

PULSES DAILY

September 02, 2006

URAD

FUNDAMENTALS

Sentiments remained mixed in urad markets. Trading in urad has declined due to increased volatility in the market. Bet was on advancement of monsoon ahead. Rains in some parts of MP, Rajasthan and Maharashtra are not desirable, as crop is nearing maturity in most areas. Some feel this factor will unlikely to have much impact in long term. Import of urad this year already had exceeded the 2.25 lakh ton. We usually import 2.0-2.5 lakh ton of urad annually to meet the domestic shortfall. So, big relief on import front is unlikely and market dynamics ahead will largely depend upon domestic fundamentals.

Futures Market Commentary

Urad September contract opened firm gapping significantly versus previous day closing, but staged substantial fall with in 15 minutes after opening of the session. Futures fell to the day's bottom at 2993 before 10.15 hrs. Steady gains thereafter took futures back to unchanged level by 13.15 hrs and futures kept moving on both side of unchanged level till end of the day. September Urad contract finished the day up Rs 6 at Rs 3038 per qtl.

Price Drivers

Bullish

High prices in international markets

Weather in some parts of Maharashtra and MP

Bearish

Onset of harvest in early sown areas

Weather

Latest forecast of IMD calls for more rains over west Madhya Pradesh. Weather needs regular check, as crop is nearing maturity in most areas and excessive rains are not welcoming.

TECHNICALS

NCDEX -September Contract

Dark candlestick body has formed 'opening marubozu', but substantial size of lower shadow shows limited downside potential. Prices closed above both the 9-days and 18-days EMA. %k line is still running below %d line. RSI is giving signals of regaining momentum. MACD is in positive territory, but is tilting downward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	3001	2963	3038	3068	3097
Oct	2689	2657	2721	2764	2807

TRADE RECOMMENDATION:

Buy Sept contract near 3030 with target towards 3050
Second target at 3068. Put SL at 3015.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	01.09.06	31.08.06	Change
Burma Faq	Mumbai	3400-3425	3325	+75
Burma Faq	Delhi	3500	3450-3500	-
Desi	Akola	3300-3500	3300-3500	-
Desi	Indore	2800-3200	2800-3100	-
Desi	Vijaywada	3650-3700	3650-3700	-

CHANA

FUNDAMENTALS

Indecisiveness prevailed in Chana markets as well. Some feels that prices have appreciated enough to accommodate all the immediate bullish factors, while big stockists still appeared in mood of further waiting. Demand of chana is dwindling at current high prices. People also are nervous about likely government action against hoarders. Though there has not been clear verdict on this issue from the government, chana prices are lucrative at present for those who do not wish to take chance.

Futures Market Commentary

September chana contract opened deep in red zone and bottomed out with in first hour. There was strong support at 2706, which futures could not infringe during the day. Futures moved up steadily in the remaining half, but missed to touch the unchanged level. Day's high was set at 2743, slightly down against previous day closing at 2744. Futures continued hanging in red zone till closing. September chana contract finally finished the day off Rs 19 at Rs 2725 per qtl.

Price Drivers

Bullish

High prices in International Markets

Bearish

Due harvest of other kharif pulses

Likely action by State Govt

Weather

Present rains in Rajasthan will help replenishing enough moisture for rabi season. Chana is sown in rabi season.

TECHNICALS

NCDEX -September Contract

Formation of 'doji star bottom' is giving weak signals of reversal in pattern. Prices closed below the 9-days EMA, but remained above 18-days EMA. Stochastic oscillator is giving signals of weakening momentum, which again is confirmed by RSI. MACD is in positive territory and falling southwardly.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	2706	2688	2725	2743	2762
Oct	2707	2684	2730	2752	2774

TRADE RECOMMENDATION:

Sell Sept contract near 2730 with target of 2706. Second target 2690. Put SL at 2743

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	01.09.06	31.08.06	Change
Rajasthan Desi	Delhi	2690-2700	2700-2710	-
MP Desi	Delhi	2650-2675	2685	-10
Kantewala	Indore	2650-2675	2645	+5
Desi	Gulbarga	2750	NA	-
Gauran	Latur	Closed	2650	-
Annagiri	Latur	Closed	2800	-
G-12/Vijay	Latur	Closed	2700	-
Gauran	Jalna	2650	2650	-
Pila	Jalna	2700	2700	-
Mixed	Akola	2650	2675-2700	-25
Chapa	Akola	2675	2725	-50
Desi	Kanpur	2740-2750	2750	-

TUR

FUNDAMENTALS

Fresh concern over dry weather situation in Karnataka is the only supportive factor; otherwise, there was nothing in fresh for bulls to cheer. Stock situation is comfortably good in major markets. Demand at present is sluggish, which traders are expecting to improve in coming weeks for festival season ahead. Likely increase in supply of other kharif pulses continued capping bullish dispositions in the market.

