

PULSES DAILY

October 19, 2006

URAD

FUNDAMENTALS

Urad markets mostly steady trend. Trading remained weak in physical markets due to festive mood. Arrivals of urad in major producing mandis have slowed for this very reason only. No new vessel was reported from the overseas markets. Increasing mismatch between domestic and international prices of urad has distracted the importers interest from matpe, who are looking for the safer commodity with less volatility and less intervened by the govt like peas etc.

Futures Market Commentary

NCDEX November Urad futures opened weak and set out falling downward soon after opening of the session. Futures could not make entry into green zone all through the day. Futures fell to the bottom at 3676 by 13.05 hrs. Recovery in the later session could not help much. There was strong level at 3774, which futures touched by 16.30 hrs, but could not infringe this level. November futures finally finished off Rs 37 at Rs 3737 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Progressing harvest in major producing areas
Low demand of Dall at Higher Prices

Weather

Mainly dry weather is expected over urad producing regions, which will help in its harvest.

TECHNICALS

NCDEX -November Contract

'Doji' formation shows indecisiveness in the market. Prices closed above both the 9-days and 18-days EMA. %k line is running below %d line. MACD is in positive territory, but is tilting downward. RSI also is giving bearish signal.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Nov	3684	3630	3737	3783	3828

Trade Recommendation:

Risk-lovers can long near 3730 with target towards 3750. Second target 3765. Put SL at 3715.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	18.10.06	17.10.06	Change
Burma Faq	Mumbai	NA	NA	-
Burma Faq	Delhi	NA	NA	-
UP Desi	Delhi	3400	3400	-
Maharashtra Desi	Delhi	3900	3900	-
Desi (new Crop)	Akola	3650-3700	3650	-
Desi (New Crop)	Gulbarga	3700	3700	-
Desi (New Crop)	Latur	Closed	3900	-
Desi (New Crop)	Jalna	3500	2800-3600	-
Desi (New Crop)	Indore	3300-3700	3300-3700	-

CHANA

FUNDAMENTALS

Chana markets saw sentiments improving on the ideas of oversold markets. Also, deliveries given for October chana at NCDEX was substantially low compared to last month, which provided mild boost. Open Interest after expiry of October futures was 4250 MT. However, delivery of 2150 ton of chana was given through Exchange Clearing Process, while delivery of 2100 MT chana was given directly by the clients. Last month, delivery of 3730 MT was given through Exchange Clearing Process, while 1500 MT was given directly by the clients. Majority fundamentals are still not in favor of bulls. Overall trading remained low due to festive mood.

Futures Market Commentary

NCDEX November Chana futures opened red. Futures sneaked into positive territory, but fell back into red zone with in first 5 minutes itself. Futures spent most of the day into red zone. Futures bottomed out near 13.05 hrs. Day's low was set at 3164. Smart recovery was seen in subsequent session. Futures finally ended the day in to positive zone. November chana futures finally finished the day up Rs 25 at Rs 3232 per qtl.

Price Drivers

Bullish

High prices in international markets

Bearish

Increased Production in Major Exporting Nations
Strengthening of INR versus dollar

Weather

Dry weather in early sown areas is congenial for fieldwork.

TECHNICALS

NCDEX -November Contract

Formation of 'bullish engulfing' pattern shows clearly bullish trend. Big lower shadow of white candlestick body shows dominion going back to bulls by end of the session. Both the 9-days and 18-days EMA remained below price-line. %K line is running above %d line. MACD is running flat above zero line.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
November	3183	3134	3232	3262	3292

Trade Recommendation:

Buy NCDEX Chana Nov contract at 3230 with target of 3250. Second target 3260. Put SL at 3215.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	18.10.06	17.10.06	Change
Rajasthan Desi	Delhi	3150-3200	3175	-
MP Desi	Delhi	3125-3175	3150	-
Kantewala	Indore	3070-3075	3065-3070	-
Mixed	Akola	3050	3125	-75
Chapa	Akola	3050	3150	-100
Gauran	Latur	Closed	2750	-
Annagiri	Latur	Closed	2900	-
G-12	Latur	Closed	2850	-
Gauran	Jalna	2900	3100	-200
Pila	Jalna	2950	3150-3175	-100

TUR

FUNDAMENTALS

Deliveries of tur against October futures at NCDEX were given for more than the volume in its stocks by 16th October. According to update from NCDEX, delivery was offered for 900 MT of desi tur against October contract. Mild recovery in markets in recent was due to its covering from physical markets only. However, this quantity is substantially low versus quantity of Lemun tur offered last month (4550 MT). Other fundamentals stand bearish.

