

PULSES DAILY

URAD

December 13, 2006

FUNDAMENTALS

Urad market seems preparing for the revival of demand in dal market during Pongal, which is supporting the prices at the stage. As, the prices are eventually going to ease during the harvesting in Andhra Pradesh; there is some scope on the upper side at the stage on prospective demand. Though, exports of pulses are duty free till August 31st, it is not helping importers due to higher quotes by exporters. MMTC has floated tender to import 5000 MT of Urad for February delivery, which is not likely to affect the current prices. In January Vijaynagaram Choti Urad will start leaving the fields. Harvesting of Moti Urad in Vijaywada will start in mid February. Thus the prices might find some support in festive demand until harvesting starts in AP.

Futures Market Commentary

Urad futures at NCDEX retreated today after some gains. January futures of Urad at NCDEX started the session firm at Rs 3308 and the prices surge to highs of Rs. 3319. The contract traded as low as Rs. 3246 before closing the session with marginal losses of Rs. 55 at Rs 3253 a quintal. The volumes and open interest both decreases today.

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 consolidation today. Prices still closed well above EMAs, which show firmness is intact. MACD is showing increase in bearish momentum. Stochastic are positive in neutral region. The prices might recover again.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Jan	3205	3154	3253	3347	3398

Trade Recommendation:

Buy Jan Urad above 3236 with target towards 3295 and then 3322. Put SL at 3197.

Spot Market Prices of Urad

(Rs/qlt)

Origin/Grade	Center	12.12.06	11.12.06	Change
Burma Faq	Mumbai	NA	3300	-
Burma Faq	Delhi	3250	3250	+50
Desi (UP)	Delhi	3100	3100	-
Desi (MH)	Delhi	3525	3500	+50
Desi (new Crop)	Akola	3300-3350	3300	-
Desi (New Crop)	Gulbarga	3550	3500	+100
Desi (New Crop)	Latur	3500	3500	-
Desi (New Crop)	Jalna	3200	3200	-
Desi (New Crop)	Indore	3400	NA	-

CHANA

FUNDAMENTALS

There was not much action seen in the Chana markets on Tuesday and the prices remained steady. There are rumors in the market that recent rains caused some damage to Chana crop in Warangal, however there is no confirmation of the same. Further, according to market talks, 300 containers of Australian chickpeas coming to India were diverted to Pakistan due to higher quotes. Indian importers are finding it risky to strike fresh deal of Chickpeas, as it will need about a month to result in delivery by that time AP crop harvest will start. Harvesting of 'Annagiri' variety will start in January in Karnataka to be followed by Maharashtra Chana in February. Thus, in the meantime domestic stocks mainly, will be fulfilling the demand. So, firmness in Chana markets will only be decided by the price sensitive demand in near term.

Futures Market Commentary

Chana futures at NCDEX traded range bound today, as higher prices were not supported in physical markets. Chana January futures started after initial slightly firmness today at Rs. 2751. The prices then dipped to the lows of Rs 2718. However, increased buying interest at lower level took the prices to the highs of Rs. 2766 before finally closing the session at Rs 2747 a quintal. The volumes traded declined to 44850 MT.

Price Drivers

Bullish

Depleting stocks

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 giving mixed signals. Prices closed above 9-day EMA, which shows short-term firmness in the market. MACD is flat in negative zone. Whereas, Stochastic are positive in neutral region. The doji formation of candlestick shows indecision in the market sentiments. Prices might see volatile movements with bearish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2722	2691	2747	2798	2824

Trade Recommendation:

Sell NCDEX Chana Jan contract below 2760 with target of 2722. Second target 2696. Put SL at 2781.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	12.12.06	11.12.06	Change
Rajasthan Desi	Delhi	2850-2875	2850	-25
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2740-2750	NA	-
Desi	Kanpur	2870	2870	-20
Mixed	Akola	2650	2675	+25
Chapa	Akola	2675	2725	-50
Gauran	Latur	2550	2550	-
Annagiri	Latur	2700	2700	-
G-12	Latur	2600	2625	-
Gauran	Jalna	2600	2600	-50
Pila	Jalna	2800	2800	-

