

PULSES DAILY

September 27, 2006

URAD

FUNDAMENTALS

Karnataka government has further extended the exemption of pulses from Value added tax (Vat) for six months starting from October, informed trade sources. People are discontented due to lacking uniformity of taxes in different states. Traders in Maharashtra have called for bandh from Oct 2 in protest against likely imposition of Vat in the state September 30th onwards. Imposition of vat will cut competitiveness of Maharashtra pulses versus produce from the states where pulses are exempted from Vat. Apart from Vat news, there was nothing fresh in fundamental.

Futures Market Commentary

NCDEX October Urad futures were very volatile since starting of the session. Futures fell to the day's low at 3605 within 5 minutes after opening of the session. Futures, however, kept hanging in green zone except occasional dips in to red zone during first half. Futures saw substantial rise in the final hour. Futures reached to day's high in last 15 minutes. October urad futures finally finished the day up Rs 57 at Rs 3679 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Progressing harvest in major producing areas

Weather

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

TECHNICALS

NCDEX -October Contract

White candlestick body has formed 'short day' pattern. However, small shadow shows strong conviction in the market. Both the EMAs remained below price line. Stochastic oscillator is in overbought zone. MACD is running flat into positive territory. RSI also is in overbought zone.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	3626	3573	3679	3711	3743

Trade Recommendation:

Buy NCDEX Desi Urad Oct contract at 3675 with target towards 3695 Second target at 3705. Put SL at 3660.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	26.09.06	25.09.06	Change
Burma Faq	Mumbai	4000	4000	-
Burma Faq	Delhi	NA	3900-4150	-
UP	Delhi	3650	3625-3650	-
Desi (new Crop)	Akola	3600	3400-3600	-
Desi (New Crop)	Gulbarga	3700	3750	-50
Desi (New Crop)	Latur	4000	4000	-

CHANA

FUNDAMENTALS

Chana markets continued to see firm trend. People have all their focus on immediate shortage and festival season ahead. Though overseas reports suggest good production of chickpea in major exporting nation like Australia, Canada etc. Traders, however, are not expecting big consignments in first fortnight of October. Prices already are up in the international markets. Production of chickpea in Australia has increased nearly 150%. Australia usually grows desi chickpea and mostly for export to Asian continent.

Futures Market Commentary

NCDEX October chana futures were highly volatile and moved both side of unchanged level in the first half. Bottom was set at 3250 by 10.25 hrs. There was strong support at this level. Futures posted steady gains in the second half and reached the day's high just before closing. October chana futures finally finished the day up Rs 48 at Rs 3310 per qtl.

Price Drivers

Bullish

High prices in International Markets
Festival Season Ahead

Bearish

Increased Production in Major Exporting Nations
Ongoing harvest of other kharif pulses

Weather

Rains in some parts of Maharashtra and Karnataka will help replenishing moisture, which will be helpful for its forthcoming crop.

TECHNICALS

NCDEX -October Contract

Formation of 'closing marubozu' with very small shadow shows strongly bullish trend. Prices closed above both the 9-days and 18-days EMA. Stochastic Oscillator is in overbought zone. RSI also has just entered into overbought zone. MACD is neutral.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	3270	3229	3310	3331	3351

Trade Recommendation:

Buy NCDEX Chana Oct contract at 3310 with target of 3330. Second target 3350. Put SL at 3295.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	26.09.06	25.09.06	Change
Rajasthan Desi	Delhi	3300	3275-3280	+20
MP Desi	Delhi	3250-3260	3250	-
Kantewala	Indore	3175	3180	-5
Mixed	Akola	3175	3170	+5
Chapa	Akola	3200	3200	-
Gauran	Latur	3150	3150	-
Annagiri	Latur	3300	3300	-
G-12	Latur	3200	3200	-
Gauran	Jalna	3200	Closed	-
Pila	Jalna	3275-3300	Closed	-

TUR

FUNDAMENTALS

Sentiments are improving in tur markets. Traders believe that market has overdone on stock factor and talks of fair crop perspectives. Stockists have started holding back due to unattractive prices. Traders also are expecting slight improvement in its prices for festival season ahead. Since, moong harvest is also nearing completion in Maharashtra and Karnataka, there is no immediate pressure. Moong is good substitute of tur in some areas. So, traders see little room for improvement in its prices in near term.

