

PULSES DAILY

URAD

FUNDAMENTALS

Urad markets are witnessing weak sentiments all across the board. Supply side is normal and there is not much demand pressure on the prices. Arrivals in Bihar and Orissa are being seen, whereas AP is also ready for the new crop. Crop is expected to be good this year in AP and Orissa provided climate remains favourable during the harvesting season. Harvesting in TN is also in progress, where production is expected to be around 6000 MT. Poor stockists activity, weaker demand and good expected production of forthcoming Andhra and Orissa crop are the main factors pressuring the prices at the stage. Thus the prices are likely to go down gradually as the harvesting season progresses.

Futures Market Commentary

Urad futures at NCDEX traded in red today after initial weak opening. Most active January futures of Urad at NCDEX started the session at Rs 2904 and then the price increases to highs of Rs. 2935. The prices couldn't sustain the firmness for long and eased to see the lows of Rs 2881 a quintal. Finally the future settles at negative territory at Rs 2884 with some losses.

Price Drivers

Poor stockists activity
Imports almost dried up
Demand expected to revive ahead of Pongal
Healthy crop of AP and Orissa lining up for harvest

Weather

Weather is suitable for maturing Urad in Orissa and AP.

December 28, 2006

TECHNICALS

NCDEX -February Contract

Urad charts are displaying continued downtrend of prices. Candlesticks pattern are indicating bearish sentiments. Prices closed far below EMS shows weakness in the market. MACD is falling in negative zone in favor of bears. However, stochastic is in oversold region. The prices might remain volatile with bearish inclination



Support / Resistances:

| Contr act | S1 | S2 | PCP | R1 | R2 |
|-----------|------|------|------|------|------|
| Feb | 2653 | 2601 | 2705 | 2757 | 2809 |

Trade Recommendation:

Sell Feb Urad below 2734 with target towards 2675 and then 2655. Put SL at 2764.

Spot Market Prices of Urad

(Rs/qrtl)

| Origin/Grade | Center | 27.12.06 | 26.12.06 | Change |
|-----------------|----------|-----------|-----------|--------|
| Burma Faq | Mumbai | 3100 | 3125 | -25 |
| Burma Faq | Delhi | 3200-3250 | 3200 | - |
| Desi (UP) | Delhi | 3100 | 3100 | - |
| Desi (MH) | Delhi | 3500-3600 | 3500-3550 | -50 |
| Desi (new Crop) | Akola | 3200-3250 | 3150 | +50 |
| Desi (New Crop) | Gulbarga | 3250 | 3250 | - |
| Desi (New Crop) | Latur | 3350-3400 | 3450 | -50 |
| Desi (New Crop) | Jalna | 2950 | 3000-3100 | -50 |
| Desi (New Crop) | Indore | 3250 | 3300 | -50 |

CHANA

FUNDAMENTALS

Chana markets are not finding any good reason to bounce back. With the approach of harvesting season, the market has become bearish these days. Though harvesting of desi Chana hasn't started yet, harvesting in other varieties like G12 and Annagiri is proving sufficient to tone down the market. As the acreage this year in Chana has increased, no one in the market is seeing good prospects for the Chana prices this year. In the same line the prices are gradually coming down, the stockists in turn are also under pressure to offload their stocks ahead of fresh crop. Import scene is lack luster and no activity is being seen these days in Chana import. Australians are still quoting \$560 a ton for their chickpeas. MMTC, which floated tender to buy pulses recently, is also getting similar quotes from the exporters. The prices are most likely to remain weak even in the absence of any major import deal, as the harvesting season is stepping in.

Futures Market Commentary

Chana futures at NCDEX traded mostly downside after initial weak opening. January futures of Chana started the session at Rs 2520 and then the prices surge to highs of Rs. 2534. However, lack of buying support at these levels resulted in the prices fall to the lows of Rs 2482. Finally culminated the session at Rs 2483. The prices dipped as much as Rs 40 during the last thirty minutes of trade. The volumes traded remained healthy at 83,220 MT.

Price Drivers

Bullish

Depleting stocks
No fresh imports
Higher quotes by exporters

Bearish

Stockists offloading their stocks

TECHNICALS

NCDEX -February Contract

Chana charts are displaying a continued downtrend. Candlesticks are indicating bearishness. Prices closed below 9-days EMA, which is favoring bears. MACD is bearish in negative zone. Stochastic is falling in the neutral region. The prices are most likely to remain weak.



