

PULSES DAILY

December 09, 2006

URAD

FUNDAMENTALS

Urad prices remained range bound to slightly weak at most of the centres. Demand has still not revived much but is expected improve. Dal demand is likely to revive during the Pongal festival, which gives hope of improvement in demand from miller's side. Ongoing harvest of Chhoti Urad in Eastern zone of the country is fulfilling the subdued looking demand these days. In January Andhra crop will start leaving the fields. Moreover, quotes for Burmese Urad have again bounced up to \$700, which is high enough to deter importer from any deal. Thus it seems the prices might remain range bound until harvesting in Andhra gets momentum.

Futures Market Commentary

Urad futures at NCDEX traded mostly firm after some initial weakness. January futures of Urad started the session firm at Rs 3120 and then the prices dipped to the lows of Rs 3082. However, aggressive buying at lower levels then took the prices to Rs 3205. The contract ended the day with good profit of Rs 69 at Rs 3175. Volume and open interest inched higher during the session.

Price Drivers

Bearish

Govt extended duty free imports of pulses to 31st August
Low demand of Dali at higher prices

Bullish

High import prices
Prospective demand ahead of Pongal

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 charts are showing steady improvement in the prices. Prices closed above 9-day EMA shows short-term firmness in the prices. MACD is indicating decrease in bearish momentum. Stochastic Oscillator is positive in neutral zone. The contract might witness volatile movement of prices with bullish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	3126	3079	3175	3238	3290

Trade Recommendation:

Buy Jan Urad above 3158 with target towards 3220.
Put SL at 3122.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	08.12.06	07.12.06	Change
Burma Faq	Mumbai	3250-3300	3250	-
Burma Faq	Delhi	NA	3250	-
Desi (UP)	Delhi	3075	3100	-25
Desi (MH)	Delhi	3500	3600-3650	-100
Desi (new Crop)	Akola	3200	3250	-50
Desi (New Crop)	Gulbarga	3300	Closed	-
Desi (New Crop)	Latur	NA	NA	-
Desi (New Crop)	Jalna	3200	NA	-
Desi (New Crop)	Indore	3300	3450	-150

CHANA

FUNDAMENTALS

Chana prices remained steady at most of the spot markets today. Harvesting of 'Annagiri' variety will start in January in Karnataka to be followed by Maharashtra Chana in February. Australian quotes are not coming down and thus importers are not finding imports a profitable deal. Stockists waiting for higher prices would now be under pressure to offload their stock prior the harvesting season, as they are not seeing any sort of high pressure of demand in the market. Any increase in arrivals would only ease the prices.

Futures Market Commentary

Chana futures at NCDEX washed away all the initial gains and closed the session with moderate losses. January futures of Chana started the session firm at Rs 2735 and then it surged to the highs of Rs 2753. However, lack of buying support at higher levels resulted in fall in the prices. The contract closed with moderate losses at Rs 2710. Volume and open interest both fell during the session.

Price Drivers

Bullish

Stockists under pressure to offload their stocks
Depleting stocks
High import prices

Bearish

Australia has healthy exportable surplus
Increased acreage this year

Weather

Weather is congenial for the vegetative growth of the crop.

TECHNICALS

NCDEX -January Contract

Chana charts are depicting continued weakness in the prices. Prices closed below 9-day EMA, which is a bearish indicator. MACD is showing increase in bearish momentum. Stochastic however, have turned positive in oversold zone. The prices might see volatility with bearish inclination.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2676	2646	2710	2782	2812

Trade Recommendation:

Sell NCDEX Chana Jan contract below 2732 with target of 2690. Second target 2675. Put SL at 2760.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	08.12.06	07.12.06	Change
Rajasthan Desi	Delhi	2885	2900	-15
MP Desi	Delhi	2850	2875	-25
Kantewala	Indore	2775	2750	+25
Desi	Kanpur	2900	2900	-
Mixed	Akola	2650	2625	+25
Chapa	Akola	2675	2650-2700	-
Gauran	Latur	NA	NA	-
Annagiri	Latur	NA	NA	-
G-12	Latur	NA	NA	-
Gauran	Jalna	2650	NA	-
Pila	Jalna	2800	NA	-

TUR

FUNDAMENTALS

Tur prices remained steady at most of the spot markets today, as harvesting in major producing states hasn't gained momentum yet. Arrivals in Andhra Pradesh are gearing up steadily, whereas in MP and Maharashtra the crop is in the fields. As the production is expected to fall this year, stockists are active right from the beginning of harvest. If the industrial buyers also join them, some short-term bounce in the prices can be seen.

Futures Market Commentary

Tur Futures at NCDEX traded mostly positive today. January futures of Tur started the session weak at Rs 1901 and then it surged to the highs of Rs 1931. However prices cooled off a bit before closing at Rs 1912 with moderate gains. Volumes traded increased during the day, whereas open interest dipped marginally.

