

PULSES DAILY

September 05, 2006

URAD

FUNDAMENTALS

Urad markets observed firm trend. Weather is one factor. Also, official report suggesting marginal increase in acreage under different pulses crop on year basis was taken little friendly. Ideas that this marginal increase in acreage might not be sufficient to offset the modest crop losses presumably due to recent weather problems in Gujarat, Maharashtra and some parts of Rajasthan. Govt report, however, did not specify acreage under different pulses. According to latest crop weather watch report, acreage under kharif pulses as sown by August 28, 2006 in India totals 105.05 lakh ha compared to 102.66 lakh ha sown by this time a year ago and below normal area of 108.62 lakh ha.

Futures Market Commentary

Urad September futures opened up gapping significantly versus previous day closing. Futures moved up very fast in first 40 minutes, but momentum slowed soon after. Futures crossed the psychological level of 3200 by 13.10 hrs. Contract touched the day's top at 3223 at 14.20 hrs. September Urad contract finally finished the day up Rs 47 at Rs 3182 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Onset of harvest in early sown areas

Weather

Latest forecast of IMD has called for thundershowers in north Madhya Maharashtra and north Marathwada. Crop is nearing maturity in these states and extended spell of rains is not desirable.

TECHNICALS

NCDEX -September Contract

Formation of 'shooting star' indicates likely reversal in bullish trend, but further confirmation is required. Prices closed above both the 9-days and 18-days EMA. %k line has made bullish crossover with %d line in recent and RSI also is giving signals of gaining momentum. MACD is leaning downward and about to make bearish crossover with %d line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	3150	3119	3182	3218	3255
Oct	2835	2755	2915	2973	3031

TRADE RECOMMENDATION:

Buy Sept contract near 3175 with target towards 3200
Second target at 3210. Put SL at 3160.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	04.09.06	02.09.06	Change
Burma Faq	Mumbai	3450	3350-3400	+50
Burma Faq	Delhi	3600-3650	3525	+75
Desi	Akola	3400-3500	NA	-
Desi	Indore	2800-3100	2800-3100	-
Desi	Vijaywada	3675-3725	3650-3700	+25

CHANA

FUNDAMENTALS

Chana markets also observed firm trend. Weather has not been friendly for crop in many pulses producing belts so far this year. Traders do not rule out possibility of marginal fall in its prices with the picking up of harvest of other kharif pulses, but majority still seem confident of its friendly perspective in medium to long term. Prices are high in international markets on year basis, but even than domestic prices have exceeded the import parity levels. In current situation, more deals for its import are likely.

Futures Market Commentary

Chana September contract opened above psychological mark of 2800 and did not fell below this level in the remaining session. Futures started moving upward soon after opening of the session and steady gains persisted through the day. Futures reached the day's high at 2872 by 16.00 hrs. Moderate selling for profit booking was seen near closing. September Chana contract finally finished the day up Rs 80 at Rs 2855 per qtl.

Price Drivers

Bullish

High prices in International Markets

Bearish

Due harvest of other kharif pulses

Likely action by State Govt

Weather

Recent rains in Rajasthan and MP have replenished enough moisture for rabi season. Chana is sown in rabi season.

TECHNICALS

NCDEX -September Contract

'Three outside up' formation by candlestick is confirming the bullish reversal. Big white candlestick body also has formed 'opening marubozu'. Prices closed above both the 9-days and 18-days EMA. %k line is still below %d line, but is about to intersect %d line from the bottom. RSI is giving clear signals of gaining momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	2801	2746	2855	2891	2926
Oct	2808	2747	2868	2906	2943

TRADE RECOMMENDATION:

Buy Sept contract near 2850 with target of 2870. Second target 2880. Put SL at 2835

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	04.09.06	02.09.06	Change
Rajasthan Desi	Delhi	2800-2840	2735-2740	+100
MP Desi	Delhi	2775	2700	+75
Kantewala	Indore	2750	2675-2680	+70
Desi	Gulbarga	3000	2800	+200
Gauran	Latur	2750	2650	+100
Annagiri	Latur	2950	2850	+100
G-12/Vijay	Latur	2850	2700	+150
Gauran	Jalna	2750	2675	+75
Pila	Jalna	2800	2750	+50
Mixed	Akola	2750	NA	-
Chapa	Akola	2775	NA	-
Desi	Kanpur	2825-2830	2750	+75

TUR

FUNDAMENTALS

Tur markets continued to see firm trend. Fresh weather concern in Gulbarga kept the bulls in high spirit. Rains are needed in Gulbarga belts. Trading however remained thin, as majority still seems in no mood to bet over this factor. Stock of last year crop is comfortably good in major producing mandis. Situation elsewhere is not that concerning. Gains in other pulses also had mild bullish effect in tur markets. Quality of the imported produce is not good. Offerings from Burma are only for produce having high weeviled percentage (15-20%).

Futures Market Commentary

Lemon tur September contract opened firm and continued hanging high in the green zone all through the day. Futures reached the day's high at 1725 by 14.20 hrs. There was strong resistance at this level, which futures could not breach during the day. Lemon tur September contract finally finished the day up Rs 21 at Rs 1712 per qtl.