Futures Market Commentary

NCDEX October tur opened firm gapping significantly versus previous day's closing, but futures set out moving downward soon after opening of the session and futures did not see opening prices again during the whole day. Futures fell in to negative territory during mid hours. There was strong support at 1912, which futures could not infringe. October tur futures finally finished the day up Rs 13 at Rs 1940 per qtl.

Price Drivers

Bullish

High prices of other available pulses
Festival Season ahead

Bearish

Strengthening of INR versus dollar

Weather

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

TECHNICALS

NCDEX -October Contract

'Hammer formation' by candlestick body insinuates likely reversal in trend. Prices closed below both the 9-days and 18-days EMA. %K line is running below %d line. MACD is tilting downward and about to make centerline crossover. RSI is giving signals of regaining momentum.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
October	1918	1896	1940	1956	1972

Trade Recommendation:

Buy NCDEX Tur Desi Oct contract at 1940 with target towards 1955, second target 1970. Put SL at 1930.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	26.09.06	25.09.06	Change
Burmese Lemon	Mumbai	1700-1725	1725	-
Burmese Lemon	Delhi	1850	1850	-
Maharashtra tur	Delhi	1950	1950	-
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	2060	2025	+35
Fatka Dall	Gulbarga	3000	3000	-
Red Tur	Latur	2075	2000-2050	+25
White Tur	Latur	2050	2075	-25
Red	Jalna	NA	Closed	-
White	Jalna	2100	Closed	-
BDM	Jalna	NA	Closed	-
Vidharpatta	Akola	2000	2000	-
Marathwada	Akola	2010	2025-2030	-15

OTHERS

Moong

Sentiments were seen improving in Moong markets. Demand for the same was reported good in northern states for festival ahead. Consumption of moong increases in northern and central India near Deepawali. Harvest of moong is nearing completion in Southern states including Maharashtra.

Spot Market Prices of Moong (Rs/qty)

Origin/Grade	Center	26.09.06	25.09.06
Chamki	Delhi	NA	3400
Kekdi	Delhi	3250-3275	3125
Medta	Delhi	3300-3325	3225
Desi	Indore	3150-3250	3000-3300
Chamki	Jalna	3150-3300	Closed
Chamki	Latur	3300	3300
Chamki	Akola	3100-3150	3300

Field Peas

Reports of due consignments of peas continued weighing on values. One vessel carrying 18,000 ton is scheduled to reach Kolkata port shortly, where consignments of more than 50,000 MT peas will be arriving at Mumbai port early next month.

Spot Market Prices of Pea (Rs/qty)

Center	26.09.06	25.09.06
Mumbai (Canadian)	1501	1501
Kanpur	1650	1640

Masoor

Masoor markets continued to see weak trend. According to traders, stock shortage is only of chanti grade, while supply of motti masoor is not concerning. Sowing of masoor is likely to be started after Dusshera. Traders rule out possibility of increase in acreage in areas, where motti masoor is sown.

Spot Market Prices of Masoor (Rs/qty)

Center	26.09.06	25.09.06
Delhi-MP/kota Line	2050	2050
Delhi- UP/Sikari	2575	2575
Kanpur local mill delivery	2025	2025
Kanpur new- Braeilly Delivery	2080-2085	2090
Kanpur- new Malka Dal	2225	2225
Indore- Masra	1900	1910
Indore- Masoor New	1890	1900
Indore- Medium New	1850	1825
Bahraich-Masoor	2875	2875
Bahraich-Export Chanti	3325	3325
Kolkata (Truck delivery)	3600	3600
Masur Dal	3200-3400	3200-3350

International Prices

(\$/ton) (CNF 90 days)

Quality	26.09.06
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,	340-370
Tanzania Arusha Tur Mumbai/Chennai,	380-435
Burmese FAQ Urad Mumbai/Chennai	830
Burmese SQ Urad Mumbai/Chennai	930
Burmese Pedishwa Mung Chennai/Mumbai	620-630
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	590-610

Port Watch

- Mumbai Port is receiving 14,439 MT of pulses from the vessel 'Yaad 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 26.09.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.970
European Union	Euro	58.630
Japan	100 Yen	39.510
United Kingdom	GBP	87.320

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