

PULSES DAILY

September 29, 2006

URAD

FUNDAMENTALS

Picking up of harvest in MP, UP and Maharashtra was the featured factor today. Arrivals in Indore have increased to 4000 bags. Weather situation is congenial for the fieldwork in Maharashtra, where rains had slowed the harvest in recent. Trading in Maharashtra has slowed due to increased uncertainty over VAT, which is to be implemented in state after September 30, 2006. Trade bodies have started putting pressure on the authorities to extend the exemption of pulses from VAT regime further like Karnataka.

Futures Market Commentary

NCDEX October urad futures opened weak and spent most of the day in negative zone only. Futures could move above unchanged level at 3571 once for a while near 12 noon. Otherwise, there was strong resistance at 3571, with which futures banged four times in next 1.15 hrs, but could not infringe this level. Sharp selling was seen in the last hour. October urad futures finished the day off Rs 107 at Rs 3464 per qtl.

Price Drivers

Bullish

High prices in international markets
Likely imposition of VAT in Maharashtra

Bearish

Progressing harvest in major producing areas

Weather

Weather is favorable for fieldwork in major producing areas. Scattered showers are likely in some parts of Madhya Maharashtra.

TECHNICALS

NCDEX -October Contract

Dark candlestick body with closing 'marubozu' shows dominion of bears till end of the session. Prices closed below 9-days EMA, but remained above 18-days EMA. Stochastic oscillator has made bearish crossover with %d line. MACD is tilting slightly downward. RSI also is giving bearish signal.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	3421	3379	3464	3543	3623

Trade Recommendation:

Sell NCDEX Desi Urad Oct contract at 3465 with target towards 3440 Second target at 3425. Put SL at 3480.

Spot Market Prices of Urad

(Rs/qrtl)

Origin/Grade	Center	28.09.06	27.09.06	Change
Burma Faq	Mumbai	NA	NA	-
Burma Faq	Delhi	NA	NA	-
UP	Delhi	3600-3800	3600	-
Desi (new Crop)	Akola	3550	3550	-
Desi (New Crop)	Gulbarga	3750	3750	-
Desi (New Crop)	Latur	3950	3950	-
Desi (New Crop)	Jalna	3500-3600	3500-3800	-
Desi (New Crop)	Indore	3600	3800-3900	-200

CHANA

FUNDAMENTALS

Concern over likely increase in import in last quarter and ideas of overbought market kept bulls in dispirited. Prices of chana in domestic markets are running above import parity levels. Overseas reports suggest substantial increase in production of chickpea this year. It's to recall reports in the market few months back about purchase of Australian chickpea by some Mumbai importers as low at \$485 per ton (CNF Mumbai). Prices at present are high in international markets (\$630-650 per ton, which is still lower than domestic prices). INR in fact also had improved remarkably versus dollar.

Futures Market Commentary

NCDEX October chana futures opened steady, but could not move above unchanged level all through the day. There was strong support at 3280, which futures could infringe after 13.30 hrs only. Next support was at 3275, which was breached just before closing. October chana futures finally closed the day off Rs 59 at Rs 3259 per qtl.

Price Drivers

Bullish

High prices in International Markets
Festival Season Ahead

Bearish

Increased Production in Major Exporting Nations
Strengthening of INR versus dollar
Ongoing harvest of other kharif pulses

Weather

Weather is mostly clear in chana producing areas, which is congenial for the fieldwork in Peninsular India.

TECHNICALS

NCDEX -October Contract

Dark candlestick body formed 'opening marubozu' and has very small lower shadow, which shows strongly bearish pattern. Prices still closed above both the 9-days and 18-days EMA. Stochastic oscillator is in overbought zone. MACD is moving upward into positive territory. RSI has just made bearish crossover with its signal line.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	3233	3208	3259	3304	3350

Trade Recommendation:

Sell NCDEX Chana Oct contract at 3260 with target of 3240. Second target 3225. Put SL at 3280.

Spot Market Prices of Chana

(Rs/qttl)

Origin/Grade	Center	28.09.06	27.09.06	Change
Rajasthan Desi	Delhi	3290-3300	3340	-40
MP Desi	Delhi	3270-3275	3300-3325	-25
Kantewala	Indore	3150	3210-3215	-60
Mixed	Akola	3225	3200	+25
Chapa	Akola	3250	3225	+25
Gauran	Latur	3000	3150	-150
Annagiri	Latur	3200	3300	-100
G-12	Latur	3100	3200	-100
Gauran	Jalna	3200	3100-3200	-
Pila	Jalna	3250	3250	-

TUR

FUNDAMENTALS

Tur markets continued to see sluggish trend. According to traders, supply is not concerning at least in cast of tur. Stock of domestic crop is good. Crop perspectives have improved with the improvement in weather situation. Also, prices have slightly eased in international markets. According to trade sources, African tur will start arriving in containers from next week. CNF prices for Arusha grade from Tanzania were last quoted at \$400 (CNF Mumbai) per ton.

