

PULSES DAILY

December 05, 2006

URAD

FUNDAMENTALS

Urad prices eased further in most of the spot markets on going harvest and bargaining pressure of the millers. Lack lustre demand for dal at higher prices at retail ends is forcing the millers to purchase at bargained prices. Currently harvesting of *Chhoti* Urad is going on in the Eastern zone of the country and traders are expecting the prices of *Chhoti* Urad to fall further. *Badi* Urad will start hitting the markets by 15th of this month. Further, fall in import prices of Burmese counterpart is also adding some bearish tone to the market. Burmese Urad (FAQ) is being quoted at \$675 per ton as compared to \$700 a ton recently. Looking at the forthcoming bumper crop of AP, stockists are also in wait and watch situation. The Urad prices are likely to hover on the lower side.

Futures Market Commentary

Urad futures at NCDEX traded mostly downside after initial weak opening. January futures of Urad at NCDEX started the session at Rs 3094 and then the prices surge to Rs 3108. The contract saw fresh lows of Rs 2950 before finally closing the session at Rs 2960 a quintal. The plunge was supported by a good volume of 33,790 MT as compare to 17,100 MT. on Saturday.

Price Drivers

Bearish

Lower quotes by Burma
Low demand of Dali at higher prices
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 futures are at fresh lows. Candlesticks are reflecting strong bearish sentiments in the market. Prices closed well below EMA's thus indicating negative sentiments; MACD is showing further increase in bearish momentum. Stochastic Oscillator is in falling in neutral region. The contract might witness weaker sentiments, some tentativeness at fresh lows is likely.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2900	2851	2960	3066	3103

Trade Recommendation:

Risk lovers can sell Jan Urad below 2992 with target towards 2930 and then 2900. Put SL at 3025.

Spot Market Prices of Urad

(Rs/qrtl)

Origin/Grade	Center	02.12.06	01.12.06	Change
Burma Faq	Mumbai	NA	NA	-
Burma Faq	Delhi	NA	3300	-
Desi (UP)	Delhi	3200	3200	-
Desi (MH)	Delhi	3650	3700	-50
Desi (new Crop)	Akola	3300-3400	3300-3350	-
Desi (New Crop)	Gulbarga	3400	3400	-
Desi (New Crop)	Latur	Close	NA	-
Desi (New Crop)	Jalna	3200	3100-3200	-
Desi (New Crop)	Indore	3600	3300-3500	+100

CHANA

FUNDAMENTALS

Confidence of traders in Chana market has gone down after recent set back in the prices. There are no takers for Chana even after recent fall in the prices. Prices remained slightly weak at most of the trading centers. There is not much stock in the domestic markets, but poor demand is capping the prices. The prices may ease further if any big consignment of imported Chickpeas hits the Indian port in such a situation. The fate of Chana will largely depend upon the quantum and cost of imports in the coming time.

Futures Market Commentary

Chana futures at NCDEX traded mostly on the negative side today as higher prices were not supported in physical markets. Chana futures at NCDEX opened gap down today at Rs. 2744. The prices then never looked back and plunged to the lows of Rs 2699. Buying support at lower levels however pushed the prices slightly up to close the session with marginal losses at rs 2722.

Price Drivers

Bullish

Depleting stocks

Bearish

Australia has exportable surplus of 2.25 lt Chickpeas

Increased acreage this year

Poor demand at retail end

Weather

Weather is congenial for the vegetative growth of the crop.

TECHNICALS

NCDEX -January Contract

Chana futures are showing some hesitation at lower levels. Candlesticks have formed a hammer like pattern which hints for the possible reversal in the prices. Prices closed below 9-day EMA showing weakness in the market. MACD has entered in the negative zone. Stochastic are heading towards the oversold zone. The prices might see volatile movements.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2695	2660	2722	2765	2795

Trade Recommendation:

Risk lovers can by NCDEX Chana Jan contract near 2700 with target of 2750. Second target 2770. Put SL at 2670.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	02.12.06	01.12.06	Change
Rajasthan Desi	Delhi	2900	2850	+50
MP Desi	Delhi	NA	2900	-
Kantewala	Indore	2780	2740-2800	-
Desi	Kanpur	2900	2900	-
Mixed	Akola	2675	2700	-25
Chapa	Akola	2700	2750	-50
Gauran	Latur	Close	NA	-
Annagiri	Latur	Close	NA	-
G-12	Latur	Close	NA	-
Gauran	Jalna	2700	2750	-50
Pila	Jalna	2800	2800	-

TUR

FUNDAMENTALS

Tur markets saw mixed sentiments today. Increasing arrivals in southern zone eased the demand pressure on the prices and thus prices remained steady. However, in Maharashtra markets Tur prices increased as harvesting there hasn't started yet. Harvesting in Tur will start by mid of this month in the state. Gulbarga witnessed arrivals of 2000 bags of Tur today. With the progress of harvest, prices will cool off in Tur. However, the downside potential will be limited looking at the lower production of Tur this year. However, prices might wings to fly on if weather conditions deteriorate further in Maharashtra.