Support / Resistances:

| Contr act | S1 | S2 | PCP | R1 | R2 |
|-----------|------|------|------|------|------|
| Feb | 2243 | 2212 | 2277 | 2308 | 2330 |

Trade Recommendation:

Sell NCDEX Chana Feb contract below 2294 with target of 2250 and then 2230 Put SL at 2322.

Spot Market Prices of Chana

| Origin/Grade | Center | 27.12.06 | 26.12.06 | (Rs/qtl) Change |
|----------------|--------|-----------|-----------|-----------------|
| Rajasthan Desi | Delhi | 2550 | 2600 | -50 |
| MP Desi | Delhi | 2500 | 2550 | -50 |
| Kantewala | Indore | 2500 | 2550 | -50 |
| Desi | Kanpur | 2575 | 2575-2600 | - |
| Mixed | Akola | 2550-2600 | 2600 | - |
| Chapa | Akola | 2600 | 2625 | -25 |
| Gauran | Latur | 2450 | 2450 | - |
| Annagiri | Latur | 2550 | 2600 | -50 |
| G-12 | Latur | 2700 | 2700 | - |
| Gauran | Jalna | 2500 | 2450-2500 | - |
| Pila | Jalna | 2650 | 2650 | - |

TUR

FUNDAMENTALS

Tur markets witnessed weak sentiments as increasing arrivals at different mandis are bringing bearish sentiments with them. As the harvesting is gathering momentum, it is putting pressure on the prices despite good demand from the millers. Stockists are not active at the stage and seem waiting for the prices to come down a bit. However, once the prices come down, stockists demand might push it again. As the production this year is expected to be poor, demand from stockists is likely to keep the prices slightly on premium against normal harvesting season levels.

Futures Market Commentary

Tur futures at NCDEX traded s futures at NCDEX traded downside after firm opening. Tur January futures started the session at Rs. 1914 and then the prices never looked back. The contract eased to see the lows of Rs 1862 and the contract closed the day with moderate loss of Rs 49 at Rs 1865 a quintal. February futures of Tur started the session firm at Rs 1970 and traded in the range of Rs. 1935 - 1974 per quintal finally future settled at Rs 1938.

Price Drivers

Bullish

Good demand from millers

Production is expected to dip this year

Import prices are above the parity levels

Bearish

Arrivals increasing in Karnataka

Fresh Arrivals in MP and MH

Weather

Weather is congenial for Tur harvest in major producing states; slightly cloudy weather in southern part of the country is not likely to affect much the Tur crop there.

TECHNICALS

NCDEX -February Contract

Tur prices dipped on profit taking following Tuesday's surge. Candlesticks are indicating bearish sentiments in the market. The prices closed below 18-days EMAs shows medium term weakness in the market. MACD is running flat in negative zone. Stochastic is positive in oversold territory. The prices might remain volatile with more emphasis on bear's preference.



Support / Resistances:

| Contr act | S1 | S2 | PCP | R1 | R2 |
|-----------|------|------|------|------|------|
| Feb | 1898 | 1878 | 1938 | 1975 | 1995 |

Trade Recommendation:

Sell NCDEX Tur Desi Feb contract below 1950 with target towards 1925 and then 1915. Put SL at 1965.

Spot Market Prices of Tur

(Rs/qrtl)

| Origin/Grade | Center | 27.12.06 | 26.12.06 | Change |
|-----------------|----------|-----------|-----------|--------|
| Burmese Lemon | Mumbai | 1675 | 1650-1660 | +15 |
| Burmese Lemon | Delhi | 1750 | 1750-1800 | - |
| Maharashtra tur | Delhi | 1850 | 1900-1950 | -50 |
| Karnataka tur | Delhi | NA | 2000 | - |
| Red tur(New) | Gulbarga | 1925-1950 | 1925-1950 | - |
| Fatka Dall | Gulbarga | 2850 | 2850 | - |
| Red Tur | Latur | 1970 | 2000 | -30 |
| White Tur | Latur | 1900 | 1900 | - |
| Red | Jalna | 1700 | 1650 | +50 |
| White | Jalna | 1900 | 1900 | - |
| Red Tur | Indore | 2000 | 2000 | - |
| Vidharpatta | Akola | 1950 | 1930-1950 | - |
| Marathwada | Akola | NA | NA | - |

OTHERS

Moong

With the approach of harvesting season in other pulses, Moong markets are also witnessing easing sentiments these days. Moong prices remained steady at different domestic markets. The commodity is in short supply these days due to off-season and lower production estimates. Good quality Burmese Anneshwar Moong is being quoted at Rs 3000 per ton. Imports are not lucrative at the stage. The prices are likely to remain on the softer side during the harvesting season of pulses, however, due to poor stocks and imports, downside is also limited.