TUR

FUNDAMENTALS

Tur prices remained steady at most of the spot markets today with the harvesting in major producing states slowly gearing up. 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. Arrivals in Andhra Pradesh have increased to the tune of 12000 bags and demand is equally good from the millers and stockists for Tur. As the production is expected to fall this year, most of the traders are seeing bright prospects for tur prices this year. However, if Burmese crop comes good, they will enjoy the party as import of the pulses is duty free till Aug 31st next year.

Futures Market Commentary

Tur Futures at NCDEX retreated most of the earlier gains to close the session with moderate losses. January futures of Tur started the session slightly firm at Rs 1989 and then the prices surged to Rs. 2010. However, decreased buying interest at higher level pressurized the future and traded downwards thereafter and the contract saw the lows of Rs 1951 before finally closing the session at Rs 1954. The volumes traded slightly declined to Rs 1830 MT.

Price Drivers

Bullish

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

Bearish

Fresh arrivals in all major producing states

Weather

Weather is congenial for Tur harvest in major producing states.

TECHNICALS

NCDEX -January Contract

Tur showed churning action today. Prices shed more than half of the prior session's gain but still closed above EMAs, which shows firmness is intact. MACD is showing increase in bearish momentum. Stochastic are positive in neutral region. The prices might recoup again.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1899	1881	1954	1998	2014

Trade Recommendation:

Buy NCDEX Tur Desi Jan contract near 1936 with target towards 1978 and then 1994 Put SL at 1905.

Spot Market Prices of Tur

(Rs/qrtl)

Origin/Grade	Center	12.12.06	11.12.06	Change
Burmese Lemon	Mumbai	1621	1621	-
Burmese Lemon	Delhi	1700	1740	-
Maharashtra tur	Delhi	1925	1900	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	1875	1900	-100
Fatka Dall	Gulbarga	2750	2800	
Red Tur	Latur	2050	2100	-
White Tur	Latur	2000	2000	-
Red	Jalna	1650	1700	+50
White	Jalna	1750	1800	+100
Red Tur	Indore	1900	NA	-
Vidharpatta	Akola	1910	1900	-
Marathwada	Akola	NA	NA	-

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. Some improvement in demand during the Pongal and Sankranti might support the prices. 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/qtt)	
Origin/Grade	Center	12.12.06	11.12.06
Kekdi/kishangarh (Raj)	Delhi	3250	3250
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3300	NA
Desi	Gulbar ga	3000-3200	3000-3200
Chamki	Jalna	3100	3100
Chamki	Latur	2800	2850
Chamki	Akola	3150	3100

Field Peas

Field peas prices are dancing in a range these days. Demand for field peas is good as it is proving to be a good substitute for scarce Chana. 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/qtt)	
Center	12.12.06	11.12.06	
Mumbai (W.Canadian)	1251	1271	
Kanpur	1470	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 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 12.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.82

Masoor

Masoor is trading steady to slightly form in most of the trading centres. Cabinet Committee on Pricing has still not give its nod for the export of Kabuli Chana and Masoor, the governments 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	12.12.06	11.12.06	
Delhi-MP/kota Line	1950	1950	
Delhi- UP/Sikari	2600	2650	
Kanpur local mill delivery	1980	1980	
Kanpur new- Braeilly Delivery	2040	2040	
Kanpur- new Malka Dal	2175-2200	2175	
Indore- Masra	1850-1860	NA	
Indore- Masoor New	1850	NA	
Indore- Medium New	1775	NA	
Bahraich-Masoor	2900-2950	2950	
Bahraich-Export Chanti	3500	3500	
Kolkata (Truck delivery)	3850-3875	3800	
Masur Dal	3100-3200	3100-3200	

European Union	Euro	59.39
Japan	100 Yen	38.33
United Kingdom	GBP	87.89

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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