

PULSES DAILY

September 12, 2006

URAD

FUNDAMENTALS

As the season has arrived for Urad, the market is easing a bit. Arrivals of fresh crop have started and with the increase in the harvesting pace it will pressure the prices. Weather also is improving in major producing belts to support the harvesting process and maturing crop. Though, government report does not support idea of substantial increase in overall area under pulses, seasonal pressure on the prices is obvious. Further, stockists and miller would be waiting for prices to come down to purchase the fresh crop. Currently the prices are high enough to deter them from buying for time being. Market is likely to see some easing in prices with progress of harvest.

Futures Market Commentary

Urad futures traded sideways today and the momentum seemed absent from the market. The market seemed exhausted after witnessing a sharp rally recently. As the harvesting season has arrived, some easing in the prices is on the cards. In the same line Urad futures for October delivery at NCDEX opened weak today at Rs 3466 and then market recouped slightly to trade range bound for rest of the session between Rs 3466-3550 and finally culminated at Rs 3527.

Price Drivers

Bullish

High prices in international markets

Bearish

Onset of harvest in early sown areas

Weather

Weather is conducive for the maturing crop in major producing belts. Dry weather will help expediting harvest.

TECHNICALS

NCDEX -October Contract

Sideways movements continue in Urad futures with slightly bearish bias. Momentum studies are showing decrease in bullish momentum, and oscillators are favoring bulls at the moment. EMA pattern however is still favoring bulls. Prices might see volatile movements with bearish bias.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	3482	3462	3527	3546	3566
Oct	3169	3141	3195	3247	3266

TRADE RECOMMENDATION:

Sell Oct contract below 3230 with target towards 3165 Second target at 3150. Put SL at 3272.

Spot Market Prices of Urad

(Rs/qttl)

Origin/Grade	Center	11.09.06	09.09.06	Change
Burma Faq	Mumbai	3650	NA	-
Burma Faq	Delhi	3800	3800-3850	-
Desi (new Crop)	Akola	Closed	4000-4050	-
Desi	Indore	3000-3300	3000-3400	-
Desi	Vijaywada	NA	4250	-

CHANA

FUNDAMENTALS

Firmness in Chana markets continues. However activity levels in the markets are seen decreasing these days on account of higher prices. Though the fundamentals are strong for the commodity, but prices have appreciated enough to factor them in. Also, prices are running above the import parity. CNF prices for Australian Chana were quoted at \$550 per ton, which translates into INR 26,100 per ton. Some easing in prices is needed to rekindle the activity in the market.

Futures Market Commentary

October Chana Futures at NCDEX saw roller coaster movements today after a firm opening. The October contract opened the session gapped up at Rs 3110 and then soon it slipped to see the lows of Rs 3047. The contract thereafter again recouped to see the highs of Rs 3127 before finally closing the session with some moderate gains.

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 -October Contract

A pattern very close to 'dragon fly doji' shows some chances of reversal in the current trend, however confirmation is needed for the same. Both 9-days and 18-days EMA remained below price line. %K line is running above %d line, but both are in overbought zone. MACD is in favour of bulls. Tentativeness at higher levels is likely.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Sept	3096	3072	3144	3196	3232
Oct	3058	3039	3092	3140	3167

TRADE RECOMMENDATION:

Buy Oct contract above 3100 with target of 3125. Second target 3140. Put SL at 3080.

Spot Market Prices of Chana

(Rs/qty)

Origin/Grade	Center	11.09.06	09.09.06	Change
Rajasthan Desi	Delhi	3100	3050	+50
MP Desi	Delhi	3080-85	3025	+60
Kantewala	Indore	3030	2950	+80
Desi	Gulbarga	3150	3150	-
Gauran	Latur	2900	Closed	-
Annagiri	Latur	3200	Closed	-
G-12/Vijay	Latur	3150	Closed	-
Gauran	Jalna	3200	3000-3050	+150
Pila	Jalna	3250	3100-3125	+150
Mixed	Akola	Closed	3025	
Chapa	Akola	Closed	3050	
Desi	Kanpur	3225	3175	+50

TUR

FUNDAMENTALS

Tur markets continue to encash on the poor weather situation in one of the major producing state of the commodity. Weather, is still keeping tur belts of northern Karnataka thirsty. Prolonged dryspell in the region is hitting the prospects of the tur crop there. Government data shows that acreage under tur crop this year has been slightly down compared to acreage sown last year. Farmers are believed to have switched to other lucrative alternatives like green gram, black matpe etc. Thus market is iterating the likely premium for the prospective short crop.

