

PULSES DAILY

October 17, 2006

URAD

FUNDAMENTALS

Urad markets observed thin trading. Rather physical markets saw weak trend. Inquiries from the consumption centres in South remained low. Traders blame higher prices for the thinning down of urad trading. Arrivals in northern mandis have reduced due to extended festive mood. Fresh inquiries were heard from Kolkata in UP lines. UP is the main supplier of urad these days. Harvest in South Rajasthan will pick up only after Deepawali.

Futures Market Commentary

NCDEX November Urad futures opened slightly firm versus previous day closing and moved up very swiftly. Futures peaked within first 10 minutes after opening of the session. Moderate selling was seen at higher prices. However, futures could not infringe strong support at 3775 in the later session. Futures most of the day hovered above 3800, but finally closed the day below this strong psychological level. November urad futures finished the day up Rs 41 at Rs 3790 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

White candlestick body has formed 'short day' pattern. Though formation of 'opening marubozu' shows early dominion of bulls, while noticeable upper shadow reflects turning trend in favor of bears by closing. Prices closed above both the 9-days and 18-days EMA. %k line is running below %d line, while MACD is running flat.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Nov	3746	3702	3790	3839	3888

Trade Recommendation:

Risk-lovers can short near 3795 with target towards 3765. Second target 3750. Put SL at 3810.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	16.10.06	14.10.06	Change
Burma Faq	Mumbai	3875	NA	-
Burma Faq	Delhi	NA	NA	-
UP Desi	Delhi	3300-3400	3300-3400	-
Maharashtra Desi	Delhi	3900	4100	-200
Desi (new Crop)	Akola	3700	3650	+50
Desi (New Crop)	Gulbarga	3700	3650	+50
Desi (New Crop)	Latur	3850	3850	-
Desi (New Crop)	Jalna	3500	3400-3600	-
Desi (New Crop)	Indore	3200-3600	3200-3500	-

CHANA

FUNDAMENTALS

Chana markets observed highly volatile trend. Traders said that this is common practice towards expiry of any contract in futures market. Trading was low due to festival mood. Sowing of chana is progressing well in early sown areas, where weather is congenial for the crop growth. Traders said that increased availability of peas (imported) has helped offsetting domestic shortage to greater extent. Also, overseas reports suggest good production in major exporting nations. Some big consignments are awaited next month from Australia and Canada.

Futures Market Commentary

NCDEX November Chana futures opened firm and posted big gains just after opening. Futures reached the day's high with in first 10 minutes. Steady ease thereafter took futures down to the negative territory by 14.00 hrs. Futures moved both side of unchanged level in the second half and finally ended the day into negative territory. November chana futures finished off Rs 10 at Rs 3229 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

Dark candlestick body with big upper shadow reflects bearishness in the market. Prices however closed above both the 9-days and 18-days EMA. %K line is running above %d line. MACD is just above the Zero line. RSI is giving clear bearish signal.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
November	3199	3170	3229	3280	3332

Trade Recommendation:

Sell NCDEX Chana Nov contract at 3230 with target of 3200. Second target 3185. Put SL at 3250.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	16.10.06	14.10.06	Change
Rajasthan Desi	Delhi	3200	3150-3175	+25
MP Desi	Delhi	3175	3100-3125	+50
Kantewala	Indore	3090-3100	3050	+40
Mixed	Akola	2950	2975	-25
Chapa	Akola	3050	3050-3075	-
Gauran	Latur	2800-2850	2800	-
Annagiri	Latur	2900	3000	-100
G-12	Latur	2850	2900	-50
Gauran	Jalna	2900	2900	-
Pila	Jalna	2950	2950	-

TUR

FUNDAMENTALS

Sentiments improved in Tur markets on short covering. So, gains posted in tur markets today presumably were based on purely technical reasons. As on October 14, 2006, stock of tur in accredited warehouse of NCDEX in Mumbai was just at 609 MT, while Open Interest against October Tur futures at NCDEX was at 2640 MT after closing on Monday. So, traders do not rule out possibility of purchase by trade houses in physical markets for the intention of deliveries against October month, which is to expire on Tuesday.