Futures Market Commentary

September tur contract featured roller-coaster trend during the day and spent most of the day into negative territory. Futures opened firm, but fell into red zone with in 15 minutes after opening of the session. Futures could once manage to get back in to positive territory, but could not hold in this zone for longer period. Futures finally finished the day at day's low. September tur contract ended the day off Rs 12 at Rs 1650 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 Maharashtra will be beneficial for the crop.

TECHNICALS

NCDEX -September Contract

Formation of 'closing marubozu' with very small upper shadow shows fair dominion of bears during the day. Prices closed below both the 9-days and 18-days EMA. %K line is still running below %d line, but both are in oversold zone. RSI is also confirming slowing momentum. MACD is in positive territory, but leaning downward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	1644	1639	1650	1661	1673

TRADE RECOMMENDATION:

Buy Sept contract near 1650 with target towards 1661, second target 1670. Put SL at 1644.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	01.09.06	31.08.06	Change
Burmese Lemon	Mumbai	1671-1681	1711-1715	-30
Burmese Lemon	Delhi	1750	1750	-
Maharashtra tur	Delhi	1850	1850	-
Karnataka tur	Delhi	1950	1950	-
Red tur	Gulbarga	2020	NA	-
Fatka Dall	Gulbarga	2900	NA	-
Red Tur	Latur	Closed	1975-1980	-
White Tur	Latur	Closed	2000-2020	-
Red	Jalna	1800	1800	-
White	Jalna	1850	1850	-
BDM	Jalna	1900	1900	-
Marathwada	Akola	1925	1930	-5
Vidarbha	Akola	1915	1915	-
Local Tur	Vijaywada	1700	1700-1715	-

Others

Moong

Rains in recent have affected supply of moong in northern states temporarily, which has resulted in partial appreciation in its prices. People are also curious about weather advancements in coming days in Rajasthan. Latest forecast of IMD is calling more rains in north and western Region of Rajasthan. Harvest of moong in Rajasthan is round the corner. So, extended spell of rains in this state will not be welcoming.

Spot Market Prices of Moong (Rs/qrtl)

Origin/Grade	Center	01.09.06	31.08.06
Shekhavati	Delhi	2900	2900
Kishangarh/Ke kdi (New Crop)	Delhi	2950	2950
Medta/Bisao	Delhi	3000	3000
Desi	Indore	2700-2900	2600-2800
Chamki	Jalna	2850	2800
Chamki	Latur	Closed	2800
Chamki	Akola	2800-2850	2850

FIELD PEAS

There was no fresh fundamental advancement in this market. Sources informed that one big consignment, which was shipped recently from the Canada, would be reaching at Mumbai port by end of September, which will help replenishing its stock.

Spot Market Prices of Pea (Rs/qrtl)

Center	01.09.06	31.08.06
Mumbai (Canadian)	1500	1500
Kanpur	1475-1480	1490-1495

Masoor

Masoor markets observed lackluster trading. Outstation demand for the same remained weak. Slight improvement in its prices was seen in Delhi, where offtake was reported well from the local consumption centers.

Spot Market Prices of Masoor (Rs/qrtl)

Center	01.09.06	31.08.06
Delhi-MP/kota Line	2050	2025
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	1980-1990	2000
Kanpur new-Braeilly Delivery	2050	2070
Kanpur- new Malka Dal	2200	2200-2225
Indore- Masra	1900	1900
Indore- Masoor New	1890	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	01.09.06
Burmese new Lemon Tur Mumbai Chennai	NA
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

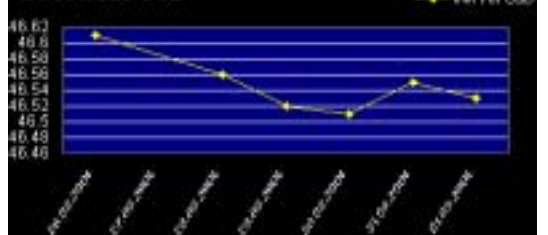
Port watch

- 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 01.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.530
European Union	Euro	59.610
Japan	100 Yen	39.670
United Kingdom	GBP	88.570

INR versus USD



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