Price Drivers

Bullish

Price sensitive demand from stockist
High import prices
Poor crop this year

Bearish

Harvesting in progress
Govt extended duty free imports of pulses to 31st August

Weather

Weather is congenial for Tur harvest in major producing states. Cloudy weather in southern India is not much concerning for the standing crop.

TECHNICALS

NCDEX -January Contract

Tur is showing some hesitation at higher levels, long upper shadow of candlestick depicts the same. Prices closed below 9-day EMA, which shows short-term firmness in the prices. MACD is showing decreasing bullish momentum. Stochastic are positive in oversold levels. The contract might see some easing in the prices.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Jan	1873	1856	1912	1948	1967

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1926 with target towards 1895 and 1885. Put SL at 1848.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	08.12.06	07.12.06	Change
Burmese Lemon	Mumbai	1631	1621	+10
Burmese Lemon	Delhi	1780	1775	+5
Maharashtra tur	Delhi	1900	1875-1900	-
Karnataka tur	Delhi	NA	NA	-
Red tur (New)	Gulbarga	1950	Close	-
Fatka Dall	Gulbarga	2800	Closed	-
Red Tur	Latur	NA	NA	-
White Tur	Latur	NA	NA	-
Red	Jalna	1650	NA	-
White	Jalna	1700-1750	NA	-
Red Tur	Indore	1925	1925-1950	-
Vidharpatta	Akola	1880-1885	1860	+10
Marathwada	Akola	NA	1865	+5

OTHERS

Moong

Moong markets saw steady prices today. As the harvesting is over in major growing regions arrivals in the terminal markets are falling day by day. However, there is not much scope for the prices on the higher side as price elasticity of demand for the commodity has become quite high.

Spot Market Prices of Moong

(Rs/qttl)

Origin/Grade	Center	08.12.06	07.12.06
Kekdi/kishangarh (Raj)	Delhi	3250	3250
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3300	3300
Desi	Gulbar ga	3000-3200	Closed
Chamki	Jalna	3100	NA
Chamki	Latur	NA	NA
Chamki	Akola	3100-3150	3150

Field Peas

Field peas prices are dancing in a range these days. As the Australian field pea production this year has gone down to 206000 MT as compared to previous year's crop of 478000 MT, global prices of field peas are surging, thanks to good demand from southern Asia. Despite higher prices of Canadian and Australian peas, India continues to import green and white peas as the prices of other pulses are skyrocketing.

Spot Market Prices of Pea

(Rs/qttl)

Center	08.12.06	07.12.06
Mumbai (W.Canadian)	1271	1251
Kanpur	1475-1480	1480-1485

Masoor

Masoor prices remained stand still at higher levels.. As the Australian lentil production dipped sharply this year, prices in the international markets are quite high. According to reports 2006 Australian production (mostly red lentils) is expected to drop sharply, from 210,000 tonnes in 2005 to only 66,000 tonnes this year. Accordingly, exports are seen falling from 200,000 tonnes in 2005-06 to only 55,000 tonnes this year. The prices remained mostly steady today. However, the commodity is not likely to get much support from the domestic demand side, which has inclined towards other cheaper alternatives like peas and vegetables.

Spot Market Prices of Masoor

(Rs/qttl)

Center	08.12.06	07.12.06
Delhi-MP/kota Line	1950	1950-1975
Delhi- UP/Sikari	2650	2600-2650
Kanpur local mill delivery	1975	1980
Kanpur new- Braeilly Delivery	2040	2050
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1860	1870
Indore- Masoor New	1850	1860
Indore- Medium New	1800	1820
Bahraich-Masoor	2950	2950
Bahraich-Export Chanti	3500	3500
Kolkata (Truck delivery)	3800	3800
Masur Dal	3100-3200	3100-3200

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 is expected at Mumbai port to offload 30775 MT peas.
- Vessel 'Bianco Zealand' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel. New Guardian has also arrived at the port to offload 10920 MT peas.

Forex rate as on 08.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.69
European Union	Euro	59.37
Japan	100 Yen	38.77
United Kingdom	GBP	87.68

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	380
Burmese FAQ new Tur Mumbai/Chennai	350-60
Burmese Shwebo Tur Mumbai/Chennai	320
Tanzania Matwara Tur Mumbai/Chennai,	NA
Tanzania Arusha Tur Mumbai/Chennai,	380
Burmese FAQ Urad Mumbai/Chennai	670-700
Burmese SQ Urad Mumbai/Chennai	800
Burmese Pedishwa Mung Chennai/Mumbai	Finished
Burmese Anneshwar Mung Mumbai	600-10
Burmese Pokako Mung Mumbai/Chennai	670-675
Chinese above 3.5 mm grade Chennai	810-815
Australian Chickpea Chennai/Mumbai	560

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