

PULSES DAILY

November 18, 2006

URAD

FUNDAMENTALS

Urad saw mixed sentiments in the different markets. The prices remained mostly on the lower side after recent surge in the prices. As the demand has become price sensitive it becomes subdued once the prices moves higher. The sale prices of urad varied from Rs. 33.48 per kg in Chennai to Rs. 36.57 per kg in Delhi. Harvesting of small crop of Kali Urad in Assam is going on, there after Orissa and Andhra Pradesh will come up with their 3-lakh tonnes of Urad. So, supply side will get healthier in coming time only to pressure the prices. Traders in most trading centres opine that the up side potential of the prices is limited in the commodity.

Futures Market Commentary

Urad futures at NCDEX after witnessing huge losses in previous session started the day on a firm note but the firmness couldn't last long and the price slipped to close the session in red. Urad December futures on the NCDEX started the day at Rs 3481 and then traded range bound through out the session. The prices finally ended in the negative column at Rs 3468. Lack luster trade in the spot markets is hitting the commodity.

Price Drivers

Bullish

Higher prices in global markets
Slight improvement in market activity

Bearish

Low demand of Dall at higher prices
Harvesting continues in Eastern part

Weather

Weather has improved in the eastern part of the country, which is good for harvesting of Urad in Assam and West Bengal and maturing crop in Orissa.

TECHNICALS

NCDEX -December Contract

Urad charts are displaying tentativeness in prices after recent bounce in prices. Candlesticks are reflecting indecision. Prices closed slightly above 9 days EMA thus indicating slight firmness. MACD is rising in the negative zone and Stochastic Oscillator is about to enter positive territory. The contract might witness volatile price movements with bearish inclination.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Dec	3431	3375	3468	3515	3552

Trade Recommendation:

Sell Dec Urad below 3488 with target towards 3450 and then 3430. Put SL at 3509.

Spot Market Prices of Urad

(Rs/qttl)

Origin/Grade	Center	17.11.06	16.11.06	Change
Burma Faq	Mumbai	3650	NA	-
Burma Faq	Delhi	NA	3300	-
Desi (UP)	Delhi	3240	3350	-110
Desi (MH)	Delhi	3750	3775-3800	-50
Desi (new Crop)	Akola	3550-3600	3625-3650	-50
Desi (New Crop)	Gulbarga	3550	3500	+50
Desi (New Crop)	Latur	3850	3800	+50

CHANA

FUNDAMENTALS

Chana markets witnessed some cooling off in the prices after recent bounce back. Stocks of the commodity are being highlighted as very small, which is giving some support to the prices. Recent ease in the prices induced traders to cover for the period prior to the new season and thus some buying interest in thin market resulted in triggered prices. However, as the demand is not supportive of higher prices, thanks to other cheaper alternatives, the scope for the prices on the higher side seems small.

Futures Market Commentary

Chana futures on the NCDEX traded volatile today as the prices corrected after the recent sharp rally. The most active December contract opened low following yesterday's fall in prices at Rs. 2868 and thereafter recovered up to Rs. 2896. However, the futures couldn't sustain those hefty levels and retreated to close with moderate gains at Rs2877. The volumes traded also remained on the lower side.

Price Drivers

Bullish

Depleting stocks

Bearish

Lower quotes by Australia for chickpea

Poor demand at retail ends

Tur dal is cheaper than Chana

Weather

Weather is congenial for the Rabi crop in most growing regions.

TECHNICALS

NCDEX -December Contract

Chana charts are showing tentativeness in prices after a few days running streak. Candlesticks are indicating indecision at current levels and prices managed to close above 9 days EMA. MACD is rising in negative zone. Stochastic is heading towards overbought region. The contract might continue to see volatile movement of prices.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Dec	2842	2801	2877	2900	2934

Trade Recommendation:

Buy NCDEX Chana Dec contract above 2854 with target of 2900. Second target 2920. Put SL at 2824.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	17.11.06	16.11.06	Change
Rajasthan Desi	Delhi	2950	3000-3025	-75
MP Desi	Delhi	2925	3000	-75
Kantewala	Indore	2800	2820-2825	-25
Desi	Kanpur	3000	3025	-25
Mixed	Akola	2800	2800	-
Chapa	Akola	2800	2850	-50
Gauran	Latur	2600-2650	2650	-
Annagiri	Latur	2850-2900	2900	-
G-12	Latur	2750-2800	2800	-
Gauran	Jalna	2650	NA	-
Pila	Jalna	2700	NA	-

TUR

FUNDAMENTALS

Tur market some shine coming back to the commodity. Large gap in the prices of Tur dal and Chana caused some increased interest in the commodity. Tur has become cheapest dal among all major pulses this year, thanks to the astronomical prices of Chana this year on account of lower stock position. Tur is also said to be mixed with the Chana as the former has become comparatively cheaper. This might also have caused some support to the prices. Tur prices tend to remain higher than Chana, but shortage of the Chana this year has led to the reversed relationship between them. As the fresh crop is not far away in major producing regions, traders are not taking interest in the commodity, as the chances of price surge are very small. The harvesting season is on and arrivals will increase with the progress of harvest.

Futures Market Commentary

Tur Futures at NCDEX after witnessing past three days lack luster trade finally managed to trade at increased levels due to improved demand in the physical markets. Also the prices were down enough to rekindle fresh interest in the commodity. December contract of Tur started the day on a bearish note at Rs 1781 and thereafter surged to the high of Rs. 1823 before finally closing at Rs 1809.