Futures Market Commentary

Tur Futures at NCDEX fell like anything today in conjunction with other pulses. January Tur opened almost steady at Rs 1915 and then it plunged to close the session at day's low of Rs 1863 a quintal. The sharp fall was well supported by a good volume of 9780 MT.

Price Drivers

Bullish

Weather concerns

Price sensitive demand from stockist

Production is expected to dip this year

Bearish

Fresh arrivals in all major producing states

No loss seen by recent rains

Weather

Weather is congenial for Tur harvest in major producing states. It is slightly uncongenial in Maharashtra.

TECHNICALS

NCDEX -January Contract

Tur charts are displaying strong weakness in the market sentiments. Candlesticks patterns are depicting the same by bearish Imaruboju pattern formation. Prices closed below 9-day EMA showing weakness in the market. MACD is showing decreasing bullish momentum. Stochastic are negative in oversold zone which warrants some caution to bears. The prices might continue the current bearish trend.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1837	1815	1863	1912	1944

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1882 with target towards 1840 and 1820. Put SL at 1905.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	02.12.06	01.12.06	Change
Burmese Lemon	Mumbai	1700	1700	-
Burmese Lemon	Delhi	1850	1850	-
Maharashtra tur	Delhi	NA	1900	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	2000	2000	-
Fatka Dall	Gulbarga	2800	2800	-
Red Tur	Latur	Close	NA	-
White Tur	Latur	Close	NA	-
Red	Jalna	1625	1650	-
White	Jalna	1700-1750	1700-1750	-
Red Tur	Indore	1900	1950	-50
Vidharpatta	Akola	1840	1840-1850	+5
Marathwada	Akola	1850	NA	-

OTHERS

Moong

Moong markets continue to observe steady to slightly weak sentiments on account of lack luster trade in the commodity. 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	02.12.06	01.12.06
Kekdi/kishangarh (Raj)	Delhi	3200-3300	3300
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3300	3350
Desi	Indore	3300	3200
Desi	Gulbar ga	3200	3200
Chamki	Jalna	3100	3100-3200
Chamki	Latur	Close	NA
Chamki	Akola	3150-3200	3100-3200

Field Peas

Field peas prices are showing weakness 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	02.12.06	01.12.06
Mumbai (W.Canadian)	1231	1251
Kanpur	1485-1490	1490

Masoor

Masoor markets witnessed slight weakness in the prices today in conjunction with the other pulses. Recently the market got some good news in government plan to export more masoor apart from recently decided 2000MT export to Sri Lanka. The commodity is likely to get some support from the news. The prices are already getting support from good export demand especially for medium grade masoor. 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 improved in almost all major trading centres. However, the commodity is not likely to get much support from the demand side, which has inclined towards other cheaper alternatives like peas and vegetables.

Spot Market Prices of Masoor

(Rs/qttl)

Center	02.12.06	01.12.06
Delhi-MP/kota Line	1950	1950
Delhi- UP/Sikari	2600-2650	2650
Kanpur local mill delivery	1975	1980
Kanpur new- Braeilly Delivery	2040	2040
Kanpur- new Malka Dal	2150-2175	2175-2180
Indore- Masra	1885	1860
Indore- Masoor New	1875	1850
Indore- Medium New	1800-1820	1750
Bahraich-Masoor	2950	2950
Bahraich-Export Chanti	3500	3500
Kolkata (Truck delivery)	3800	3800
Masur Dal	3100-3200	3100

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 02.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.87
European Union	Euro	58.15
Japan	100 Yen	38.57
United Kingdom	GBP	85.99

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	320
Burmese FAQ new Tur Mumbai/Chennai	320
Burmese Shwebo Tur Mumbai/Chennai	320
Tanzania Matwara Tur Mumbai/Chennai,	NA
Tanzania Arusha Tur Mumbai/Chennai,	355-370
Burmese FAQ Urad Mumbai/Chennai	675
Burmese SQ Urad Mumbai/Chennai	820
Burmese Pedishwa Mung Chennai/Mumbai	680
Burmese Anneshwar Mung Mumbai	615
Burmese Pokako Mung Mumbai/Chennai	640-630
Chinese above 3.5 mm grade Chennai	750-760
Australian Chickpea Chennai/Mumbai	560

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