Futures Market Commentary

NCDEX October tur futures opened weak and remained red all through the day. Futures moved in narrow range of 1910-1925 till final hour. Sharp liquidation took place near end of the day, which took futures below psychological level of 1900 before closing. October tur futures finally finished the day off Rs 40 at Rs 1888 per qtl.

Price Drivers

Bullish

High prices of other available pulses
Festival Season ahead

Bearish

Strengthening of INR versus dollar

Weather

Rains in some parts of Maharashtra are beneficial for the crop.

TECHNICALS

NCDEX -October Contract

Dark candlestick body with small shadows on either side shows strongly bearish pattern. Prices closed below both the 9-days and 18-days EMA. Stochastic Oscillator is in oversold zone, while RSI is giving clear signal of weakening momentum. MACD is very close make centreline crossover, which implies reversal in trend.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	1872	1855	1888	1915	1941

Trade Recommendation:

Sell NCDEX Tur Desi Oct contract at 1890 with target towards 1875, second target 1860. Put SL at 1900.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	28.09.06	27.09.06	Change
Burmese Lemon	Mumbai	1700-1725	1700-1725	-
Burmese Lemon	Delhi	1900	1850	+50
Maharashtra tur	Delhi	2100	1950	+150
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	2025	2050	-25
Fatka Dall	Gulbarga	2950	2900	+50
Red Tur	Latur	2075	2075	-
White Tur	Latur	2050	2050	-
Red	Jalna	1925	NA	-
White	Jalna	2000	2050	-50
BDM	Jalna	NA	NA	-
Vidharpatta	Akola	1950	1950-1960	-
Marathwada	Akola	1960	1975	+15

OTHERS

Moong

Firm trend persisted in Moong markets due to good demand from consumption centers in northern and central India. According to traders, offerings have started from China for moong (above 3.5 mm grade), but prices are very high. Sources informed that few deals have been made for this grade between \$750-760 per ton (CNF Chennai).

Spot Market Prices of Moong (Rs/qty)

Origin/Grade	Center	28.09.06	27.09.06
Chamki	Delhi	NA	NA
Kekdi	Delhi	3250	3250-3275
Medta	Delhi	3350	3300-3325
Desi	Indore	3275	3250
Chamki	Jalna	3200	3200
Chamki	Latur	3250	3200
Chamki	Akola	3200	3200

Field Peas

Field pea markets saw weak trend. Few big consignments are expected shortly, for which offerings have been made at lower prices. Ease in chana markets also had mildly bearish impact.

Spot Market Prices of Pea (Rs/qty)

Center	28.09.06	27.09.06
Mumbai (Canadian)	1475	1501
Kanpur	1645-1650	1650

Masoor

Masoor markets feature lackluster trading. According to traders, stock of chotti grade masoor is short. But short stock of chotti masoor will unlikely to have any impact on market, as this grade usually goes to export, which is banned till March 31st, 2007. Traders informed that stock of motta grade masoor is sufficient.

Spot Market Prices of Masoor (Rs/qty)

Center	28.09.06	27.09.06
Delhi-MP/kota Line	2070	2070
Delhi- UP/Sikari	2600	2600
Kanpur local mill delivery	2025	2025-2030
Kanpur new- Braeilly Delivery	2100	2090-2100
Kanpur- new Malka Dal	2200-2225	2200-2225
Indore- Masra	1900	1900
Indore- Masoor New	1890	1890
Indore- Medium New	1850	1850
Bahraich-Masoor	2875	2875
Bahraich-Export Chanti	3325	3325
Kolkata (Truck delivery)	3600	3600
Masur Dal	3200-3400	3200-3400

International Prices

(\$/ton) (CNF 90 days)

Quality	28.09.06
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	350
Burmese FAQ new Tur Mumbai/Chennai	NA
Burmese Shwebo Tur Mumbai/Chennai	NA
Tanzania Matwara Tur Mumbai/Chennai,	340-350
Tanzania Arusha Tur Mumbai/Chennai,	400
Burmese FAQ Urad Mumbai/Chennai	830
Burmese SQ Urad Mumbai/Chennai	930
Burmese Pedishwa Mung Chennai/Mumbai	650
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Chinese above 3.5 mm grade Chennai	750-760
Australian Chickpea Chennai/Mumbai	630

Port Watch

- Mumbai Port is receiving 14,439 MT of pulses from the vessel 'Yad E Moustafa'. The cargo was loaded from Yangon. Samsara agents is handling the vessel. Mumbai Port is receiving 7,000 MT of pulses from the vessel 'Lion Princes'. The vessel is being handled by Shaan Marine agents. Mumbai Port is receiving 10,000 MT of pulses from the vessel 'Alaba'. Sahi Oretrans agents is handling the vessel.
- Delivery of 18,000 MT of peas is expected at Kolkata Port from the vessel 'Stefanis'. B Ghose agents will be handling the vessel.

Forex rate as on 28.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.920
European Union	Euro	58.380
Japan	100 Yen	39.040
United Kingdom	GBP	86.530

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