

PULSES DAILY

October 30, 2006

URAD

FUNDAMENTALS

Trading remained thin in Urad markets. Bedlam in the futures markets distracted the interest of genuine investors/actual users. Trading in futures markets had to be stopped twice in NCDEX on Saturday, which exchange said was due to technical reasons. Rumours of some pay-in related problems added impulsiveness in the markets and then there was rush to square off positions before weekend. Market is highly risky and trading in urad is not a safe proposition at this moment.

Futures Market Commentary

NCDEX November urad futures opened steady, but started falling downward soon after opening of the session. Steady fall persisted till late in the session. Futures fell to the days' low at 3485 by 14.05 hrs. Smart retreat was seen just before closing. Though futures could not come out of negative zone, but November futures closed significantly above psychological level of Rs 3500 per qtl. November futures finished the day off Rs 41 at Rs 3541 per qtl.

Price Drivers

Bullish

High prices in international markets
Short supply in domestic markets

Bearish

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 with opening Marubozu shows initial dominion of bears, while significant size of lower shadow reflects underlying strength. Prices closed below both the 9-days and 18-days EMA. %K line is running below %d line. MACD is in positive territory, but is slanting southwardly.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Nov	3474	3407	3541	3619	3697

Trade Recommendation:

Risk-lovers can buy near 3540 with target towards 3560. Second target 3575. Put SL at 3525.

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	28.10.06	27.10.06	Change
Burma Faq	Mumbai	NA	NA	-
Burma Faq	Delhi	NA	NA	-
UP Desi	Delhi	3500	3500	-
Maharashtra Desi	Delhi	4000	4000	-
Desi (new Crop)	Akola	3700	3700	-
Desi (New Crop)	Gulbarga	3750	3750	-
Desi (New Crop)	Latur	3960-3970	3940-3950	+10
Desi (New Crop)	Jalna	3500	3500-3600	-
Desi (New Crop)	Indore	3200-3600	3300-3700	-

CHANA

FUNDAMENTALS

Panic also was seen in chana markets. Chana prices further shed Rs 50 per qtl in Delhi on Saturday. Prices of Rajasthan origin chana have fallen 7% during the week. People do not find these price movements rational on fundamentals ground. People feel that markets are overdone against reports of likely big consignment of chickpeas from Australia. Traders do not rule out possibility of slight improvement in its prices in coming days.

Futures Market Commentary

NCDEX November chana futures opened weak and spent the whole day into negative territory. Futures somehow clung above its opening prices in first 15 minutes, but could not hold fast above these levels for longer period. Steady fall in the subsequently took futures to the days' bottom at 2937 by 13.40 hrs. Good recovery was seen before closing, but futures closed below psychological level of Rs 3000 per qtl. November chana futures finished the day off Rs 70 at Rs 2989 per qtl.

Price Drivers

Bullish

Restricted selling by stocksits

Bearish

Increased production in major exporting nations

Due import of Chana ahead

Weather

Weather is mainly dry in chana producing belts, which is good for fieldwork.

TECHNICALS

NCDEX -November Contract

Dark candlestick body with relatively big lower shadow depicts weak downside potential. Prices closed below both the 9-days and 18-days EMA. %K line is running below %d line and has fallen into oversold zone. MACD is in negative territory and falling further downward.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
November	2934	2878	2989	3048	3106

Trade Recommendation:

Buy NCDEX Chana Nov contract at 2985 with target of 3005. Second target 3020. Put SL at 2970.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	28.10.06	27.10.06	Change
Rajasthan Desi	Delhi	3050	3100	-50
MP Desi	Delhi	3020	3080	-60
Kantewala	Indore	3000	3050	-50
Desi	Kanpur	3110	3175-3180	-65
Mixed	Akola	2950	2950	-
Chapa	Akola	3025	3025	-
Gauran	Latur	2800-2850	2850	-
Annagiri	Latur	2950-3000	3000	-
G-12	Latur	2900	2900	-
Gauran	Jalna	2900	2950	-
Pila	Jalna	3000	3000	-

TUR

FUNDAMENTALS

Sentiments remained weak in tur markets. Weather forecast calling for scattered showers in Karnataka had mildly bearish impact. Crop is just a month away from its harvesting and a good splash at this moment will be immensely beneficial for crop. Tur production this year is expected to cross 23 lakh ton. Meanwhile, import of the same is continuing from Africa in containers.

