

## PULSES DAILY

### URAD

#### FUNDAMENTALS

Heated Urad prices are cooling off slowly with the approach of harvesting season in Orissa. Production in Orissa and AP is expected to go up this season provided weather remains favourable. Production in Eastern zone, comprising of Assam, Bengal, Bihar and Orissa is expected to cross 1 lakh ton, whereas AP crop is expected to be well above 2 lakh tonnes. Harvesting in TN is in progress, where production is expected at 6000 MT. Milling activities is also not very aggressive at the stage due to high stockpiles of dal with them on account of weak demand at high prices. Thus the prices are likely to go down slowly with the approach of harvesting season.

#### Futures Market Commentary

Urad futures at NCDEX retreated today after initial losses and recovered all early days losses. Most active January futures of Urad at NCDEX started the session weak at Rs 3015 and then the price dipped to lows of Rs. 2976. Speculative buying at lower levels took the prices to the highs of Rs 3028 before finally closing the session at Rs 3017. Volumes traded declined to 16,120 MT as compare to 28,890 MT on Friday.

#### Price Drivers

Poor stockists activity  
Imports almost dried up  
Demand to revive ahead of Pongal  
Healthy crop of AP and Orissa lining up for harvest

#### Weather

Weather is suitable for maturing Urad in Orissa and AP.

December 26, 2006

#### TECHNICALS

##### NCDEX -January Contract

Urad charts are displaying continued downtrend of prices. Candlesticks are indecision in the market sentiments at lower levels. EMA pattern, momentum studies and stochastics are all in favor of bears. However, oversold levels of stochastics warrant some caution on part of bears. The prices might continue to decline.



#### Support / Resistances:

| Contract | S1   | S2   | PCP  | R1   | R2   |
|----------|------|------|------|------|------|
| Jan      | 2959 | 2919 | 3017 | 3052 | 3105 |

#### Trade Recommendation:

Sell Jan Urad below 3047 with target towards 2990 and then 2965. Put SL at 3087.

#### Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade    | Center   | 23.12.06 | 22.12.06  | Change |
|-----------------|----------|----------|-----------|--------|
| Burma Faq       | Mumbai   | 3180     | 3200      | -20    |
| Burma Faq       | Delhi    | 3200     | 3200      | -      |
| Desi (UP)       | Delhi    | 3100     | 3100      | -      |
| Desi (MH)       | Delhi    | 3600     | 3550-3600 | -      |
| Desi (new Crop) | Akola    | 3200     | 3250-3300 | -50    |
| Desi (New Crop) | Gulbarga | 3300     | 3300-3350 | -      |
| Desi (New Crop) | Latur    | 3500     | 3500      | -      |
| Desi (New Crop) | Jalna    | 3200     | 3200-3250 | -      |
| Desi (New Crop) | Indore   | 3350     | 3400      | -50    |

## CHANA

### FUNDAMENTALS

Chana prices are not finding support any support at the stage and are slowly coming down towards more justified levels. Stockists are offloading their stocks to lock in current prices as they are seeing bearish future for Chana. Fresh arrivals of G12 Chana have started in MH and Karnataka. Annagiri is also expected to start leaving the fields by first week. As the acreage this year is higher, production is also expected to be good in normal climatic conditions. In such a scenario, prices which sky rocketed on last year's poor production should now come down to its normal levels. As the arrivals of Desi Chana will start by the start of February, prices are likely to go down with the progress of time.

### Futures Market Commentary

Chana futures at NCDEX traded mostly downside after initial firm opening. January futures of Chana started the session at Rs 2630 and then the prices never looked back. However, lack of buying support at these levels resulted in the prices fall to the lows of Rs 2579. Finally culminated the session at Rs 2592. The plunge was supported by a good volume of 77,760 MT as compare to 48,850 MT on Friday.