Futures Market Commentary

NCDEX November tur futures opened firm and got clinging higher in this zone all through the day. There was strong support at 1880. Futures infringed this level for a very brief period before 10.30 hrs, but did not fall to this level again during rest of the day. Futures reached the day's high at 1931 by 12.05 hrs and banged four times with this level in next 20 minutes. Failing to infringe this level, futures moved steadily downward. November tur futures finally ended the day up Rs 21 at Rs 1890 per qtl.

Price Drivers

Bullish

High prices of other available pulses

Bearish

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

'Doji' formation by candlestick body shows indecisiveness in the market. Big upper shadow is a bearish signal. Prices closed above 9-days EMA, but remained below 18-days EMA. Stochastic oscillator has recently made bullish crossover with %d line and moving further upward. MACD is in negative territory and moving further downward.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Nove mber	1868	1847	1890	1921	1953

Trade Recommendation:

Sell NCDEX Tur Desi Nov contract near 1895 with target towards 1870, second target 1850. Put SL at 1910.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	16.10.06	14.10.06	Change
Burmese Lemon	Mumbai	1650-1675	1601	+50
Burmese Shweboo	Mumbai	-	1625	-
Burmese Lemon	Delhi	1850-1900	1800	+50
Maharashtra tur	Delhi	2000	1950	+50
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	1900	1850	+50
Fatka Dall	Gulbarga	2850	2800	+50
Red Tur	Latur	1970	1950-1960	+10
White Tur	Latur	1925-1930	1900	+25
Red	Jalna	1750	1725-1750	-
White	Jalna	1800	1825	+25
BDM	Jalna	NA	NA	-
Vidharpatta	Akola	1900	1900	-
Marathwada	Akola	1925	1900	+25

OTHERS

Moong

Moong markets featured steady trend in absence of fresh development. Harvest of the same has not yet started in all the regions of Rajasthan, which traders say will pick up after Diwali. Harvesting also has slowed due to festive mood ahead of Diwali.

Spot Market Prices of Moong

(Rs/qtt)

Origin/Grade	Center	16.10.06	14.10.06
Kekdi/kishangarh (Raj)	Delhi	3325	3325
Medta (Raj)	Delhi	3450	3425
Desi	Indore	3200-3500	3200-3500
Chamki	Jalna	3400	3400
Chamki	Latur	3350-3400	3360
Chamki	Akola	3200-3250	3250-3275

Field Peas

Field peas markets saw mild gains in tune to improvement in chana prices. Demand of peas off-course has improved due to higher prices of pulses particularly of chana. Slight ease in its level could be seen early next month, as some big consignments of chana are likely during November.

Spot Market Prices of Pea

(Rs/qtt)

Center	16.10.06	14.10.06
Mumbai (Canadian)	1370	1351
Kanpur	1620	1570

Masoor

Masoor markets observed weak trend. Demand remained weak due to increased availability of cheaper alternatives. However, prices of chanti grade hovered high on short stocks. Sowing of the chotti grade has started in some areas of UP, where situation is favorable for fieldwork.

Spot Market Prices of Masoor

(Rs/qtt)

Center	16.10.06	14.10.06
Delhi-MP/kota Line	2000	2000
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	2010-2015	1970
Kanpur new- Braeilly Delivery	2050-2060	2030
Kanpur- new Malka Dal	2200-2225	2200
Indore- Masra	1840	1810
Indore- Masoor New	1830	1800
Indore- Medium New	1725	1725
Bahraich-Masoor	3050	3050
Bahraich-Export Chanti	3400	3400
Kolkata (Truck delivery)	3900	3900
Masur Dal	3400	3400

International Prices

(\$/ton) (CNF 90 days)

Quality	16.10.06
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 16.10.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.460
European Union	Euro	56.850
Japan	100 Yen	38.080
United Kingdom	GBP	84.580

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