

August 09, 2006

FUNDAMENTALS

Futures Market Commentary

Price Drivers

Bullish

Weather problems in Maharashtra

Bearish

Consignments reaching from Burma Curtailing demand at higher prices

Weather

Fairly widespread rainfall with isolated very heavy falls are likely over north Konkan (including Mumbai), Madhya Maharashtra, Gujarat Region, southwest Madhya Pradesh and southeast Rajasthan in next 1-2 days.

TECHNICALS

NCDEX -August Contract

Top reversal pattern as indicated in the chart shows increased chances of downtrend ahead. Prices closed far above both the 9-days and 18-days EMA. %k line is running above %d line, but both are in overbought zone. MACD is slanting upward into positive territory.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2913	2884	2941	2987	3032
Sept	2651	2608	2695	2741	2788

TRADE RECOMMENDATION:

Sell August contract near 2950 with target towards 2925
Second target at 2915. Put SL at 2965.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	08.08.06	07.08.06	Change
Burma Faq	Mumbai	3111-3125	3051-3100	+11
Burma Faq	Delhi	3350	3300	+50
Desi	Akola	3300-3400	NA	-
Desi	Indore	2800-3100	2700-3100	-
Desi	Vijaywada	3625	3500-3550	+75

CHANA

FUNDAMENTALS

Chana markets continued to see range-bound trading, as both bullish and bearish factors stood equally weighing. Demand for the same is good in domestic markets due to festival season, as off-take of besan is rising. Prices also are good in international markets due to good demand from Asian continent for Ramzaan ahead. Because of this very reason only, countries like Tanzania are quoting USD650 per ton for chickpeas. Traders say that prices will ease in coming months with the onset of its harvest in leading exporting nations like Canada, Australia etc. Traders also are cautious ahead of looming large kharif pulses crop in India given weather normalizes soon in some parts of Western and Central India.

Futures Market Commentary

Chana August Futures were highly volatile during the day. Futures opened firm and dipped in to negative territory couple of times during the day, but did not stay red for longer period. Day's high was set at 2530 near 14.05 hrs. Sharp liquidation soon after pulled futures down to unchanged level near 16.45, but futures retreated from this level ending up Rs 8 at Rs 2518 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Improved weather in Rajasthan

Weather

Fairly widespread rainfall with isolated very heavy falls are likely over north Konkan (including Mumbai), Madhya Maharashtra, Gujarat Region, southwest Madhya Pradesh and southeast Rajasthan in next 1-2 days

TECHNICALS

NCDEX -August Contract

Doji formation after series of white candles indicates slowing upside momentum. Price line remained above both the 9-days and 18-days EMA. Stochastic is heading upward, but has entered into oversold zone. MACD is in positive territory and having slanted upwardly.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2506	2494	2518	2530	2542
Sept	2530	2518	2542	2558	2574

TRADE RECOMMENDATION:

Sell August contract near 2520 with target of 2505. Second target 2495. Put SL at 2530

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	08.08.06	07.08.06	Change
Rajasthan Desi	Delhi	2450-2460	2435-2475	-
MP Desi	Delhi	2425-2430	2420-2450	-
Kantewala	Indore	2410-2415	2385-2390	+20
Desi	Gulbarga	2200-2225	2200	-
Gauran	Latur	2250	2250	-
Annagiri	Latur	2375	2350	+25
G-12/Vijay	Latur	2325	2350	+25
Gauran	Jalna	2275	2250	+25
Pila	Jalna	2325	2300	+25
Mixed	Akola	2425-2430	2400	+25
Chapa	Akola	2450-2460	2425	+25
Desi	Kanpur	2500	2480-2485	+15

TUR

FUNDAMENTALS

Tur markets continued driving gains on weather factor. Also, ideas that market being oversold helped it retreating further. Though rains have not caused any adversity to the crop in Maharashtra or Karnataka, modest damage to moong crop in Karnataka was taken as supportive item. Moong is used as an alternative of tur in some areas. Other fundamentals are not very friendly. Big consignments of tur are reaching at Indian ports from Burma.

Futures Market Commentary

Lemon tur August contract opened firm gapping substantially versus previous day's closing and kept hanging higher all through the day. Futures peaked near 14.50 hrs. Volume remained mostly low in August contract. Stock of lemon tur as on August 7 in accredited warehouses of NCDEX in stands at 9575 MT, while Open Interest against August contract as on today was at 9340 MT.

