

PULSES DAILY

August 23, 2006

URAD

FUNDAMENTALS

Sentiments turned slightly easy in urad markets. Weather, domestic harvest, and its prices in international markets were the routine fundamentals helping in its price-discovery. Weather situation has improved in Maharashtra. Analysts do not see big jump in its production despite high inclination of farmers towards this crop. Unfriendly weather in crucial crop stages is blamed for this. However, initial reports suggest that its production should remain above 11 lakh ton, up against 10.8 lakh ton (industry estimates) produced last year.

Futures Market Commentary

Urad September contract featured roller-coaster trend through the day. Futures spent most of the day into negative territory. Though futures managed to come out of red zone couple of times, but could not stay there for long. Day's bottom was set at Rs 2980 per qtl by 11.05 hrs and high was set at 3108 by 15.55 hrs. Futures finally finished the day into negative territory. September Urad contract eventually ended off Rs 33 at Rs 3031 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Onset of harvest in early sown areas

Weather

Isolated heavy to very heavy falls are likely over southwest Rajasthan during next 24 hours and decrease thereafter.

TECHNICALS

NCDEX -September Contract

Dark candlestick body has formed 'spinning top formation', which indicates lacking conviction in the market. MACD is running flat and trading high into positive territory. %K line is still below %d line and running flat further. RSI is giving clear signals of weakening momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	2971	2912	3031	3099	3168
Oct	2698	2659	2737	2783	2829

TRADE RECOMMENDATION:

Sell Sept contract near 3035 with target towards 3015
Second target at 3000. Put SL at 3050.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	22.08.06	21.08.06	Change
Burma Faq	Mumbai	3500-3550	3500-3525	-
Burma Faq	Delhi	3850	3775-3800	+50
Desi	Akola	3600-3800	3500-3600	-
Desi	Indore	3000-3400	3000-3400	-
Desi	Vijaywada	4050-4075	4025-4075	-

CHANA

FUNDAMENTALS

Chana markets also observed weak trend. Trading was reported thin at higher prices. Though one Mumbai based company was allowed to export 30,000 MT of chickpea to Pakistan, unofficial sources informed that this company had already covered this much of chickpea. So, no additional buying is expected with this decision of court. Further, people are little nervous about news of Rajya Sabha passing Essential Commodities (Amendment) Bill, 2006. Also, Honorable Agriculture, Food and Consumer Affairs Minister Sharad Pawar warned for likely actions against hoarders.

Futures Market Commentary

September chana contract opened slightly up from previous day's closing, but after modest gains fell down into negative territory with in 5 minutes after opening of the session. This downtrend persisted all through the first hour. Futures bottomed out by 11.05 hrs. Though slight recoveries were seen soon after, but futures could not come out of red zone all through the remaining session. September chana contract finally finished the day off Rs 64 at Rs 2732 per qtl.

Price Drivers

Bullish

Allowing export of 30,000 MT Chickpeas

Bearish

Due harvest of other kharif pulses

Weather

Isolated heavy to very heavy falls are likely over southwest Rajasthan during next 24 hours and decrease thereafter.

TECHNICALS

NCDEX -September Contract

Formation of Harami pattern by dark candlestick body signals at likely reversal, though it further needs confirmation. Prices closed above both the 9-days and 18-days EMA. MACD is moving upward and trading below its signal line. % k is running below %d line and both are in overbought zone. RSI is showing signals of weakening momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	2690	2647	2732	2793	2853
Oct	2775	2790	2760	2795	2830

TRADE RECOMMENDATION:

Sell Sept contract near 2735 with target of 2715
Second target 2690. Put SL at 2750

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	22.08.06	21.08.06	Change
Rajasthan Desi	Delhi	2700	2750-2760	-50
MP Desi	Delhi	2675	2725	-50
Kantewala	Indore	2640-2650	2700	-50
Desi	Gulbarga	2500	2500	-
Gauran	Latur	2600	NA	-
Annagiri	Latur	2800	NA	-
G-12/Vijay	Latur	2700	NA	-
Gauran	Jalna	2525-2550	2650	-100
Pila	Jalna	2650	2750-2800	-100
Mixed	Akola	2625-2630	2725	-100
Chapa	Akola	2675	2750	-75
Desi	Kanpur	2760	2800	-40

TUR

FUNDAMENTALS

Sentiments also weakened in tur markets. Though crop was affected due to weather troubles in Gujarat and some parts of Maharashtra, its increased acreage in other producing areas is believed to be more than offsetting assumed losses in Gujarat/Maharashtra. National Council of Applied Economic Research (NCAER) although see partial fall in overall kharif pulses production on year basis, other analysts feel that weather losses seem exaggerated and actual production should stand higher on year basis.

Futures Market Commentary

Lemon tur September futures opened weak and spent most of the day into negative territory. Futures opened weak and sneaked into green zone within first 5 minutes itself, but this upwardly momentum slowed soon pulling futures back into negative territory. Futures fell to the day's low at 1707 by 11.05 hrs. Futures although could again come out of negative territory before 16.00 hrs, but finally culminated the day red. September contract finally finished the day off Rs 18 at Rs 1727 per qtl.

