

PULSES DAILY

October 18, 2006

URAD

FUNDAMENTALS

There was no fresh fundamental change in urad markets. Harvest is in its last phase in most areas except Rajasthan, where it will start after Deepawali. Dynamics ahead will depend upon domestic demand and supply situation. There is no parity in import due to still higher prices in international markets. In domestic markets, stockists this season have been passive buyers so far due to low margins in this trade, as prices already are very high. Where as millers are not active buyers due to govt restrictions and also off-take in dall has not been good due to higher prices.

Futures Market Commentary

NCDEX November Urad Futures opened red. Though futures sneaked into positive territory in the first five minutes, but could not hold fast above unchanged level for long. Futures fell back into negative territory in first 5 minutes itself. In subsequent session, futures could not even touch the unchanged level. Futures fell to days low at 3755 by 16.25 hrs. November Urad futures finally finished the day off Rs 43 at Rs 3765 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

Dark candlestick body has formed short day pattern. Both the 9-days and 18-days EMA remained below price line. %K line is trending below %d line in neutral zone. MACD is running flat into positive territory. RSI is moving downward.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Nov	3741	3716	3765	3804	3842

Trade Recommendation:

Risk-lovers can short near 3770 with target towards 3745. Second target 3730. Put SL at 3785.

Spot Market Prices of Urad

(Rs/qttl)

Origin/Grade	Center	17.10.06	16.10.06	Change
Burma Faq	Mumbai	NA	3875	-
Burma Faq	Delhi	NA	NA	-
UP Desi	Delhi	3400	3300-3400	-
Maharashtra Desi	Delhi	3900	3900	-
Desi (new Crop)	Akola	3650	3700	-50
Desi (New Crop)	Gulbarga	3700	3700	-
Desi (New Crop)	Latur	3900	3850	+50
Desi (New Crop)	Jalna	2800-3600	3500	-
Desi (New Crop)	Indore	3300-3700	3200-3600	-

CHANA

FUNDAMENTALS

Sentiments remained weak in Chana markets. Since chana prices already are very high, besan manufacturing units are turning to other cheaper alternatives like peas and corn etc. Although production of corn this season slightly low, which officials estimate at 11.4 million ton, up against 11.6 million ton a year ago, corn still is lucrative option versus chana. Sowing of chana is progressing well in some areas of AP, Karnataka, and Maharashtra amidst favorable weather situation. Farmers are highly inclined towards this crop this year.

Futures Market Commentary

NCDEX November chana futures spent almost whole day into negative territory. Futures moved in the range of Rs 3195-3243 per qtl during the day. Futures in the first hour fell to the 3198, but subsequent retreat took futures back close to unchanged level by 14.00 hrs. Failing to cross this level, futures fell downward and set the days' low at 3195 by 16.25 hrs. November chana futures finally finished the day off Rs 36 at Rs 3205 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

There was limited price-movement. Dark candlestick body has formed short day pattern. Relatively big upper shadow is a bearish signal. Prices closed just above both the 9-days and 18-days EMA. %K line still is trading above %d line. MACD is close to make centerline crossover. RSI is giving clear bearish signal.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
November	3186	3166	3205	3234	3262

Trade Recommendation:

Sell NCDEX Chana Nov contract at 3210 with target of 3185. Second target 3170. Put SL at 3225.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	17.10.06	16.10.06	Change
Rajasthan Desi	Delhi	3175	3200	-25
MP Desi	Delhi	3150	3175	-25
Kantewala	Indore	3065-3070	3090-3100	-20
Mixed	Akola	3125	2950	+75
Chapa	Akola	3150	3050	+100
Gauran	Latur	2750	2800-2850	-50
Annagiri	Latur	2900	2900	-
G-12	Latur	2850	2850	-
Gauran	Jalna	3100	2900	+200
Pila	Jalna	3150-3175	2950	+100

TUR

FUNDAMENTALS

Tur markets featured steady to weak trend. There was no fresh change in fundamentals. Overall fundamentals are bearish. Carry-forward stock is good, while demand in domestic markets is sluggish. Further import of the same is continuing from Myanmar and African countries. Crop is in flowering and pod setting stage in most producing areas. Harvest of the same will start by end of next month. So, millers are having hitch in piling stocks at increased prices.