Price Drivers

Bullish

Fresh demand at lower prices in the retail markets

Bearish

Fresh arrivals in Haryana started

Harvesting in some patches of AP and Karnataka started

Weather

Weather is congenial for Tur harvest in Haryana and Andhra Pradesh

TECHNICALS

NCDEX -December Contract

Tur charts are displaying a downtrend in the market. Long unfilled candlestick is showing bullish sentiments prevailing in the market. Prices closed above the EMA's showing some strength in the market. MACD is rising in the negative zone showing decreasing bearish momentum. Stochastic Oscillator is bullish in the neutral region. The prices might remain volatile with bullish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Dec	1785	1770	1809	1834	1848

Trade Recommendation:

Buy NCDEX Tur Desi Dec contract above 1795 with target towards 1825 and 1834. Put SL at 1775.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	17.11.06	16.11.06	Change
Burmese Lemon	Mumbai	1650	1625	+25
Burmese Lemon	Delhi	1800	1760-1770	+30
Maharashtra tur	Delhi	1850-1875	1860-1870	-
Karnataka tur	Delhi	1900-1925	1925	-
Red tur	Gulbarga	1910	1875	+35
Fatka Dall	Gulbarga	2750	2750	-
Red Tur	Latur	1950	1975	-25
White Tur	Latur	1850	1860	-10
Red	Jalna	1650	NA	-
White	Jalna	1750	NA	-
BDM	Jalna	1800	NA	-
Vidharpatta	Akola	1875	1875	
Marathwada	Akola	1890	1890	-

OTHERS

Moong

Moong markets remained stale in most of the centers in the absence of any fresh inputs to the market. Depleting arrivals and poor availability caused some interest among the buyers despite weaker demand in the retail end. But the overall weakness in the pulses demand is pressuring the prices. Arrivals are decreasing with the passage of time, which is likely to support the prices. Thus we look a range bound movement in the commodity.

Spot Market Prices of Moong (Rs/qtt)

Origin/Grade	Center	17.11.06	16.11.06
Kekdi/kishangarh (Raj)	Delhi	3250	3200
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350-3500	3350-3500
Desi	Indore	3250-3400	3000-3300
Desi	Gulbar ga	3200	3200
Chamki	Jalna	3150	NA
Chamki	Latur	3000-3100	3100-3200
Chamki	Akola	3150-3200	3100-3150

Field Peas

Field pea prices remained range bound at most of the terminal markets. However, the fundamentals still remain on the softer side as imports continue to fulfill the domestic demand. Though the prices of Canadian and Australian pea are higher this year on account of poor production, they are still finding avenues like India to sell their produce at premium. Indian market has good demand for the same, as higher prices of other pulses are forcing consumers with lower income to switch to the peas. However, bulk of imported peas in the Indian markets are now pressuring the prices down as with the approach of winter season demand is also shifting towards cheaper vegetables.

Spot Market Prices of Pea (Rs/qtt)

Center	17.11.06	16.11.06
Mumbai (W.Canadian)		1221
Kanpur		1490

Masoor

Masoor markets remained steady to slightly firm in conjunction with the other pulses especially Tur. Some exports to Bangladesh in small quantities also supported the prices in the recent times. Recent decision of government to export 2000MT of masoor to Sri Lanka might be the reason for the firmness in the prices. Overall the demand side is still lagging and thus the prices are hovering in a range. Lack luster trading along with availability of cheaper alternative like vegetables are not allowing the prices to surge high.

Spot Market Prices of Masoor (Rs/qtt)

Center	17.11.06	16.11.06
Delhi-MP/kota Line	2000	1950
Delhi- UP/Sikari	2750	2630-2640
Kanpur local mill delivery	1970-1975	1930
Kanpur new- Braeilly Delivery	2050	2010
Kanpur- new Malka Dal	2175-2200	2150
Indore- Masra	1820	1820
Indore- Masoor New	1810	1810
Indore- Medium New	1775	1725-1750
Bahraich-Masoor	2950-3000	2950
Bahraich-Export Chanti	3500	3500
Kolkata (Truck delivery)	3800	3800
Masur Dal	3000	3000

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	325-330
Burmese FAQ new Tur Mumbai/Chennai	320
Burmese Shwebo Tur Mumbai/Chennai	315-310
Tanzania Matwara Tur Mumbai/Chennai,	NA
Tanzania Arusha Tur Mumbai/Chennai,	340
Burmese FAQ Urad Mumbai/Chennai	755-765
Burmese SQ Urad Mumbai/Chennai	850-860
Burmese Pedishwa Mung Chennai/Mumbai	Finished
Burmese Anneshwar Mung Mumbai	650-750
Burmese Pokako Mung Mumbai/Chennai	655-760
Chinese above 3.5 mm grade Chennai	780-790

Port Watch

- Sea Amity has arrived at Kolkata port to discharge 26871 MT of pulses and wheat. Farah 3 has also arrived at the port to discharge 10000MT of pulses and wheat. Lissa Topic' has arrived at Kolkata port. Vessel is carrying 39,383 MT of peas. Vessel 'Columbia River' has arrived at port to discharge 26916 MT of peas. Another vessel 'Nepheli' has arrived at port to discharge 36,370 MT of peas.
- Vessel Kang Qiang has discharged 27150 MT of peas so far. Discharge of balanced 22160 MT pea is continuing from the vessel. Sahi Oretrans P Ltd is handling the vessel. Another vessel Captain Nemo-VI has arrived at port to discharge 13516 MT of yellow/white peas. Shaan Marine will be handling this vessel.
- Vessel 'MV Great Summit' has arrived at Tuticorin port to discharge 32,369 MT of peas. Vilsons shipping is handling this vessel. Another vessel 'Bianco Zealand' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel.

Forex rate as on 04.11.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.16
European Union	Euro	57.92
Japan	100 Yen	38.40
United Kingdom	GBP	85.99

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