

PULSES DAILY

URAD

FUNDAMENTALS

Urad prices in domestic markets remained on the lower side as the market is still waiting for demand to revive. The stockists are not active this year in Urad market due to higher prices. Further, government decision to extend duty free imports of pulses to 31st August is again making stocking a risky proposition. Any firmness in the prices will be encashed by Burmese exporters once their crop reaches in market in February. However, some short-term bounce on festive demand cannot be ruled out as imports have dried up these days. In futures market, traders with long positions in December contract seem under pressure on rumours of high foreign matter content in NCDEX stocks of Urad, result being fall in the prices on long liquidation.

Futures Market Commentary

Urad futures at NCDEX traded mostly upward today. January futures of Urad started the session week at Rs 3218 then the prices never go up. However, lack of buying support at this level resulted in the prices fall to the lows of Rs. 3104 before finally closing the session with losses of Rs. 109 at Rs 3109 a quintal. The plunge was supported by a good volume of 32,520 MT as compare to 18,540 MT on Friday.

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.

December 18, 2006

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	3032	2960	3109	3151	3201

Trade Recommendation:

Sell Jan Urad below 3140 with target towards 3075 and then 3055. Put SL at 3172.

Spot Market Prices of Urad

(Rs/qrtl)

Origin/Grade	Center	16.12.06	15.12.06	Change
Burma Faq	Mumbai	3275	3300	-25
Burma Faq	Delhi	3250	3225-3250	-
Desi (UP)	Delhi	3150-3175	3150	-
Desi (MH)	Delhi	3500	3500	-
Desi (new Crop)	Akola	3250-3300	3300	-
Desi (New Crop)	Gulbarga	3450	3500	-50
Desi (New Crop)	Latur	3550	3550	-
Desi (New Crop)	Jalna	3250	3300	-50
Desi (New Crop)	Indore	3350	3400	-50

CHANA

FUNDAMENTALS

Chana markets witnessed steady to slightly weak sentiments today. Despite poor supply conditions the prices are not getting support from the demand side, which has become quite price elastic these days. Further, stockists are gradually unlocking their stuff keeping in mind the size of forth coming crop. Though fresh Chana will need at least one-month time to reach the markets, looking at the price sensitive demand, stockists seem under pressure. In the futures markets, the prices of December contract again fell sharply. Looking at the current subdued physical markets, those who are long seems under pressure to avoid delivery, as a result prices are falling.

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 weakness today at Rs. 2694. The prices then dipped to the lows of Rs 2679. However, increased buying interest at lower level took the prices to the highs of Rs. 2709 before finally closing the session at Rs 2689 a quintal. The volumes traded declined to 81.040 MT.

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 weakness in the market. Prices closed well below the EMAs. Candlesticks have formed a doji pattern, which shows indecision in the market sentiments. MACD is running flat in negative zone. Whereas, Stochastic have given bearish signal in neutral region. Prices might see volatile movements with bearish bias.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2640	2625	2689	2726	2761

Trade Recommendation:

Sell NCDEX Chana Jan contract below 2720 with target of 2660 and then 2645 Put SL at 2750.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	16.12.06	15.12.06	Change
Rajasthan Desi	Delhi	2750	2850	-100
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2720-2725	2775-2780	-50
Desi	Kanpur	2875	2900	-25
Mixed	Akola	2600	2650	-50
Chapa	Akola	2700	2750	-50
Gauran	Latur	2550-2600	2600	-
Annagiri	Latur	2700	2700	-
G-12	Latur	2550-2600	2600	-
Gauran	Jalna	2650	2700	-50
Pila	Jalna	2700	2800	-100

TUR

FUNDAMENTALS

Tur is the most attractive among the pulses for millers and stockists these days, the reason being healthy demand for Tur dal and good prospects for the prices in future. Demand for Tur dal is good as compared to other costly alternatives. Further, looking at the poor crop this year, small stockists are grabbing every bag of fresh Tur reaching the market. MNCs are however still away from 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 small arrivals these days. Some easing in the prices is obvious in harvesting season, but it would be for short term and attract buyers only to push the prices higher again.

Futures Market Commentary

Tur futures at NCDEX retreated today after some initial loses. January futures of Tur started the session week at Rs 1930 and then the price dipped to lows of Rs 1910. The buying interest at the lower level pushed the prices highs of Rs. 1945 before finally closing the session at Rs 1941. The volumes slightly increase today whereas open interest decreases.

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 futures are showing tentativeness at lower levels as depicted by long lower shadow of candlestick. Prices closed above EMAs, which shows firmness is intact. MACD is showing some decrease in bullish momentum. 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	1941	1963	1983

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1953 with target towards 1922 and then 1910 Put SL at 1970.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	16.12.06	15.12.06	Change
Burmese Lemon	Mumbai	1675	1685	-10
Burmese Lemon	Delhi	1800	1825	-25
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	1825-1850	1800-1850	-
Fatka Dall	Gulbarga	2775	2800	-25
Red Tur	Latur	2070	1950-2000	+70
White Tur	Latur	2000	1950	+50
Red	Jalna	1625	1650	-25
White	Jalna	2010	2000	+10
Red Tur	Indore	1900	1900	-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/ctl)

Origin/Grade	Center	16.12.06	15.12.06
Kekdi/kishangarh (Raj)	Delhi	3200-3300	3350-3375
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3400	3400
Desi	Gulbar ga	3200	3000-3200
Chamki	Jalna	3100	3150
Chamki	Latur	3100	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/ctl)

Center	Variety	16.12.06	15.12.06
Mumbai	White.Can	1271	1271
Mumbai	White American	1291	1291
Mumbai	Green Can	1321	1321
Mumbai	Green American	1350	1350
Kanpur	Desi	1510	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

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/ctl)

Center	16.12.06	15.12.06
Delhi-MP/kota Line	1925	1925
Delhi- UP/Sikari	2550	2550
Kanpur local mill delivery	1980-2000	1970-1980
Kanpur new- Braeilly Delivery	2050	2030-2040
Kanpur- new Malka Dal	2175	2200
Indore- Masra	1860	1870
Indore- Masoor New	1850	1860
Indore- Medium New	1775	1775
Bahraich-Masoor	2900	2950
Bahraich-Export Chanti	3450	3450
Kolkata (Truck delivery)	3800	3800
Masur Dal	3100-3200	31003200

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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