movement (Rs/qt)

CENTERS	31.12.05	02.01.06	Change
Kanpur New	1160	1140	-20
Mumbai	991	991	-

PORT-WATCH (Latest)

One vessel namely 'Genco Pioneer' has berthed at Mumbai Port and continues to deliver 28,000 MT of peas. Marco Shipping agents will be handling the vessel.

Current Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.050
European Union	Euro	53.280
United Kingdom	GBP	77.510

International Prices as on 03.01.06: CNF 90 Days

Quality	Prices Us\$/Mt	Landed Cost in INR/MT
Burmese new Lemon Tur Mumbai/ Chennai	310	1593
Burmese FAQ new Tur Mumbai/ Chennai	280	1440
Burmese Shwebo Tur Mumbai/ Chennai	260	1338
Burmese FAQ Urad Mumbai/ Chennai	510	2620
Burmese SQ Urad Mumbai/ Chennai	550	2830
Burmese Pedishewa Mung Chennai /Mumbai	550	2825
Burmese Pokako Mung Chennai / Mumbai	500	2570
Thai Bold Grade Mung Mumbai	550	2825
Australian Chickpea Chennai/Mumbai	385	1980

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.