

## PULSES DAILY

September 18, 2006

### URAD

#### FUNDAMENTALS

Urad markets continue to remain firm at the physical as well as futures market. Prices were quoted higher in most of the physical markets amidst lower availability. According to the latest available Agriculture Ministry data, the acreage under kharif pulses has increased marginally year on year. Harvest of urad is round the corner. Arrivals of fresh crop have started and with the increase in the harvesting pace the prices will ease to more comfortable levels. At the futures market the Desi Urad futures surged up following a firm opening and closed with significant gains.

#### Futures Market Commentary

Urad futures at the NCDEX continue to trade with a firm sentiment following a higher opening. Increased speculative buying supported the futures throughout the trading session. The futures remained mostly range bound at the higher side, but jumped up at the last hour to touch the 6 per cent upper circuit level.

#### Price Drivers

##### Bullish

High prices in international markets  
Speculative buying interest at the futures counter

##### Bearish

Imposition of stock holding limits by several state governments  
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

Candlesticks pattern indicates firm opening and initial uptrend. MACD is moving up and about make a bullish crossover with its EMA. Stochastic is hinting indecisiveness. However, RSI is supporting further uptrend in the market. Urad desi futures counter is likely to remain volatile with initial uptrend.



#### Support / Resistances:

| Contract | S1   | S2   | PCP  | R1   | R2   |
|----------|------|------|------|------|------|
| October  | 3271 | 3191 | 3366 | 3455 | 3528 |

#### Trade Recommendation:

Buy NCDEX Desi Urad Oct contract at 3360-3370 with target towards 3395 Second target at 3410. Put SL at 3330.

#### Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade    | Center | 16.09.06  | 15.09.06  | Change |
|-----------------|--------|-----------|-----------|--------|
| Burma Faq       | Mumbai | 3700      | 3650      | +50    |
| Burma Faq       | Delhi  | 3700      | 3675-3700 | +25    |
| Desi (new Crop) | Akola  | 3700-3800 | 3650-3700 | +100   |
| Desi            | Indore | 3350      | 3300      | +50    |

## CHANA

### FUNDAMENTALS

Chana markets witnessed a bearish sentiment following a weak opening. Prices were quoted lower than previous close. According to the latest available Agriculture Ministry data, the acreage under kharif pulses has increased marginally year on year. The spillover weakness from the futures market has also pressurised the physical market sentiments. At the futures market, the chana futures extended previous profit taking activities after some initial uptrend. Increased selling interest has pressurised the futures throughout the trading session and the futures closed in the negative territory.

### Futures Market Commentary

Chana Futures at NCDEX started the day with a weak opening and traded marginally upwards at the early hours. However, profit taking capped further advances and the futures traded mostly downwards for the rest of the session.

### Price Drivers

#### Bullish

Depleting stocks

High prices in International Markets

Govt estimation of slightly higher acreage of kharif pulses on year

#### Bearish

Imposition of stock holding limits by several state governments

Due harvest of other kharif pulses

### Weather

Chana is sown in rabi season so weather is not a concerning factor at the stage.

### TECHNICALS

#### NCDEX -October Contract

Candlesticks pattern indicates weak opening and initial downtrend. MACD moving flat in positive territory, while Stochastic are indicating further downtrend. Moreover, RSI is also signaling further downtrend. Chana futures are likely to open weak and trade downwards initially.



#### Support / Resistances:

| Contract | S1   | S2   | PCP  | R1   | R2   |
|----------|------|------|------|------|------|
| October  | 2964 | 2905 | 3033 | 3100 | 3144 |

#### Trade Recommendation:

Sell NCDEX Chana Oct contract at 3030-3040 with target of 2990. Second target 2970. Put SL at 3075.

### Spot Market Prices of Chana

(Rs/qtl)

| Origin/Grade   | Center | 16.09.06  | 15.09.06  | Change |
|----------------|--------|-----------|-----------|--------|
| Rajasthan Desi | Delhi  | 3025-3050 | 3050-3100 | -50    |
| MP Desi        | Delhi  | 3000      | 3050      | -50    |
| Kantewala      | Indore | 3025      | 3060      | -35    |
| Gauran         | Jalna  | 2800      | 2800-2850 | -50    |
| Pila           | Jalna  | 2900      | 2900-2950 | -50    |
| Mixed          | Akola  | 3050      | 3100      | -50    |
| Chapa          | Akola  | 3100-3150 | 3150      | -      |

## TUR

### FUNDAMENTALS

Tur markets witnessed similar sentiment as of the chana markets. Prices remained weak at the weekend amidst lethargic activities. According to the Ministry of Agriculture, the acreage under tur as on September 8 was 35.14 lakh hectares, lower from 37.23 lakh hectares a year ago. At the futures market, the Desi Tur futures opened firm and traded mostly range bound. However, the futures slide at the late session and closed in the negative territory.