Futures Market Commentary

Tur futures at NCDEX continued its upward journey on the first day of the week. October futures opened firm today at Rs 2105 and then prices surged to see the high of Rs 2176. However, the market couldn't sustain these higher prices and retreated slightly towards the end of the session to close the day with moderate gains at Rs 2147.

Price Drivers

Bullish

High prices of other available pulses
Dry weather in Karnataka

Bearish

Due harvest of other kharif pulses

Weather

North Karnataka tur is waiting for rains. Lack of rains in these areas might affect the crop growth.

TECHNICALS

NCDEX -September Contract

Tur charts are showing some improvement after some sideways movements recently. Prices closed above both the 9-days and 18-days EMA shows bullishness to continue. MACD is heading upward into positive territory favouring bulls. Stochastic however, is running flat in the overbought zone, which asks for some caution to bulls. Bullish bias is likely in price movements.



SUPPORT / RESISTANCES:

Contra ct	S1	S2	PCP	R1	R2
Sept	1887	1874	1900	1930	1943

TRADE RECOMMENDATION:

Buy Oct contract above 2132 with target towards 2170, second target 2185. Put SL at 2107.

Spot Market Prices of Tur

(Rs/qrtl)

Origin/Grade	Center	11.09.06	09.09.06	Change
Burmese Lemon	Mumbai	1925	1850	+75
Burmese Lemon	Delhi	1950	1950	-
Maharashtra tur	Delhi	2150	2075	+75
Karnataka tur	Delhi	2250	2225	+25
Red tur	Gulbarga	2175	2150	+25
Fatka Dall	Gulbarga	3200	3150	+50
Red Tur	Latur	2200	Closed	-
White Tur	Latur	2330	Closed	-
Red	Jalna	2000	1950	+50
White	Jalna	2075-2100	2075-2100	0.00
BDM	Jalna	2100	2125-2150	-25
Marathwada	Akola	closed	2130	
Vidarbha	Akola	closed	2125	
Local Tur	Vijaywada	NA	1850	

Others

Moong

Sentiments were steady in moong markets, as the momentum has still not gained in harvesting. Weather situation is conducive for the fieldwork. Market dynamics now depend upon domestic fundamentals. However, there has not been any offering for moong in international markets. The harvesting progress would pressure the prices in times to come.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	11.09.06	09.09.06
Shekhavati	Delhi	NA	2950
Kishangarh/Kekdi (New Crop)	Delhi	3100	3000
Medta/Bisao	Delhi	NA	3050
Desi	Indore	3000-3150	3000-3150
Chamki	Jalna	3150-3300	3150-3175
Chamki	Latur	3200	Closed
Chamki	Akola	Closed	3150

FIELD PEAS

Sentiments remained weak in Peas markets due to subdued demand. Firming up in chana helped checking decline in its prices. Buyers are not very aggressive, as are waiting for ease in its prices with the picking up of harvest of other kharif pulses. Also, one big vessel is expected by end of this month at Mumbai port.

Spot Market Prices of Pea (Rs/qtl)

Center	11.09.06	09.09.06
Mumbai (Canadian)	1600	1471-1475
Kanpur	1700	1625

Masoor

Masoor markets witnessed some improvement in prices following continued firmness in Tur and Chana markets. Though the market is not witnessing much activity due to higher prices, however bullish sentiments in overall pulses this time is not letting the prices to come down. With increase in harvesting momentum in moong would put some pressure in times to come.

Spot Market Prices of Masoor (Rs/qtl)

Center	11.09.06	09.09.06
Delhi-MP/kota Line	2100	2050
Delhi- UP/Sikari	2700	2700
Kanpur local mill delivery	2175	2080
Kanpur new- Braeilly Delivery	2225	2125-2130
Kanpur- new Malka Dal	2350	2300
Indore- Masra	1940	1940
Indore- Masoor New	1930	1930
Indore- Medium New	1850	1850
Bahraich- Masoor	2860	2900
Bahraich-Export Chanti	3325	3300
Kolkata (Truck delivery)	3625	3550
Masur Dal	3500	3200

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

Quality	11.09.06
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'. The vessel is being handled by B Ghose agents.

Forex - 46.27

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