

PULSES DAILY

October 05, 2006

URAD

FUNDAMENTALS

Urad markets continued to see bullish trend. Arrivals are low in Maharashtra, so the whole burden of supply is on the Uttar Pradesh. Weather situation is not smooth in Maharashtra. Also, capable farmers there probably have started holding their produce back. Prices are high in the international markets. Low supply of urad from Maharashtra and Karnataka again is alarming signal. Nearly 90% of urad is grown in Kharif season. Limited supply during harvest suggest long term bullish outlook for urad.

Futures Market Commentary

Starting of NCDEX Urad October futures was weak. Futures set days low at 3501 with in first hour. Futures came out of red zone by 12.10 noon and posted substantial gains in next 50 minutes. Futures peaked to 3683 by 13.00 hrs. Small-scale profit booking was seen at day's high. Futures kept hanging higher till closing. October urad futures finally finished the day up Rs 120 at Rs 3665 per qtl.

Price Drivers

Bullish

High prices in international markets

Weather in Maharashtra

Bearish

Progressing harvest in major producing areas

Weather

Weather is favorable for fieldwork in Uttar Pradesh. Good rains are likely in some parts of Madhya Maharashtra and Marathwada.

TECHNICALS

NCDEX -October Contract

Big white candle with small shadows on either side shows strongly bullish pattern. Prices closed above both the 9-days and 18-days EMA. Stochastic oscillator has just made bullish crossover with %d line. MACD is in positive territory. RSI is giving bullish signal.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|----------|------|------|------|------|------|
| October | 3549 | 3434 | 3665 | 3732 | 3800 |

Trade Recommendation:

Buy NCDEX Desi Urad Oct contract at 3670 with target towards 3700 Second target at 3725. Put SL at 3650.

Spot Market Prices of Urad

(Rs/qty)

| Origin/Grade | Center | 04.10.06 | 03.10.06 | Change |
|------------------|----------|-----------|-----------|--------|
| Burma Faq | Mumbai | 3600 | 3900 | -300 |
| Burma Faq | Delhi | 3800-3850 | NA | - |
| UP Desi | Delhi | 3300 | 3200-3400 | - |
| Maharashtra Desi | Delhi | 4000 | NA | - |
| Desi (new Crop) | Akola | 3550-3600 | 2800-3300 | +250 |
| Desi (New Crop) | Gulbarga | Closed | 3650 | - |
| Desi (New Crop) | Latur | 3950 | 3900 | +50 |
| Desi (New Crop) | Jalna | Closed | 3200-3700 | - |
| Desi (New Crop) | Indore | 3600-3650 | 3400-3550 | +50 |

CHANA

FUNDAMENTALS

Chana markets featured steady trend in absence of fresh fundamental news. There were reports of one big consignment due from Australia, which importers say will reach by November. Presently, small containers of chickpea are arriving from Tanzania, for which offerings for the forward delivery were made at INR 3000 per qtl. Production this year is good in Canada and Australia. Good counter sale in immediate for festivals did not let the bulls to lose spirit.

Futures Market Commentary

NCDEX Chana October futures saw another volatile day of trading. Futures moved both sides of unchanged level till noon and reached the day's high by 13.00 hrs. Futures kept hanging in positive territory till 15.20 hrs, but subsequently fell in to negative territory. Futures bottomed out near 16.15 hrs and finally ended the day on negative note. October chana futures finished off Rs 37 at Rs 3212 per qtl.

Price Drivers

Bullish

High prices in International Markets
Festival Season Ahead

Bearish

Increased Production in Major Exporting Nations
Strengthening of INR versus dollar

Weather

Rains are expected some parts of Maharashtra, which will be beneficial for the forthcoming crop.

TECHNICALS

NCDEX -October Contract

Dark candlestick body has formed 'short day' pattern. Big uppers shadow validates bearishness in the market. Prices closed below 9-days EMA, but remained above 18-days EMA. Stochastic oscillator has made bearish crossover with %d line. MACD is tilting downward. RSI also is giving bearish signal.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|----------|------|------|------|------|------|
| October | 3184 | 3156 | 3212 | 3260 | 3308 |

Trade Recommendation:

Sell NCDEX Chana Oct contract at 3215 with target of 3190. Second target 3180. Put SL at 3235.

Spot Market Prices of Chana

(Rs/ctl)

| Origin/Grade | Center | 04.10.06 | 03.10.06 | Change |
|----------------|--------|-----------|-----------|--------|
| Rajasthan Desi | Delhi | 3250-3260 | 3260-3270 | - |
| MP Desi | Delhi | 3200 | 3200-3220 | - |
| Kantewala | Indore | 3135-3140 | 3135-3140 | - |
| Mixed | Akola | 3200 | 3200 | - |
| Chapa | Akola | 3225 | 3225 | - |
| Gauran | Latur | 3100-3150 | 3100 | - |
| Annagiri | Latur | 3300 | 3300 | - |
| G-12 | Latur | 3200 | 3200 | - |
| Gauran | Jalna | NA | 3050-3100 | - |
| Pila | Jalna | NA | 3200 | - |

TUR

FUNDAMENTALS

Tur markets observed weak trend. Weather is beneficial for the crop. Domestic harvest of tur will start by end of November. Demand for the same remained sluggish. Importers informed that some big consignments from Tanzania would be arriving within first fortnight of October. Only friendly factor for tur is firm trend in other major kharif pulses like Moong and urad.