| Spot Market Prices of Moong | | (Rs/qtt) | |
|-----------------------------|-----------|-----------|----------|
| Origin/Grade | Center | 27.12.06 | 26.12.06 |
| Kekdi/kishangarh (Raj) | Delhi | 3250 | 3250 |
| Shekhavati (Raj) | Delhi | NA | NA |
| Medta (Raj) | Delhi | 3350 | 3350 |
| Desi | Indore | 3350 | 3350 |
| Desi | Gulbar ga | 3200 | 3200 |
| Chamki | Jalna | | 3100 |
| Chamki | Latur | 3100 | 3100 |
| Chamki | Akola | 3200-3250 | 3200 |

Field Peas

Field peas prices are getting support from the good demand at the stage, however they are expected to come down in the coming time with the progress of harvest in Peas. Further, as the harvesting has started in Chana in some states, the bearish sentiments in Chana can spill over to peas also. However, as the momentum has not picked up in Chana harvesting, peas prices has some scope on the firmer side. Acreage of the crop has dropped this year, which is also supporting higher prices as guided by imported counterpart.

| Spot Market Prices of Pea | | (Rs/qtt) | |
|---------------------------|----------------|----------|----------|
| Center | Variety | 27.12.06 | 26.12.06 |
| Mumbai | White.Can | 1275 | 1275 |
| Mumbai | White American | 1325 | 1325 |
| Mumbai | Green Can | 1375 | 1375 |
| Mumbai | Green American | 1450 | 1450 |
| Kanpur | Desi | 1500 | 1500 |

Masoor

Masoor markets are continuously witnessing steady prices these days. Acreage of Masoor this year is seen 7.95 lakh hectare as compared to 7.0 lakh hectares in the previous season. The market is keenly eying the decision of CCP on export of Masoor. It is election time in Bangladesh and after that some enquiries are expected from the country. If CCP allows export of masoor the prices might increase to some extent until then the prices are likely to remain steady to slightly weak.

Spot Market Prices of Masoor (Rs/qtt)

| Center | 27.12.06 | 26.12.06 |
|-------------------------------|-----------|-----------|
| Delhi-MP/kota Line | 1900 | 1900 |
| Delhi- UP/Sikari | 2500 | 2500 |
| Kanpur local mill delivery | 1925 | 1925 |
| Kanpur new- Braeilly Delivery | 1980-2000 | 2000 |
| Kanpur- new Malka Dal | 2150 | 2125 |
| Indore- Masra | 1780 | 1780 |
| Indore- Masoor New | 1760 | 1775 |
| Indore- Medium New | 1725 | 1700 |
| Bahraich-Masoor | 2875 | 2850 |
| Bahraich-Export Chanti | 3450 | 3425-3450 |
| Kolkata (Truck delivery) | 3775 | 3750-3775 |
| Masur Dal | 3150 | 3100-3150 |

Port Watch

- Navios Astra has arrived at Mumbai port to discharge 51800MT peas. Lake Maja has also arrived at Mumbai port to offload 22415MT of peas. Vessel IVS Kwela has reached at Mumbai port to offload 19082 MT peas. Eid-E-Mostafa-VI is expected to reach Mumbai port to discharge 2000MT of Pulses. Sai Freigh Agent will be handling the vessel.

Forex rate as on 27.12.06

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 44.39 |
| European Union | Euro | 58.41 |
| Japan | 100 Yen | 37.41 |
| United Kingdom | GBP | 87.10 |

International Prices

(\$/ton) (CNF 90 days)

| Quality | Latest |
|--|----------|
| Burmese Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai Old | 360 |
| Burmese Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai New | 400 |
| Burmese FAQ new Tur Mumbai/Chennai | 340-345 |
| Burmese Shwebo Tur Mumbai/Chennai | 345 |
| Tanzania Matwara Tur Mumbai/Chennai, | 335 |
| Tanzania Arusha Tur Mumbai/Chennai, | 405 |
| Burmese FAQ Urad Mumbai/Chennai | 680 |
| Burmese SQ Urad Mumbai/Chennai | 770-780 |
| Burmese Pedishwa Mung Chennai/Mumbai | Finished |
| Burmese Anneshwar Mung Mumbai (Good Quality) | 660-670 |
| Burmese Pokako Mung Mumbai/Chennai | 640-650 |
| Chinese above 3.5 mm grade Chennai | 800 |
| Australian Chickpea Chennai/Mumbai/ | 580 |

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