Futures Market Commentary

NCDEX November tur futures featured roller-coaster trend during the day. Futures opened low gapping significantly versus previous day closing, but moved up very swiftly. Futures could not come out of negative zone before noon. Futures turned green just after 12.00 hrs and swung in this zone for most of the time thereafter. November tur futures finished up Rs 2 at Rs 1868 per qtl.

Price Drivers

Bullish

High prices of other available pulses

Bearish

Continuing Import from Africa

Favorable weather for crop

Strengthening of INR versus Dollar

Weather

Weather is favorable for crop growth, which is in flowering stage.

TECHNICALS

NCDEX -November Contract

Formation of a bullish meeting line pattern signals likely reversal in trend. 'Opening marubozu' formation shows dominion of bulls right from the opening of the session. Prices, however, closed below both the 9-days and 18-days EMA. %K line is running above %d line. MACD is running flat into negative territory.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Nove mber	1852	1836	1868	1882	1896

Trade Recommendation:

Sell NCDEX Tur Desi Nov contract near 1875 with target towards 1855, second target 1840. Put SL at 1890.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	18.10.06	17.10.06	Change
Burmese Lemon	Mumbai	1671	1661-1671	-
Burmese Shweboo	Mumbai	1700	1700	-
Burmese Lemon	Delhi	1800	1900	-100
Maharashtra tur	Delhi	1900	2000	-100
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	1960	1925-1950	+10
Fatka Dall	Gulbarga	2900	2850	+50
Red Tur	Latur	Closed	1925-1930	-
White Tur	Latur	Closed	1900	-
Red	Jalna	1700-1750	1800	-50
White	Jalna	1800-1850	1850	-
BDM	Jalna	NA	NA	-
Vidharpatta	Akola	1880	1900	-20
Marathwada	Akola	1885	1900	-15

OTHERS

Moong

Moong markets continued to see steady trend in absence of fresh fundamentals news. Although festive demand is over in wholesale markets, as retailers presumably had covered enough of their requirement, prices still stuck higher. According to traders, supply pressure of moong is unlikely to rebuilt soon. Harvest is still due in Shekavati areas, but initial reports suggest low production in this belt this year.

Spot Market Prices of Moong

(Rs/qtt)

Origin/Grade	Center	18.10.06	17.10.06
Kekdi/kishangarh (Raj)	Delhi	3400-3450	3400
Medta (Raj)	Delhi	3500-3600	3500
Desi	Indore	3200-3300	3200-3500
Chamki	Jalna	3400	3450
Chamki	Latur	Closed	3350-3400
Chamki	Akola	3250-3300	3250-3300

Field Peas

Field peas markets observed weak trend. Demand for the same was reported weak, as traders are not optimistic about its promising perspectives in near term. Demand for the same has fallen a bit due to price-factor. Continuous improvements in INR versus Dollar also was considered another bearish item.

Spot Market Prices of Pea

(Rs/qtt)

Center	18.10.06	17.10.06
Mumbai (Canadian)	1341-1351	1371
Kanpur	1610-1615	1620

Masoor

Masoor markets saw lackluster trading. Traders are expecting demand for the same to emerge from the eastern belts after Deepawali. Overall trading is weak due to festival season.

Spot Market Prices of Masoor

(Rs/qtt)

Center	18.10.06	17.10.06
Delhi-MP/kota Line	2000	2000
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	2020	2000
Kanpur new- Braeilly Delivery	2080-2090	2050-2055
Kanpur- new Malka Dal	2200-2225	2200-2225
Indore- Masra	1850	1840
Indore- Masoor New	1840	1830
Indore- Medium New	1750	1750
Bahraich-Masoor	3000	3000
Bahraich-Export Chanti	3375	3375
Kolkata (Truck delivery)	3850	3850
Masur Dal	3200-3400	3200-3400

International Prices

(\$/ton) (CNF 90 days)

Quality	18.10.06
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,	350
Tanzania Arusha Tur Mumbai/Chennai,	385
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	650

Port Watch

- Kolkata Port is receiving 21,400 MT of peas from the vessel 'Suthathip Naree'. B Ghose agents is handling the vessel.
- Mumbai Port is expecting 'Alex A' to discharge 29,769 MT of peas. Sahi Oretrans agents will be handling the vessel.

Forex rate as on 18.10.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.260
European Union	Euro	56.800
Japan	100 Yen	38.220
United Kingdom	GBP	84.720

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