Futures Market Commentary

NCDEX October tur futures observed volatile trend during the day. Futures spent most of the day into negative territory. Futures reached the day's high at 1920 by 13.00 hrs. Futures fell to the days low at 1872 just before closing. October futures finally finished the day off Rs 30 at Rs 1873 per qtl.

Price Drivers

Bullish

High prices of other available pulses

Bearish

Due import from Africa

Strengthening of INR versus dollar

Weather

Rains in some parts of Maharashtra and north interior Karnataka are beneficial for the crop.

TECHNICALS

NCDEX -October Contract

Candlestick body has formed 'Bearish engulfing' pattern. Prices closed below both the 9-days and 18-days EMA. %k line is running above %d line and both are in neutral zone. MACD is still in negative territory. RSI also is giving clear bearish signals.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|----------|------|------|------|------|------|
| October | 1857 | 1840 | 1873 | 1905 | 1936 |

Trade Recommendation:

Sell NCDEX Tur Desi Oct contract at 1880 with target towards 1860, second target 1845. Put SL at 1895.

Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade | Center | 04.10.06 | 03.10.06 | Change |
|-----------------|----------|----------|----------|--------|
| Burmese Lemon | Mumbai | 1700 | 1700 | - |
| Burmese Lemon | Delhi | 1950 | 1950 | - |
| Maharashtra tur | Delhi | 2100 | 2100 | - |
| Karnataka tur | Delhi | NA | NA | - |
| Red tur | Gulbarga | Closed | 1900 | - |
| Fatka Dall | Gulbarga | Closed | 2850 | - |
| Red Tur | Latur | 2025 | 2050 | -25 |
| White Tur | Latur | 2000 | 2030 | -30 |
| Red | Jalna | NA | 1850 | - |
| White | Jalna | NA | 1950 | - |
| BDM | Jalna | NA | 2000 | - |
| Vidharpatta | Akola | 1960 | 1975 | -15 |
| Marathwada | Akola | 1965 | 2000 | -35 |

OTHERS

Moong

Moong markets continued to see firm trend. Arrivals are good only in Rajasthan, where harvest is in progress in Medta and Kekdi/Kishangarh lines. Harvest in Shekavati belt will start after Diwali. So, overall supply of the moong is relatively tight compared to other pulses.

Spot Market Prices of Moong

(Rs/qtt)

| Origin/Grade | Center | 04.10.06 | 03.10.06 |
|--------------|--------|-----------|-----------|
| Chamki (Mah) | Delhi | 3500 | NA |
| Kekdi (Raj) | Delhi | 3300 | 3325 |
| Medta (Raj) | Delhi | 3400-3450 | 3400 |
| Desi | Indore | 3200-3550 | 3500 |
| Chamki | Jalna | NA | 3200-3250 |
| Chamki | Latur | 3350 | 3300 |
| Chamki | Akola | 3250-3325 | 3200-3250 |

Field Peas

Field peas markets saw steady to weak trend. Offerings are low in Mumbai due to increased supply from overseas markets. Since prices are relatively low in Mumbai, traders feel movement of imported peas to UP line is likely.

Spot Market Prices of Pea

(Rs/qtt)

| Center | 04.10.06 | 03.10.06 |
|-------------------|----------|----------|
| Mumbai (Canadian) | 1401 | 1411 |
| Kanpur | 1660 | 1660 |

Masoor

Masoor markets continued to see mixed trend. Continuous improvements were seen in chotti masoor. Even millers in Bahraich line are sourcing the same from Nepal. Leading importer in the region informed that masoor is arriving from Pallia, Nepalganj and Bhairva region of Nepal.

Spot Market Prices of Masoor

(Rs/qtt)

| Center | 04.10.06 | 03.10.06 |
|-------------------------------|-----------|-----------|
| Delhi-MP/kota Line | 2100 | 2075-2100 |
| Delhi- UP/Sikari | 2750 | 2650-2675 |
| Kanpur local mill delivery | 2040-2050 | 2040 |
| Kanpur new- Braeilly Delivery | 2100 | 2120 |
| Kanpur- new Malka Dal | 2225-2240 | 2225 |
| Indore- Masra | 1880 | 1900 |
| Indore- Masoor New | 1870 | 1880 |
| Indore- Medium New | 1800 | 1800 |
| Bahraich-Masoor | 3050-3100 | 3000 |
| Bahraich-Export Chanti | 3400 | 3350 |
| Kolkata (Truck delivery) | 3900 | 3700 |
| Masur Dal | 3200-3400 | 3200-3400 |

International Prices

(\$/ton) (CNF 90 days)

| Quality | 04.10.06 |
|--|----------|
| 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, | 340-350 |
| Tanzania Arusha Tur Mumbai/Chennai, | 400 |
| 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 | 630 |

Port Watch

- Mumbai Port is receiving 14,439 MT of pulses from the vessel 'Yad 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 continuing at Kolkata Port from the vessel 'Stefanis'. B Ghose agents is handling the vessel.

Forex rate as on 04.10.06

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 45.690 |
| European Union | Euro | 58.150 |
| Japan | 100 Yen | 38.700 |
| United Kingdom | GBP | 86.100 |

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