

PULSES DAILY

URAD

December 15, 2006

FUNDAMENTALS

Urad prices in domestic markets remained steady to slightly firm today. Makar Sankranti and Pongal demand expected for Urad is supporting the prices at the stage. Importers are not taking any risk of importing Urad at higher prices specially looking at the forthcoming good crop of Andhra Pradesh. FAQ Urad is being quoted at \$700-710 per ton, however buyers are staying away at these prices. As, harvesting hasn't started yet; short-term firmness on festive demand cannot be ruled out. In futures market, some traders are seeing firmness in poor stocks of Moti grade urad (NCDEX grade), however others are blaming rumours of high foreign matter content in NCDEX stocks for weakness.

Futures Market Commentary

Urad futures at NCDEX traded upward today. January futures of Urad started the session week at Rs 3215 then dipped to the lows of Rs 3185. However, increased buying interest at lower level took the prices to the highs of Rs. 3249 before finally closing the session with moderate profits of Rs. 27 at Rs 3242 a quintal. The volumes traded continue healthy at 21460 MT.

Price Drivers

Bearish

- Higher quotes by Burma
- Demand to revive ahead of Pongal
- Healthy crop of AP lining up for harvest
- Poor stockists activity

Weather

Weather is suitable for harvesting of Urad in Orissa. It is also clear in Andhra where crop is in maturity stage.

TECHNICALS

NCDEX -January Contract

Urad showed some more hesitation at lower levels. Prices still closed above EMAs, which show firmness is intact. MACD is showing increase in bearish momentum. Stochastic are positive in neutral region. The prices might show volatility in a small range.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	3170	3122	3242	3300	3347

Trade Recommendation:

Buy Jan Urad above 3215 with target towards 3280 and then 3300. Put SL at 3175.

Spot Market Prices of Urad

(Rs/mtl)

Origin/Grade	Center	14.12.06	13.12.06	Change
Burma Faq	Mumbai	NA	NA	-
Burma Faq	Delhi	3250	3225	+25
Desi (UP)	Delhi	3150	3100	+50
Desi (MH)	Delhi	3480	3500	-20
Desi (new Crop)	Akola	3300	3250	+50
Desi (New Crop)	Gulbarga	NA	3550	-
Desi (New Crop)	Latur	3600	3600	-
Desi (New Crop)	Jalna	3300-3400	3250	+50
Desi (New Crop)	Indore	3400	3400	-

CHANA

FUNDAMENTALS

Chana markets witnessed slight increase in prices at some centres. Domestic stocks of the commodity are depleting and importers are also reluctant to make risky import of chickpeas, which hints supply side is weak. In such a scenario, small improvement in demand due to forthcoming festivals is supporting the prices. Fresh Chana will need a at least one month time to reach the markets, until then there is some scope for the prices, provided they get some support from the demand side. In the futures markets, one should not be lured by the wide backwardation between January and February contract as it may further widen on small stocks in January and start of crop harvest in February. December contract might see further hike in prices on short covering.

Futures Market Commentary

Chana futures at NCDEX traded upward today. January futures of Chana started the session slightly firm at Rs 2748 then the prices never looked back. Speculative buying at lower levels took the prices to the highs of Rs 2777, which couldn't sustain and finally close with some marginal profits at Rs 2754 a quintal. The volumes traded remained well at 53870 MT.

Price Drivers

Bullish

Depleting stocks
No major fresh import deals
Higher quotes by exporters

Bearish

Price elastic demand

Weather

Weather is congenial for the vegetative growth of the crop. Cloudy weather in southern part of the country might attract the pod borers in Chana, if it persists for long.

TECHNICALS

NCDEX -January Contract

Chana futures are showing hesitation at higher levels. Prices closed just above 9-day EMA, which shows short-term firmness in the market. MACD is showing some decrease in bearish momentum. Whereas, Stochastic are positive in neutral region. Prices might see volatile movements with bullish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2721	2704	2754	2800	2824

Trade Recommendation:

Buy NCDEX Chana Jan contract above 2744 with target of 2780. Second target 2798. Put SL at 2724.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	14.12.06	13.12.06	Change
Rajasthan Desi	Delhi	2875	2875	-
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2800	2770	+30
Desi	Kanpur	2900	2850	+50
Mixed	Akola	2650	2600	+50
Chapa	Akola	2750	2650	+100
Gauran	Latur	2550-2600	2550	-
Annagiri	Latur	2700	2700	-
G-12	Latur	2600-2625	2600	-
Gauran	Jalna	2700	2600-2650	+50
Pila	Jalna	2800	2750	+50

TUR

FUNDAMENTALS

Tur markets witnessed steady to slightly firm prices today. Arrivals are picking up in Karnataka, at the same time Maharashtra markets are also seeing some arrivals these days. Though demand is good for the new crop, increasing arrivals will put obvious pressure on the prices in the coming time. According to the trading sources, the prices of Tur is likely to ease in the coming time with the increase in harvesting pace. Big Industrial houses are also waiting for the lower prices. Weather is not harming the Tur crop at the stage, however, if it pours in southern India where harvesting is in progress, the poor crop might suffer further losses on account of pod shattering. As the production is expected to fall this year, most of the traders are seeing bright prospects for tur prices this year.