### Futures Market Commentary

Desi Tur futures at NCDEX opened higher than the previous settle. The market remained mostly range bound during the initial hours of trade. However, increased selling interest at the higher levels pressurised the futures thereafter and the futures settled in the negative territory in late action.

### Price Drivers

#### Bullish

Concerns of short crop this year  
Dry weather in Karnataka  
Lower acreage under kharif tur as again last year

#### Bearish

Imposition of stock holding limits by several state governments  
Lower activity levels in the terminal markets  
Due harvest of other kharif pulses

### Weather

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

### TECHNICALS

#### NCDEX -October Contract

Candlesticks pattern indicates weak opening and initial downtrend. MACD as well as Stochastic are favouring further downtrend in the market. Moreover, RSI is also supporting further downtrend. Market is likely to remain weak on bearish technical outlook.



#### Support / Resistances:

| Contract | S1   | S2   | PCP  | R1   | R2   |
|----------|------|------|------|------|------|
| October  | 1949 | 1916 | 1990 | 2069 | 2110 |

#### Trade Recommendation:

Sell NCDEX Tur Desi Oct contract at 2000-2010 with target towards 1975, second target 1950. Put SL at 2040.

### Spot Market Prices of Tur

(Rs/qrtl)

| Origin/Grade    | Center   | 16.09.06  | 15.09.06  | Change |
|-----------------|----------|-----------|-----------|--------|
| Burmese Lemon   | Mumbai   | 1825      | 1850      | -25    |
| Burmese Lemon   | Delhi    | 1900      | 1925      | -25    |
| Maharashtra tur | Delhi    | 2250      | 2250      | -      |
| Karnataka tur   | Delhi    | NA        | NA        | -      |
| Red tur         | Gulbarga | 2100      | 2100-2150 | -50    |
| Fatka Dall      | Gulbarga | 3050      | 3100      | -50    |
| Red Tur         | Latur    | 2150      | 2150      | -      |
| White Tur       | Latur    | 2150-2200 | 2200      | -      |
| Red             | Jalna    | 1900-2000 | 2025      | -25    |
| White           | Jalna    | 2000-2025 | 2050      | -25    |
| BDM             | Jalna    | 2100      | 2100      | -      |

## **OTHERS**

### **Moong**

Moong markets witnessed a firm sentiment at the weekend. Prices were quoted on an average higher than previous day across different markets. Arrivals were reported to be lower to offset the demand. Harvesting is in progress in patches and is yet to get momentum. 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. Market is likely to remain firm until the fresh crop arrivals paced up.

#### **Spot Market Prices of Moong (Rs/qrtl)**

| Origin/Grade | Center | 16.09.06  | 15.09.06  |
|--------------|--------|-----------|-----------|
| Chamki       | Delhi  | 3100-3150 | 3100      |
| Desi         | Indore | 2900-3100 | 2900      |
| Chamki       | Jalna  | 3100      | 3100      |
| Chamki       | Latur  | 2950-3000 | 2950      |
| Chamki       | Akola  | 2800-3050 | 2700-2900 |

### **Field Peas**

Peas markets witnessed a lacklustre trade and prices remained mostly unchanged as against previous day. At the Mumbai as well as Kanpur market, it was traded dull in absence of any fresh development.

#### **Spot Market Prices of Pea (Rs/qrtl)**

| Center            | 16.09.06 | 15.09.06  |
|-------------------|----------|-----------|
| Mumbai (Canadian) | 1550     | 1550      |
| Kanpur            | 1670     | 1660-1670 |

### **Masoor**

Masoor markets witnessed a bearish trade amidst lack of demand. Prices were quoted on an average lower as against previous day across most of the markets. Arrivals were reported to be higher than the existing market demand.

#### **Spot Market Prices of Masoor (Rs/qrtl)**

| Center                        | 16.09.06  | 15.09.06  |
|-------------------------------|-----------|-----------|
| Delhi-MP/kota Line            | 2050      | 2075      |
| Delhi- UP/Sikari              | 2550      | 2575      |
| Kanpur local mill delivery    | 2070      | 2100      |
| Kanpur new- Braeilly Delivery | 2115-2120 | 2130-2140 |
| Kanpur- new Malka Dal         | 2250      | 2300      |
| Indore- Masra                 | 1935      | 1970      |
| Indore- Masoor New            | 1925-1940 | 1950      |
| Indore- Medium New            | 1890-1900 | 1885      |

### **International Prices**

**(\$/ton) (CNF 90 days)**

| Quality  | 12.09.06 |
|--|----------|
| 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**

- Mumbai Port is receiving 10,000 MT of pulses from the vessel 'Alaba'. Sahi Oretrans agents is handling the vessel.

**Forex-** INR/ 1 USD: 45.96

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