

PULSES DAILY

September 06, 2006

URAD

FUNDAMENTALS

Vanishing hopes of increase in production on year basis due to unfriendly weather during crucial crop stages pushed the market again in favour of bulls. Weather is still a key factor, as its harvest is continuing in Maharashtra and Karnataka. Prices are already high in the international markets. We already have imported more than 2.25 lakh ton of urad by July end. Big relief from import seems unlikely ahead. Market dynamics will largely depend upon domestic SND. Arrivals of fresh produce in domestic market are expected to increase within 8-10 days. Big ease in its prices before picking up of domestic harvest seems unlikely.

Futures Market Commentary

Urad September futures opened up significantly gapping with previous day's closing and moved up speedily in the first two hours. Futures crossed the psychological level of 3300 by 11.45 hrs. This pace of upside movements slowed after noon. Futures even fell back to 3260 by 12.35 hrs, after which it started moving up again, but with snail's pace. Futures finally finished the day up Rs 128 at Rs 3321 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 at few places in Madhya Maharashtra and north Marathwada. Crop is nearing maturity in these states and extended spell of rains is not desirable.

TECHNICALS

NCDEX -September Contract

Big white candlestick body with 'closing marubozu' and small lower shadow shows strong bullish disposition. Both 9-days and 18-days EMA remained below price line. Stochastic oscillator also is giving bullish signals. MACD is running flat in to positive territory. RSI is in overbought zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	3247	3173	3321	3358	3395
Oct	2989	2881	3098	3152	3207

TRADE RECOMMENDATION:

Buy Sept contract near 3320 with target towards 3345
Second target at 3360. Put SL at 3305.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	05.09.06	04.09.06	Change
Burma Faq	Mumbai	3600	3450	+150
Burma Faq	Delhi	3900	3600-3650	+250
Desi (new Crop)	Akola	3900	NA	-
Desi	Indore	3000-3200	2800-3100	-
Desi	Vijaywada	4250	NA	-

CHANA

FUNDAMENTALS

There was mixed feeling in chana markets. Stockists are quoting higher for their produce on the back of firm trend in other pulses. Millers/actual users/processors seem having hitch in buying at current high prices. Processors are getting more inclined to another available cheaper alternatives like peas, corn etc. According to traders, stock is in the hand of biggies this year, who have enough stamina to withhold amidst current sluggish situation. This gain in fact is not supported by actual buying in physical markets.

Futures Market Commentary

September Chana contract opened slightly up against previous day closing and started falling downward soon after opening of the session. Futures spent most of the day into negative territory. Futures fell to the day's bottom at 2821 by 12.40 hrs. Futures rose steadily thereafter, but could manage to come out of red zone just before closing. Chana September contract finished the day up Rs 44 at Rs 2908 per qtl.

Price Drivers

Bullish

High prices in International Markets

Bearish

Due harvest of other kharif pulses

Weather

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

TECHNICALS

NCDEX -September Contract

'Shaven head' with long lower shadow shows limited downside potential. Prices closed far higher than both the 9-days and 18-days EMA. Stochastic oscillators has made bullish crossover with %d line. MACD has made bearish crossover with its signal line. RSI is giving clear signals of regaining momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	2850	2792	2908	2937	2966
Oct	2849	2793	2904	2933	2961

TRADE RECOMMENDATION:

Buy Sept contract near 2905 with target of 2925. Second target 2935. Put SL at 2890

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	05.09.06	04.09.06	Change
Rajasthan Desi	Delhi	2850	2800-2840	+10
MP Desi	Delhi	2800-2825	2775	+25
Kantewala	Indore	2775-2780	2750	+25
Desi	Gulbarga	2950	3000	-50
Gauran	Latur	2800	2750	+50
Annagiri	Latur	3000	2950	+50
G-12/Vijay	Latur	2900	2850	+50
Gauran	Jalna	2800	2750	+50
Pila	Jalna	2850	2800	+50
Mixed	Akola	2775-2800	2750	+25
Chapa	Akola	2820-2825	2775	+45
Desi	Kanpur	2900	2825-2830	+70

TUR

FUNDAMENTALS

Tur markets observed firm trend. Concerning weather situation in Gulbarga region has been blamed for current bullish trend. This bullishness was really unexpected. Harvest of other kharif pulses is gradually picking up, while stock situation should be comfortable. Carry-forward stock of tur for the end of MY 2005-06 was earlier estimated at 1 lakh ton by the industry. People are expecting fresh direction to come with the release of this year crop data in 'Pulses 2006 Conference' on September 17, 2006.