Price Drivers

Bullish

Weather concern in South Peninsula

Bearish

Fresh Consignments from Burma

Weather

Fairly widespread rainfall with isolated very heavy falls are likely over north Konkan (including Mumbai), Madhya Maharashtra, Gujrat Region. southwest Madhya Pradesh

TECHNICALS

NCDEX -August Contract

'Spinning top' formation by candlestick body shows little price action and lacking conviction in the market. Futures although closed above 9-days EMA, but still remained substantially low from 18-days EMA. %k line is heading upward, but still is in oversold zone. MACD is in negative territory and trading below its signal line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	1525	1517	1533	1541	1549
Sept	1561	1553	1569	1578	1587

TRADE RECOMMENDATION:

Sell August contract near 1535 with target towards 1525, second target 1520 Put SL at 1541

Spot Market Prices of Tur

(Rs/qty)

Origin/Grade	Center	08.08.06	07.08.06	Change
Burmese Lemon	Mumbai	1551	1441-1475	+75
Burmese Lemon	Delhi	1770	1750	+20
Maharashtra tur	Delhi	1825	1800	+25
Karnataka tur	Delhi	1950	1900	+50
Red tur	Gulbarga	1825	1825-1830	-
Fatka Dall	Gulbarga	2650	2650	-
Red Tur	Latur	1825	1800	+25
White Tur	Latur	1825	1821-1831	-
Red	Jalna	1750	1700-1725	+25
White	Jalna	1750-1775	1725-1750	-
BDM	Jalna	1800	1775	+25
Marathwada	Akola	1800	1800	-
Vidarbha	Akola	1830	1800	+30
Local Tur	Vijaywada	1620	1650-1670	-30

Others

Moong

Lack of availability of fresh cargos from Karnataka helped improving prices of old crop (Rajasthan origin). Prices of new produce also have gained more than Rs 200 per qtl in Karnataka due to interrupted supply after recent rains. Rains have slowed the fieldwork in Karnataka, where harvest is in the progress.

Spot Market Prices of Moong (Rs/qrtl)

Origin/Grade	Center	08.08.06	07.08.06
Shekhavati	Delhi	3000	3000
Kishangarh	Delhi	3050	3050
Medta/Bisao	Delhi	3050	3050
Desi	Indore	2700-3000	2600-2900
Chamki	Jalna	NA	NA
Chamki	Akola	2600-2750	NA

FIELD PEAS

Filed pea prices skyrocketed with the improvement in sentiments in chana market. Demand for the same is good and supply is continuing from the available stocks. Traders say that any big consignment is unlikely before October.

Spot Market Prices of Pea (Rs/qrtl)

Center	08.08.06	07.08.06
Mumbai	1375	1360-1370
Kanpur	1400	1370-1375

Masoor

There was no oomph in Masoor markets. Prices in most mandis held previous steady levels. Traders are expecting its demand shortly from major consumption centers. In news, government has exempted export of pulses to Bhutan from the earlier imposed restrictions with immediate effect.

Spot Market Prices of Masoor (Rs/qrtl)

Center	08.08.06	07.08.06
Delhi-MP/kota Line	1860	1860
Delhi- UP/Sikari	2370	2370
Kanpur local mill delivery	1920-1925	1920-1925
Kanpur new- Braeilly Delivery	1970	1960-1970
Kanpur- new Malka Dal	2100-2125	2100-2125
Indore- Masra	1810	1780
Indore- Masoor New	1800	1770
Indore- Medium New	1725	1700
Bahraich-Masoor	2715	2700
Bahraich-Export Chanti	2925	2925
Kolkata (Truck delivery)	3375	3375
Masur Dal	3000	3000

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

Quality	07.08.06
Burmese new Lemon Tur Mumbai Chennai	320
Burmese FAQ new Tur Mumbai/Chennai	NA
Burmese Shwebo Tur Mumbai/Chennai	NA
Burmese FAQ Urad Mumbai/Chennai	650
Burmese SQ Urad Mumbai/Chennai	700
Burmese Pedishwa Mung Chennai/Mumbai	620
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	500-510

Port watch

- 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 'Krabinavee'. The vessel is being handled by Samsara agents. The port is expecting 'Al Muztuba' from Yangon to discharge 7,000 MT of pulses. Sai Freight agents will be handling the vessel.

Forex

Forex rate as on 08.08.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.590
European Union	Euro	59.740
Japan	100 Yen	40.420
United Kingdom	GBP	88.770



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