Futures Market Commentary

NCDEX November Tur futures opened weak and got trapped in to this territory for the whole day. Futures reached the day's high at 1894 within 15 minutes after opening of the session. But futures could hold level above 1890 for longer period. Futures set the days low at 1850 before 11.20 hrs. Retreat thereafter could not help much. There was strong resistance at 1890, which futures could not breach in the remaining session. November tur futures finished off Rs 25 at Rs 1875 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

Dark candlestick body also has formed 'short day' pattern. Big lower shadow shows weak downside potential. Prices closed below both the fast and slow (9-days and 18-days) exponential moving averages. MACD is running flat into negative territory. RSI is about to make crossover with its signal line.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
November	1852	1829	1875	1896	1917

Trade Recommendation:

Sell NCDEX Tur Desi Nov contract near 1880 with target towards 1860, second target 1840. Put SL at 1895.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	17.10.06	16.10.06	Change
Burmese Lemon	Mumbai	1661-1671	1650-1675	-
Burmese Shweboo	Mumbai	1700	-	-
Burmese Lemon	Delhi	1900	1850-1900	-
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	1925-1950	1900	+25
Fatka Dall	Gulbarga	2850	2850	-
Red Tur	Latur	1925-1930	1970	-40
White Tur	Latur	1900	1925-1930	-30
Red	Jalna	1800	1750	+50
White	Jalna	1850	1800	+50
BDM	Jalna	NA	NA	-
Vidharpatta	Akola	1900	1900	-
Marathwada	Akola	1900	1925	-25

OTHERS

Moong

Supply of moong is abating in almost all the producing areas; still there is no rush to cover the same. Millers are buying just to cover their immediate demand of dall during festivals. Usually, sporadic harvest of the moong is taken many times during the year in different areas.

Spot Market Prices of Moong (Rs/qtt)

Origin/Grade	Center	17.10.06	16.10.06
Kekdi/kishangarh (Raj)	Delhi	3400	3325
Medta (Raj)	Delhi	3500	3450
Desi	Indore	3200-3500	3200-3500
Chamki	Jalna	3450	3400
Chamki	Latur	3350-3400	3350-3400
Chamki	Akola	3250-3300	3200-3250

Field Peas

Field pea markets continued to see steady trend. Trading has been thinned down due to festive mood. Off-take in green peas was reported well. Inquiries for yellow peas declined due to mild ease in chana prices today.

Spot Market Prices of Pea (Rs/qtt)

Center	17.10.06	16.10.06
Mumbai (Canadian)	1371	1370
Kanpur	1620	1620

Masoor

Masoor markets continued to see weak trend. Trading remained low due to festival mood. Farmers' selling from Bihar region had affected its demand from eastern centers. Traders are expecting fresh demand from these centers after Deepawli, as farmers in these regions might not be having more than 15% of stocks from last year crop.

Spot Market Prices of Masoor (Rs/qtt)

Center	17.10.06	16.10.06
Delhi-MP/kota Line	2000	2000
Delhi- UP/Sikari	2650	2650
Kanpur local mill delivery	2000	2010-2015
Kanpur new- Braeilly Delivery	2050-2055	2050-2060
Kanpur- new Malka Dal	2200-2225	2200-2225
Indore- Masra	1840	1840
Indore- Masoor New	1830	1830
Indore- Medium New	1750	1725
Bahraich-Masoor	3000	3050
Bahraich-Export Chanti	3375	3400
Kolkata (Truck delivery)	3850	3900
Masur Dal	3200-3400	3400

International Prices

(\$/ton) (CNF 90 days)

Quality	17.10.06
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 17.10.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.360
European Union	Euro	56.830
Japan	100 Yen	38.080
United Kingdom	GBP	84.460

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