Futures Market Commentary

Lemon tur September contract opened up in green zone and spent most of the day into positive territory only. Futures moved up with good pace in first two hour, liquidation near 12 noon took futures down even into negative zone for a little while. Futures recovered from this bearishness very soon. Futures started moving higher after 13.00 hrs and this up trend persisted till end of the session. Lemon tur September contract finished the day up Rs 69 at Rs 1781 per qtl.

Price Drivers

Bullish

High prices of other available pulses

Dry 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

Big white candlestick body with 'closing marubozu' shows strongly bullish pattern. Both the EMA remained below price line. Stochastic oscillator has made bullish crossover with %d line. MACD is in positive territory. RSI also is giving signals of gaining momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	1730	1680	1781	1806	1832

TRADE RECOMMENDATION:

Buy Sept contract near 1780 with target towards 1805, second target 1815. Put SL at 1765.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	05.09.06	04.09.06	Change
Burmese Lemon	Mumbai	1775	1750	+25
Burmese Lemon	Delhi	1800-1825	1775	+25
Maharashtra tur	Delhi	1900	1850	+50
Karnataka tur	Delhi	2000	1950	+50
Red tur	Gulbarga	2075	2025	+50
Fatka Dall	Gulbarga	3050	3000	+50
Red Tur	Latur	2160	2100	+40
White Tur	Latur	2160	2090	+70
Red	Jalna	NA	NA	-
White	Jalna	2050	1900	+150
BDM	Jalna	2075-2100	1950-2000	+75
Marathwada	Akola	2020	1980	+40
Vidarbha	Akola	2015	1975	+40
Local Tur	Vijaywada	1800	1725	+75

Others

Moong

Moong markets witnessed weak trend due to increase in fresh arrivals in Maharashtra. Weather still is a crucial factor in Maharashtra, where IMD has called for more rains particularly in Madhya Maharashtra and some parts of Marathwada. Weather is mostly favorable in Rajasthan, which is the largest producing state of Moong.

Spot Market Prices of Moong (Rs/qrtl)

Origin/Grade	Center	05.09.06	04.09.06
Shekhavati	Delhi	2900	2950
Kishangarh/Kekdi (New Crop)	Delhi	2950	3000
Medta/Bisao	Delhi	2950-2975	3000
Desi	Indore	2600-2800	2700-2950
Chamki	Jalna	3000	3050
Chamki	Latur	2800	2975
Chamki	Akola	2900	2700-2850

FIELD PEAS

Sentiments remained firm in field pea markets. Demand for the same has improved due to increased inclination of many besan manufacturing units/other processors towards peas after substantial increase in prices of chana.

Spot Market Prices of Pea (Rs/qrtl)

Center	05.09.06	04.09.06
Mumbai (Canadian)	1550	1500
Kanpur	1530-1540	1515-1520

Masoor

Demand also was reported good from eastern states. Traders informed that export of the same to Bangladesh, which has been approved against Old LCs (before June 22, 2006), resulted in increased off-take. Traders are not expecting big ease in its prices ahead.

Spot Market Prices of Masoor (Rs/qrtl)

Center	05.09.06	04.09.06
Delhi-MP/kota Line	2050	2050
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	2020-2025	2015-2020
Kanpur new- Braeilly Delivery	2075-2080	2070
Kanpur- new Malka Dal	2225	2200
Indore- Masra	1910	1910
Indore- Masoor New	1900	1900
Indore- Medium New	1800	1800
Bahraich- Masoor	2875	2700
Bahraich-Export Chanti	3300	3200
Kolkata (Truck delivery)	3550	3550
Masur Dal	3200	3200

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

Quality	05.09.06
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

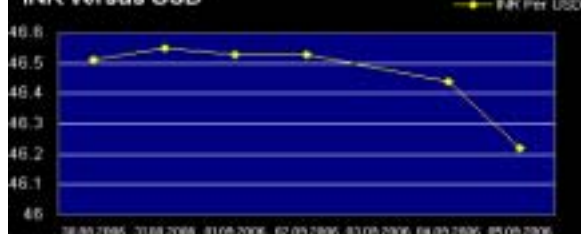
Port watch

- 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 05.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.220
European Union	Euro	59.330
Japan	100 Yen	39.880
United Kingdom	GBP	87.940

INR versus USD



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