

PULSES DAILY

December 16, 2006

URAD

FUNDAMENTALS

Urad prices in domestic markets remained steady to slightly weak today. With the approaching harvest of AP crop, there is not much scope for the prices on the higher side and thus medium term outlook is bearish. However, some short-term bounce on festive demand can be seen. Importers are not taking any risk of importing costly Urad (+\$700) looking at the forthcoming good crop of AP. In futures market, poor stocks of Moti grade urad and rumours of high foreign matter content in NCDEX stocks of Urad are making the sentiments mixed.

Futures Market Commentary

Urad futures at NCDEX retreated today after some gains. January futures of Urad at NCDEX started the session firm at Rs 3247 and then the prices surge to highs of Rs. 3281. The contract eased to see the lows of Rs 3225 before closing the session with marginal losses of Rs. 17 at Rs 3230 a quintal. The volumes slightly decrease today whereas open interest increases.

Price Drivers

Higher quotes by Burma
MMTC to import 15000 MT pulses
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	3230	3300	3347

Trade Recommendation:

Buy Jan Urad above 3215 with target towards 3260 and then 3280. Put SL at 3185.

Spot Market Prices of Urad

(Rs/mtl)

Origin/Grade	Center	15.12.06	14.12.06	Change
Burma Faq	Mumbai	3300	NA	-
Burma Faq	Delhi	3225-3250	3250	-
Desi (UP)	Delhi	3150	3150	-
Desi (MH)	Delhi	3500	3480	+20
Desi (new Crop)	Akola	3300	3300	-
Desi (New Crop)	Gulbarga	3500	NA	-
Desi (New Crop)	Latur	3550	3600	-50
Desi (New Crop)	Jalna	3300	3300-3400	-
Desi (New Crop)	Indore	3400	3400	-

CHANA

FUNDAMENTALS

Chana markets witnessed steady to slightly weak sentiments today. Domestic stocks of the commodity are depleting and importers are also reluctant to make risky import of chickpeas, which hints supply side is tight. Fresh Chana will need at least one month time to reach the markets, until then there is some scope for the prices on the higher side, provided they get some support from the demand side. In the futures markets, the prices fell in a strange way today. The poor stocks at NCDEX are suggesting that speculative short seller might be under pressure, however, against this the prices fell today.

Futures Market Commentary

Chana futures at NCDEX traded mostly on the negative side. January futures of Chana started the session slightly firm at Rs 2755 and then it surged to the highs of Rs 2757. However, lack of buying support at higher levels resulted in the prices fall to the lows of Rs 2694. Finally culminated the session at almost no change levels at Rs 2696. The plunge was supported by a good volume of 110,530 MT as compare to 84,220 MT on Thursday.

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 charts are showing mixed sentiments in the market. Prices closed well below the EMAs forming a long day pattern, which shows weakness in the market. MACD is running flat in negative zone. Whereas, Stochastic are still positive in neutral region. Prices might see volatile movements with bullish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2665	2628	2696	2775	2790

Trade Recommendation:

Sell NCDEX Chana Jan contract near 2696 with target of 2670 and then 2655 Put SL at 2716.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	15.12.06	14.12.06	Change
Rajasthan Desi	Delhi	2850	2875	-25
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2775-2780	2800	-20
Desi	Kanpur	2900	2900	-
Mixed	Akola	2650	2650	-
Chapa	Akola	2750	2750	-
Gauran	Latur	2600	2550-2600	-
Annagiri	Latur	2700	2700	-
G-12	Latur	2600	2600-2625	-
Gauran	Jalna	2700	2700	-
Pila	Jalna	2800	2800	-

TUR

FUNDAMENTALS

Tur markets witnessed steady to slightly firm prices today. Looking at the poor crop this year, small stockists are grabbing every bag of fresh Tur reaching the market. Big Industrial houses haven't entered the market in anticipation of fall in the prices with the progress of harvest. Arrivals are picking up in Karnataka, at the same time Maharashtra and MP markets are also seeing some arrivals these days. Any fall in the prices would be temporary and attract buyers only to push the prices again.

Futures Market Commentary

Tur futures at NCDEX traded mostly downside after initial firm opening. January futures of Urad at NCDEX started the session at Rs 1950 and then the prices never looked back. The contract saw the lows of Rs 1934 before finally closing the session at almost no change levels Rs 1935. The volumes and open interest both decreases slightly 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 showing some signs of weakness, small bearish marubozu pattern of candlesticks 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	1910	1897	1935	1963	1983

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1946 with target towards 1925 and then 1910 Put SL at 1960.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	15.12.06	14.12.06	Change
Burmese Lemon	Mumbai	1685	1661	+24
Burmese Lemon	Delhi	1825	1825	-
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	1800-1850	NA	-
Fatka Dall	Gulbarga	2800	NA	-
Red Tur	Latur	1950-2000	2050	-50
White Tur	Latur	1950	2000	-50
Red	Jalna	1650	1650	-
White	Jalna	2000	1950-2000	-
Red Tur	Indore	1900	1925	-25
Vidharpatta	Akola	1950	1950	-
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	15.12.06	14.12.06
Kekdi/kishangarh (Raj)	Delhi	3350-3375	3350
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3400	3400
Desi	Gulbarga	3000-3200	NA
Chamki	Jalna	3150	3150-3200
Chamki	Latur	3000	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	15.12.06	14.12.06
Mumbai	White.Can	1271	1271
Mumbai	White American	1291	1291
Mumbai	Green Can	1321	1321
Mumbai	Green American	1350	1350
Kanpur	Desi	1510	1505-1510

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	15.12.06	14.12.06
Delhi-MP/kota Line	1925	1925
Delhi- UP/Sikari	2550	2550
Kanpur local mill delivery	1970-1980	1990
Kanpur new- Braeilly Delivery	2030-2040	2040
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1870	1875
Indore- Masoor New	1860	1850
Indore- Medium New	1775	1800
Bahraich-Masoor	2950	2950
Bahraich-Export Chanti	3450	3450
Kolkata (Truck delivery)	3800	3800
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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>
 © 2005 Indian Agribusiness Systems Pvt Ltd.