Futures Market Commentary

NCDEX November tur futures opened slightly firm. Futures started falling downward after modest gains in first 10 minutes and turned red by 10.20 hrs. Futures spent most of the day into negative territory. Futures bottomed out by 14.05 hrs. Good recovery was seen in the final hour. November tur futures finally closed the day off Rs 13 at Rs 1801 per qtl.

Price Drivers

Bullish

Restricted selling by stockists

Bearish

Due harvest ahead

Favorable weather for crop

Weather

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

TECHNICALS

NCDEX -November Contract

Dark candlestick body has formed short day pattern. Big lower shadow shows bullishness in the market. Prices closed below both the 9-days and 18-days EMA. %K line is running below %d line. MACD is running flat into negative territory.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Nov	1770	1740	1801	1828	1856

Trade Recommendation:

Buy NCDEX Tur Desi Nov contract near 1800 with target towards 1820, second target 1828. Put SL at 1785.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	28.10.06	27.10.06	Change
Burmese Lemon	Mumbai	1591-1600	1641	-40
Burmese Lemon	Delhi	1800	1800	-
Maharashtra tur	Delhi	1900	1900	-
Karnataka tur	Delhi	NA	NA	-
Red tur	Gulbarga	1925	1925	-
Fatka Dall	Gulbarga	2850	2850	-
Red Tur	Latur	1925-1950	1970	-20
White Tur	Latur	1850-1900	1900	-
Red	Jalna	1700	1700-1750	-
White	Jalna	1725-1750	1800	-50
BDM	Jalna	1800	NA	-
Vidharpatta	Akola	1870	1885	-15
Marathwada	Akola	1875	1890	-15

OTHERS

Moong

Moong markets observed weak trend. Arrivals of moong although are declining, demand for the same also is not good. Harvest of the moong is likely to start in Kutch (Gujarat) shortly, where situation of crop is reported good. Offerings remained low for the same in international markets. Also, importers are in no mood of taking chance due to increased volatility in the market.

Spot Market Prices of Moong

(Rs/qty)

Origin/Grade	Center	28.10.06	27.10.06
Kekdi/kishangarh (Raj)	Delhi	3400	3400
Medta (Raj)	Delhi	3450	3450
Desi	Indore	3500	3500
Chamki	Jalna	3300	3350
Chamki	Latur	3200	3150
Chamki	Akola	3250	3200

Field Peas

Sharp fall was seen in chana markets. Reports of big consignments due at Mumbai port on Sunday, weak trend in chana markets and continuously improving INR versus USD were the major bearish factors.

Spot Market Prices of Pea

(Rs/qty)

Center	28.10.06	27.10.06
Mumbai (Canadian)	1271	1325-1340
Kanpur	1550-1560	1600

Masoor

Sentiments remained weak in masoor markets as well. According to traders, millers had covered enough of their requirement before festivals. Also, increased selling by Bihar producers and increased availability of imported peas had affected its demand from consuming areas in eastern states.

Spot Market Prices of Masoor

(Rs/qty)

Center	28.10.06	27.10.06
Delhi-MP/kota Line	1950	1950
Delhi- UP/Sikari	2600	2600
Kanpur local mill delivery	2000	2000
Kanpur new- Braeilly Delivery	2040	2040
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1840	1840
Indore- Masoor New	1830	1830
Indore- Medium New	1750	1750
Bahraich-Masoor	3100	3000
Bahraich-Export Chanti	3500-3550	3375
Kolkata (Truck delivery)	3900	3850
Masur Dal	3300-3500	3400

International Prices

(\$/ton) (CNF 90 days)

Quality	28.10.06
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

- Vessel 'Evgeniy Vasilyev' has arrived at Mumbai port. Vessel is carrying 5,277 ton of Pulses. Aditya Marine Ltd is handling this vessel. Vessel 'Kang Qiang' is expected to arrive at Mumbai port on October 29, 2006. Vessel will be carrying 49310 MT of peas. Sahi Oretrans P. Ltd will be handling this vessel.
- 'Lissa Topic' has arrived at Kolkata port. Vessel is carrying 39,383 MT of peas. Vessel 'Saratoga' has arrived at Kolkata port to discharge peas. Vessel 'Abeer' has arrived at Kolkata port to discharge 21285 MT of peas.

Forex rate as on 28.10.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.220
European Union	Euro	57.340
Japan	100 Yen	38.180
United Kingdom	GBP	85.490

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