

## PULSES DAILY

December 19, 2006

### URAD

#### FUNDAMENTALS

Urad trade remained subdued at most of the trading centres. Harvesting in Vijaynagaram belt will start in mid of next month and the crop is expected to be good this time. Similarly, next batch of harvesting in Orissa will also take place during the same period. Poor stockists activity, weaker demand and good expected production of forthcoming Andhra crop are the main factors pressuring the prices at the stage. Costly Burmese Urad has no takers. The prices might get some support from festive demand; otherwise the scenario is mostly bearish for Urad.

#### Futures Market Commentary

Urad futures at NCDEX traded upward today. January futures of Urad started the session week at Rs 3090 then dipped to the lows of Rs 3050. However, increased buying interest at lower level took the prices to the highs of Rs. 3143 before finally closing the session with moderate profits of Rs. 33 at Rs 3123 a quintal. The volumes slightly decrease today whereas open interest increases.

#### Price Drivers

Long squeeze in December contract hitting the prices  
Poor stockists activity  
Imports almost dried up  
MMTC to import 15000 MT pulses  
Demand to revive ahead of Pongal  
Healthy crop of AP lining up for harvest

#### 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 continue to project bearish sentiments in the market. Prices closed below EMAs, which shows weakness in the market. MACD is turning downward in negative territory, which indicates increase in bearish momentum. Stochastic are also negative in neutral region. The prices are likely to continue the current short-term bearish trend.



#### Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Jan	3032	2960	3123	3168	3222

#### Trade Recommendation:

Sell Jan Urad below 3156 with target towards 3083 and then 3055. Put SL at 3196.

#### Spot Market Prices of Urad

(Rs/qrtl)

Origin/Grade	Center	18.12.06	16.12.06	Change
Burma Faq	Mumbai	3250	3275	-25
Burma Faq	Delhi	3250	3250	-
Desi (UP)	Delhi	3200	3150-3175	+25
Desi (MH)	Delhi	3550	3500	+50
Desi (new Crop)	Akola	3250	3250-3300	-
Desi (New Crop)	Gulbarga	3400	3450	-50
Desi (New Crop)	Latur	3600	3550	+50
Desi (New Crop)	Jalna	3200	3250	-50
Desi (New Crop)	Indore	3300	3350	-50

## CHANA

### FUNDAMENTALS

Chana markets witnessed mostly weak sentiments today. Some arrivals of fresh G-12 Chana in Latur belt were seen today, which brought some bearish sentiments with it. Though the arrivals are very small at the stage, it is a signal for the forthcoming crop. Despite poor supply conditions the prices are not getting support from the demand side, which has become quite price elastic these days. Further, arrivals in Delhi increased to 20-25 motors as compared to 15-20 motors last week. It seems that stockists are gradually unlocking their stocks keeping in mind the size of forth coming crop. In the futures markets, the prices of expiring December contract on NCDEX are holding 2900 levels, whereas Delhi spot markets price is way below at 2800 per quintal. This depicts some scope on the lower side for the expiring month as settlement takes place at average of spot prices during last five days.

### Futures Market Commentary

Chana futures at NCDEX traded mostly on the negative side. Chana January futures started after initial weakness today at Rs. 2681. Then the prices surge to highs of Rs 2722. However, decreased buying interest at higher level pushed the prices lows of Rs. 2644 before finally closing the session at Rs 2658 a quintal. The plunge was supported by a good volume of 144,560 MT.as compared to 81,040 MT on Saturday.

### 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

### TECHNICALS

#### NCDEX -January Contract

Chana charts are portraying bearish picture of the market. Long upper shadow of candlestick and close below EMAs shows the weakness in the market sentiments. MACD is running flat in negative zone. Whereas, Stochastic are negative in neutral zone. The prices are likely to see movements with bearish inclination.



### Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2640	2625	2658	2712	2744

### Trade Recommendation:

Sell NCDEX Chana Jan contract below 2680 with target of 2630 and then 2616 Put SL at 2710.