Futures Market Commentary

Tur futures at NCDEX traded rangebound today on bullish cue from spot markets. January futures of Tur started the session slightly weak at Rs 1938 and traded in the range of Rs. 1931 to Rs. 1966 a quintal. Finally culminated the session with marginal profit at Rs 1943. The volumes slightly increase today.

Price Drivers

Bullish

Demand from stockist
Production is expected to dip this year
High import cost

Bearish

Fresh arrivals in all major producing states
Big industrial houses are not seen buying

Weather

Weather is congenial for Tur harvest in major producing states.

TECHNICALS

NCDEX -January Contract

Tur futures are not sustaining higher levels; long upper shadow of candlestick body depicts the same. Prices still closed above EMAs, which shows firmness is intact. MACD is lying flat in the positive zone. Stochastic however have given bearish signal in the neutral region. The prices might show volatility with bearish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1911	1901	1943	1963	1983

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1955 with target towards 1929 and then 1912 Put SL at 1970.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	14.12.06	13.12.06	Change
Burmese Lemon	Mumbai	1661	1661	-
Burmese Lemon	Delhi	1825	1750	+50
Maharashtra tur	Delhi	2000	1925	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	NA	1875	-
Fatka Dall	Gulbarga	NA	2800	+50
Red Tur	Latur	2050	2000	+50
White Tur	Latur	2000	1950	+50
Red	Jalna	1650	1650	-
White	Jalna	1950-2000	1850	+100
Red Tur	Indore	1925	1950	-25
Vidharpatta	Akola	1950	1890	+60
Marathwada	Akola	NA	NA	-

OTHERS

Moong

Moong markets saw steady prices to slightly improving prices at different markets. Orissa crop is the only major crop in the coming time, which in conjunction with small crop of UP be fulfilling the market demand to some extent. As the stocks are not good in the commodity due lower production this year on account of poor acreage. Further, quote for Burmese Anneshwar and Pokako Mung increased to \$620 and \$680 respectively preventing any import deals. Thus, supply side of the commodity is weak; at the same time some improvement in demand due to coming festivals is likely to underpin the prices. However, there is not much scope for the prices on the higher side as harvesting season in other pulses in the coming time might contain them.

Spot Market Prices of Moong (Rs/qtt)

Origin/Grade	Center	14.12.06	13.12.06
Kekdi/kishangarh (Raj)	Delhi	3350	3300
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3400	3300
Desi	Gulbar ga	NA	3000-3200
Chamki	Jalna	3150-3200	3150
Chamki	Latur	3000	2900-3000
Chamki	Akola	3200	3200

Field Peas

Field peas prices are getting some support from the good demand. Demand for field peas is good as it is proving to be a good substitute for scarce Chana. Despite slight increase in prices of imported peas (green and white), it is the most lucrative option among the pulses with the Indian importer. 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	14.12.06	13.12.06
Mumbai	White.Can	1271	1271
Mumbai	White American	1291	1300
Mumbai	Green Can	1321	1325
Mumbai	Green American	1350	1350
Kanpur	Desi	1505-1510	1475-1480

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

Masoor

Depleting stock of the commodity in the terminal markets is keeping the prices on the higher side. Acreage of Masoor this year is seen 7.95 lakh hectare as compared to 7.0 lakh hectares in the previous season. But, as the crop is quite sensitive to the climatic conditions, it will be too early to say any thing about the production. Cabinet Committee on Pricing has still not give its nod for the export of Kabuli Chana and Masoor. The government has recommended the committee to decide on the matter. If it gives permission to export masoor the prices might find some more support.

Spot Market Prices of Masoor (Rs/qtt)

Center	14.12.06	13.12.06
Delhi-MP/kota Line	1925	1925
Delhi- UP/Sikari	2550	2550
Kanpur local mill delivery	1990	1975
Kanpur new- Braeilly Delivery	2040	2040
Kanpur- new Malka Dal	2200	2170
Indore- Masra	1875	1870
Indore- Masoor New	1850	1850
Indore- Medium New	1800	1775
Bahraich-Masoor	2950	2925
Bahraich-Export Chanti	3450	3450
Kolkata (Truck delivery)	3800	3775
Masur Dal	31003200	31003200

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 13.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.83
European Union	Euro	59.52
Japan	100 Yen	38.31
United Kingdom	GBP	88.30

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	370
Burmese FAQ new Tur Mumbai/Chennai	345
Burmese Shwebo Tur Mumbai/Chennai	345
Tanzania Matwara Tur Mumbai/Chennai,	335
Tanzania Arusha Tur Mumbai/Chennai,	380
Burmese FAQ Urad Mumbai/Chennai	700-710
Burmese SQ Urad Mumbai/Chennai	825
Burmese Pedishwa Mung Chennai/Mumbai	Finished
Burmese Anneshwar Mung Mumbai	615-620
Burmese Pokako Mung Mumbai/Chennai	680
Chinese above 3.5 mm grade Chennai	820-825
Australian Chickpea Chennai/Mumbai	560

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