Price Drivers

Bullish

High prices of other available pulses
Weather in Karnataka

Bearish

Due harvest of other kharif pulses

Weather

Tur is in vegetative growth stage. Sporadic rains in some parts of Uttar Pradesh and MP will be beneficial for the crop.

TECHNICALS

NCDEX -September Contract

'Top star' formation by candlestick body indicates slowing momentum. However, both the 9-days and 18-days EMA remained below price line. %K line has made bullish crossover with %d line, but both are in oversold zone. MACD is leaning downward into positive territory. RSI also is giving signals of gaining momentum.



SUPPORT / RESISTANCES:

Contra ct	S1	S2	PCP	R1	R2
Sept	1700	1687	1712	1725	1737

TRADE RECOMMENDATION:

Buy Sept contract near 1710 with target towards 1725, second target 1730. Put SL at 1700.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	04.09.06	02.09.06	Change
Burmese Lemon (old crop)	Mumbai	1800	1750	+50
Burmese Lemon	Delhi	1775	1775	-
Maharashtra tur	Delhi	1850	1850	-
Karnataka tur	Delhi	1950	1950	-
Red tur	Gulbarga	2025	2000	+25
Fatka Dall	Gulbarga	3000	2900	+100
Red Tur	Latur	2100	2050	+50
White Tur	Latur	2090	2080	+10
Red	Jalna	NA	NA	-
White	Jalna	1900	1900	-
BDM	Jalna	1950-2000	1950-2000	-
Marathwada	Akola	1980	NA	-
Vidarbha	Akola	1975	NA	-
Local Tur	Vijaywada	1725	1725	-

Others

Moong

Sentiments remained slightly easy in moong markets. Arrivals of moong today in Maharashtra totaled at 50,000 bags. Demand for the same from Delhi remained slightly weak, which is expecting ease in its prices with the increase in its arrivals from Rajasthan, where weather is reported clear in most areas today.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	04.09.06	02.09.06
Shekhavati	Delhi	2950	2950
Kishangarh/Kekdi (New Crop)	Delhi	3000	2975
Medta/Bisao	Delhi	3000	3025
Desi	Indore	2700-2950	2600-2850
Chamki	Jalna	3050	2900
Chamki	Latur	2975	2950
Chamki	Akola	2700-2850	NA

FIELD PEAS

There was no enthusiasm in the peas markets. Mild support came from rise in prices of chana. Buyers, however, were not very aggressive, as big consignments of peas are due in near future. Harvesting in many areas of Canada is running ahead of last year pace.

Spot Market Prices of Pea (Rs/qtl)

Center	04.09.06	02.09.06
Mumbai (Canadian)	1500	1550
Kanpur	1515-1520	1490

Masoor

Sentiments improved in masoor markets as well in tandem with gains in other pulses. Traders are expecting improvement in its demand in coming weeks for festivals ahead. Masoor prices also are high in the international markets.

Spot Market Prices of Masoor (Rs/qtl)

Center	04.09.06	02.09.06
Delhi-MP/kota Line	2050	2050
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	2015-2020	1990-2000
Kanpur new- Braeilly Delivery	2070	2060
Kanpur- new Malka Dal	2200	2190-2200
Indore- Masra	1910	1900
Indore- Masoor New	1900	1890
Indore- Medium New	1800	1800
Bahraich- Masoor	2700	2700
Bahraich-Export Chanti	3200	3200
Kolkata (Truck delivery)	3550	3550
Masur Dal	3200	3200

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

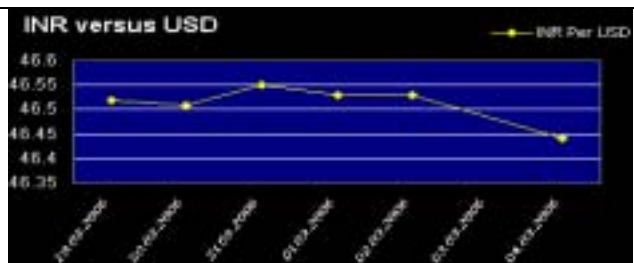
Quality	04.09.06
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai Chennai	350
Burmese FAQ new Tur Mumbai/Chennai	NA
Burmese Shwebo Tur Mumbai/Chennai	340
Tanzania Matwara Tur Mumbai/Chennai,	351
Burmese FAQ Urad Mumbai/Chennai	670-680
Burmese SQ Urad Mumbai/Chennai	730-740
Burmese Pedishwa Mung Chennai/Mumbai	620-630
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	540-550
Canadian Pea Chennai	255

Port watch

- Delivery of 17,688 MT of peas is continuing at Kolkata Port from the vessel 'Mikhail Strekalovsky'. '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 14,500 MT of pulses is continuing at Chennai Port from the vessel 'Yaad E Mohammed'. Imperial agents is handling the vessel.

Forex rate as on 04.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.440
European Union	Euro	59.680
Japan	100 Yen	39.870
United Kingdom	GBP	88.520



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