### Price Drivers

#### Bullish

Depleting stocks  
No fresh imports  
Higher quotes by exporters

#### Bearish

Stockists offloading their stocks  
Fresh arrivals in Karnataka and MH

### Weather

Weather is congenial for the vegetative growth of the crop.

### TECHNICALS

#### NCDEX -January Contract

Chana is moving sideways in the range of 2310-2385. The EMA pattern is in favor of bears. However, stochastics are positive in neutral zone, MACD is also showing some decrease in bullish momentum. The prices might remain volatile with bearish inclination.



### Support / Resistances:

| Contr act | S1   | S2   | PCP  | R1   | R2   |
|-----------|------|------|------|------|------|
| Feb       | 2306 | 2280 | 2334 | 2385 | 2414 |

### Trade Recommendation:

Sell NCDEX Chana Feb contract below 2350 with target of 2315 and then 2300 Put SL at 2371.

### Spot Market Prices of Chana

| Origin/Grade   | Center | 23.12.06  | 22.12.06  | (Rs/ctl) |
|----------------|--------|-----------|-----------|----------|
| Rajasthan Desi | Delhi  | 2700      | 2700-2725 | -        |
| MP Desi        | Delhi  | NA        | NA        | -        |
| Kantewala      | Indore | 2600      | 2625-2630 | -25      |
| Desi           | Kanpur | 2675-2700 | 2750      | -50      |
| Mixed          | Akola  | 2600      | 2600      | -        |
| Chapa          | Akola  | 2625      | 2625      | -        |
| Gauran         | Latur  | 2500      | 2500      | -        |
| Annagiri       | Latur  | 2600      | 2600      | -50      |
| G-12           | Latur  | 2700      | 2700      | -        |
| Gauran         | Jalna  | 2550-2600 | 2550-2600 | -        |
| Pila           | Jalna  | 2700      | 2700      | -        |

## TUR

### FUNDAMENTALS

Tur harvesting is in full swing in Karnataka, whereas some of MP and MH mandis are also seeing some good arrivals of Red Tur. The increasing arrivals are pressuring the prices at the stage. However, the prices are not likely to go down much as the stockists might come into play at lower prices. Poor production expected this year is likely to keep the prices buoyant even in the harvesting season. Once the arrivals gather momentum in MH and MP, the prices are expected to come down a bit more.

### Futures Market Commentary

Tur futures at NCDEX traded rangebound today and recovered the early days losses, as higher prices were not supported in physical markets. Tur January futures started after initial slightly weakness today at Rs. 1875 a quintal and traded in range of Rs. 1822-1838 before finally culminated the session at almost no change levels at Rs 1883 a quintal. February futures of Tur started the session week at Rs 1875 and traded in the range of Rs. 1868 - 1883 per quintal finally future settled at Rs 1883.

### Price Drivers

#### Bullish

Good demand from millers

Production is expected to dip this year

Import prices are above the parity levels

#### Bearish

Arrivals increasing in Karnataka

Fresh Arrivals in MP and MH

### Weather

Weather is congenial for Tur harvest in major producing states; slightly cloudy weather in southern part of the country is not likely to affect much the Tur crop there.

### TECHNICALS

#### NCDEX -January Contract

Tur is showing reluctance at lower levels. Candlesticks are forming an inverted hammer pattern and might show tentativeness at higher levels. The prices closed far below 9 days and 18 days EMA's. Momentum indicators are indicating bearishness. Oscillators are falling in oversold region.



#### Support / Resistances:

| Contract | S1   | S2   | PCP  | R1   | R2   |
|----------|------|------|------|------|------|
| Feb      | 1859 | 1842 | 1883 | 1906 | 1921 |

#### Trade Recommendation:

Buy NCDEX Tur Desi Feb contract above 1874 with target towards 1894 and then 1905. Put SL at 1859.

### Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade    | Center   | 23.12.06  | 22.12.06  | Change |
|-----------------|----------|-----------|-----------|--------|
| Burmese Lemon   | Mumbai   | 1650      | 1650      | -      |
| Burmese Lemon   | Delhi    | 1750      | 1750      | -      |
| Maharashtra tur | Delhi    | 1900      | 1900      | -      |
| Karnataka tur   | Delhi    | 2000      | 2000      | -      |
| Red tur(New)    | Gulbarga | 1850      | 1800      | +50    |
| Fatka Dall      | Gulbarga | 2800      | 2750      | +50    |
| Red Tur         | Latur    | 1950      | 1950      | -      |
| White Tur       | Latur    | 1850-1900 | 1850-1900 | -      |
| Red             | Jalna    | 1650      | 1650      | -      |
| White           | Jalna    | 1850-1900 | 1850-1900 | -      |
| Red Tur         | Indore   | 1950      | 1950      | -      |
| Vidharpatta     | Akola    | 1930-1950 | 1930      | -      |
| Marathwada      | Akola    | NA        | NA        | -      |

## OTHERS

### Moong

Moong saw steady prices at different markets. The commodity is in short supply these days due to off-season and lower production. Orissa crop is the only major crop in the coming time, which in conjunction with small crop of UP will 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    | 23.12.06 | 22.12.06 |
|------------------------|-----------|----------|----------|
| Kekdi/kishangarh (Raj) | Delhi     | 3250     | 3250     |
| Shekhavati (Raj)       | Delhi     | NA       | NA       |
| Medta (Raj)            | Delhi     | 3350     | 3350     |
| Desi                   | Indore    | 3350     | 3375     |
| Desi                   | Gulbar ga | 3200     | 3200     |
| Chamki                 | Jalna     | 3100     | 3150     |
| Chamki                 | Latur     | 3100     | 3100     |
| Chamki                 | Akola     | 3200     | 3200     |

### Field Peas

Field peas prices are getting some support from the good demand at the stage, however they are expected to come down in the coming time with the progress of harvest in Chana. Demand for field peas is good as it is proving to be a good substitute for scarce Chana and other pulses at the moment. Despite high prices of imported peas, 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        | 23.12.06 | 22.12.06 |
|--------|----------------|----------|----------|
| Mumbai | White.Can      | 1261     | 1261     |
| Mumbai | White American | 1311     | 1311     |
| Mumbai | Green Can      | 1375     | 1375     |
| Mumbai | Green American | 1451     | 1451     |
| Kanpur | Desi           | 1490     | 1490     |

### Port Watch

### Masoor

Masoor markets are witnessing steady prices these days. The market is keenly eyeing 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                        | 23.12.06  | 22.12.06  |
|-------------------------------|-----------|-----------|
| Delhi-MP/kota Line            | 1900      | 1925-1950 |
| Delhi- UP/Sikari              | 2500      | 2500      |
| Kanpur local mill delivery    | 1950      | 1950      |
| Kanpur new- Braeilly Delivery | 2000      | 2020      |
| Kanpur- new Malka Dal         | 2125-2150 | 2150      |
| Indore- Masra                 | 1825      | 1840-1850 |
| Indore- Masoor New            | 1800      | 1800      |
| Indore- Medium New            | 1725      | 1725      |
| Bahraich-Masoor               | 2875      | 2875      |
| Bahraich-Export Chanti        | 3450      | 3450      |
| Kolkata (Truck delivery)      | 3750-3775 | 3750-3800 |
| Masur Dal                     | 3100-3150 | 3100-3200 |

- 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 Freight Agent will be handling the vessel.

#### Forex rate as on 23.12.06

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA                | Dollar   | 44.59           |
| European Union     | Euro     | 58.83           |
| Japan              | 100 Yen  | 37.69           |
| United Kingdom     | GBP      | 87.54           |

#### 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,                        | 380-385  |
| 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                         | 650      |
| Chinese above 3.5 mm grade Chennai                         | 790-795  |
| Tanzanian Chickpea Chennai/Mumbai/                         | 625      |

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