### Spot Market Prices of Chana

Origin/Grade	Center	18.12.06	16.12.06	(Rs/qtl) Change
Rajasthan Desi	Delhi	2800	2750	+50
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2750	2720-2725	+25
Desi	Kanpur	2900	2875	+25
Mixed	Akola	2650	2600	+50
Chapa	Akola	2700	2700	-
Gauran	Latur	2500	2550-2600	-50
Annagiri	Latur	2700	2700	-
G-12	Latur	2650	2550-2600	+50
Gauran	Jalna	2650	2650	-

## TUR

### FUNDAMENTALS

Tur markets witnessed steady to slightly weak sentiments in the most of the spot markets. In Gulbarga the arrivals have crossed 20000 bags mark, this is easing the prices to some extent. However, due to poor expected production this year, demand for Tur is good from stockists as well as millers. Latur markets are also witnessing small arrivals of Red Tur. As the arrivals increase, the prices will ease a bit and then good demand will push them again on the higher side. However, as the government has extended duty free imports till August, the rise in the prices during off-season will be rational.

### 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 week at Rs 1935 and then the prices surged to Rs. 1956. However, decreased buying interest at higher level pressurized the future and traded downwards thereafter and the contract saw the lows of Rs 1921 before finally closing the session at Rs 1923. The volumes traded slightly increases as compare to Saturday.

### 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

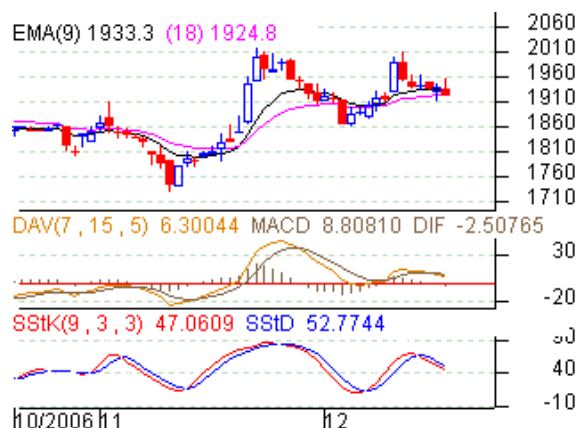
### Weather

Weather is congenial for Tur harvest in major producing states.

### TECHNICALS

#### NCDEX -January Contract

Tur futures are moving sideways these days. Long upper shadow of candlestick body shows tentativeness at higher levels. Prices closed below 9-days EMA, which shows short-term weakness. MACD is showing some decrease in bullish momentum. Stochastic are also negative in the neutral region. The prices might show volatility with bearish bias.



### Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1910	1897	1923	1953	1983

### Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1939 with target towards 1910 and then 1900 Put SL at 1959.

### Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	18.12.06	16.12.06	Change
Burmese Lemon	Mumbai	1670	1675	-5
Burmese Lemon	Delhi	1800	1800	-
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	1800-1850	1825-1850	-
Fatka Dall	Gulbarga	2750	2775	-25
Red Tur	Latur	2050	2070	-20
White Tur	Latur	2000	2000	-
Red	Jalna	1650-1675	1625	+25
White	Jalna	1950	2010	-60
Red Tur	Indore	1900	1900	-
Vidharpatta	Akola	1980	1950	+30
Marathwada	Akola	NA	NA	-

## OTHERS

### Moong

Moong saw steady 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 Anneswar 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	18.12.06	16.12.06
Kekdi/kishangarh (Raj)	Delhi	3200-3300	3200-3300
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3400	3400
Desi	Gulbar ga	3200	3200
Chamki	Jalna	3100	3100
Chamki	Latur	3100	3100
Chamki	Akola	3200-3250	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 and other pulses. 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	18.12.06	16.12.06
Mumbai	White.Can	1271	1271
Mumbai	White American	1291	1291
Mumbai	Green Can	1321	1321
Mumbai	Green American	1350	1350
Kanpur	Desi	1490	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 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.

### Masoor

Masoor markets are witnessing steady prices thses days. The market is keenly eying the decision of CCP on export of Masoor. It is election time in Bangladesh and after that some enquiries are expected from the country for Masoor. If CCP allows export of the masoor prices might find wings to fly on. Until then the prices are likely to remain steady to slightly weak. 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.

#### Spot Market Prices of Masoor

(Rs/qtt)

Center	18.12.06	16.12.06
Delhi-MP/kota Line	1925	1925
Delhi- UP/Sikari	2550	2550
Kanpur local mill delivery	1980	1980-2000
Kanpur new- Braeilly Delivery	2040	2050
Kanpur- new Malka Dal	2175-2180	2175
Indore- Masra	1850	1860
Indore- Masoor New	1840	1850
Indore- Medium New	1800	1775
Bahraich-Masoor	2900	2900
Bahraich-Export Chanti	3450	3450
Kolkata (Truck delivery)	3800	3800
Masur Dal	3100-3200	3100-3200

**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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