Price Drivers

Bullish

Good demand from Gujarat

Bearish

Due harvest of other kharif pulses

Weather

Isolated heavy to very heavy falls are likely over southwest Rajasthan during next 24 hours and decrease thereafter.

TECHNICALS

NCDEX -September Contract

'Spinning top' formation by dark candlestick body shows indecisiveness in the market. Both the 9-days and 18-days EMA remained below price line. MACD is moving upward into positive territory. %K line has made bullish crossover with %D line, but RSI is giving signals of weakening momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	1705	1682	1727	1752	1776

TRADE RECOMMENDATION:

Sell Sept contract near 1730 with target towards 1705, second target 1685. Put SL at 1750.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	22.08.06	21.08.06	Change
Burmese Lemon	Mumbai	1701	1750	-50
Burmese Lemon	Delhi	1800	NA	-
Maharashtra tur	Delhi	1950	2025	-75
Karnataka tur	Delhi	2050	2100	-50
Red tur	Gulbarga	2025	2000	+25
Fatka Dall	Gulbarga	3000	3000	-
Red Tur	Latur	2040	NA	-
White Tur	Latur	2050	NA	-
Red	Jalna	1850	1850	-
White	Jalna	1800-1850	1925	-75
BDM	Jalna	2000	2050	-50
Marathwada	Akola	1960	2025	-65
Vidarbha	Akola	1960	2025	-65
Local Tur	Vijaywada	1765	1775-1800	-10

Others

Moong

Moong markets also eased as demand for the same dried up at higher prices. Also, harvest is picking up gradually in Southern States. Arrivals of moong in Gulbarga today totaled at 2000 bags. Also, harvest in some areas of Rajasthan is likely to be started in couple of weeks.

Spot Market Prices of Moong (Rs/qrtl)

Origin/Grade	Center	22.08.06	21.08.06
Shekhavati	Delhi	3000	3000
Kishangarh	Delhi	3050	3100
Medta/Bisao	Delhi	3150	3200
Desi	Indore	3000-3400	3000-3300
Chamki	Jalna	3100	2000-2350
Chamki	Akola	3000	2850

FIELD PEAS

Peas markets turned easy following reports of some vessels of peas at Kolkata port. According to sources, discharge of more than 45,000 of peas is in continuing from three vessels namely 'Mikhail Strelakovsky', 'Macho' and 'Full City' at Kolkata port today. However, stock is declining in Mumbai markets, prices for the same eased slightly following reports of these consignments at Kolkata.

Spot Market Prices of Pea (Rs/qrtl)

Center	22.08.06	21.08.06
Mumbai	1525-1551	NA
Kanpur	1490-1500	1500

Masoor

Masoor markets also witnessed slightly bearish market. Reports of more consignments of peas reaching at Kolkata port had slightly negative impact in this markets. Traders feel that increased availability of peas in Kolkata will affect its demand from eastern markets.

Spot Market Prices of Masoor (Rs/qrtl)

Center	22.08.06	21.08.06
Delhi-MP/kota Line	2000	2025
Delhi- UP/Sikari	2575	2600-2625
Kanpur local mill delivery	2030	2050
Kanpur new- Braeilly Delivery	2100	2090-2100
Kanpur- new Malka Dal	2250	2250
Indore- Masra	1920-1930	1920
Indore- Masoor New	1910	1910
Indore- Medium New	1800	1800
Bahraich-Masoor	2750	2750
Bahraich-Export Chanti	3020-3025	3035
Kolkata (Truck delivery)	3425	3450
Masur Dal	3050	3050-3100

International Prices (\$/ton) (CNF 90 days)

Quality	22.08.06
Burmese new Lemon Tur Mumbai Chennai	330
Burmese FAQ new Tur Mumbai/Chennai	NA
Burmese Shwebo Tur Mumbai/Chennai	NA
Burmese FAQ Urad Mumbai/Chennai	670-680
Burmese SQ Urad Mumbai/Chennai	730-740
Burmese Pedishwa Mung Chennai/Mumbai	620-630
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	540-550

Port watch

- Delivery of 17,688 MT of peas is continuing at Kolkata Port from the vessel 'Mikhail Strelakovsky'. 'Macho' has berthed at the port and continues to discharge 15,997 MT of peas. Multinode agents is handling these vessels. The port is receiving 14,000 MT of peas from the vessel 'Full City'. The vessel is being handled by B Ghose agents. Delivery of 1,250 MT of pulses continues to deliver at the port from the vessel 'Solomon'. The cargo was loaded from Yangon. ITT agents is handling the vessel.
- Delivery of 14,500 MT of pulses is continuing at Chennai Port from the vessel 'Yaad E Mohammed'. Imperial agents is handling the vessel.
- Mumbai Port is receiving 7,000 MT of pulses from the vessel 'Al Muztuba'. The cargo was loaded from Yangon. Sai Freight agents is handling the vessel. Mumbai Port is receiving 12,450 MT of pulses from the vessel 'Leonis'. The cargo was loaded from Yangon. Able Marine agents is handling the vessel. Delivery of 12,500 MT of pulses is continuing at the port from the vessel 'Krabinaevee'. The vessel is being handled by Samsara agents.

Forex - 1 US\$ - INR 46.520

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