

PULSES DAILY

URAD

December 23, 2006

FUNDAMENTALS

Urad is witnessing easing prices ahead of harvesting season. The prices soared on poor production last season, however, as the production in Eastern zone and Andhra is expected to be bumper this season, prices are preparing to come to the more justified levels. 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. If weather remains favourable a good Urad production would drag the prices to ground levels. Further, due to duty free status of imports of pulses, stockists are not likely to buy at higher prices when the fresh crop will reach the market. Urad is likely to trade southwards at the moment.

Futures Market Commentary

Urad futures at NCDEX traded mostly downside after initial steady opening. January futures of Urad started the session at Rs 3100 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 3012. Finally culminated the session at Rs 3030. The plunge was supported by a good volume of 26,890 MT as compare to 14,420 MT on Thursday.

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.

TECHNICALS

NCDEX -January Contract

Urad charts are displaying a downtrend of prices. Candlesticks are indicating bearish sentiments prevailing in the market. The prices closed below 9 days and 18 days EMA's and MACD is declining in negative zone thus indicating weakness in prices. Stochastic is falling in oversold region. The prices might continue to decline.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2959	2994	3030	3082	3135

Trade Recommendation:

Sell Jan Urad below 3050 with target towards 3000 and then 2980. Put SL at 3085.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	22.12.06	21.12.06	Change
Burma Faq	Mumbai	3200	3210	-10
Burma Faq	Delhi	3200	3250	-50
Desi (UP)	Delhi	3100	3100	-
Desi (MH)	Delhi	3550-3600	3550	
Desi (new Crop)	Akola	3250-3300	3250	-
Desi (New Crop)	Gulbarga	3300-3350	3400	-50
Desi (New Crop)	Latur	3500	3550	-50
Desi (New Crop)	Jalna	3200-3250	3200	-
Desi (New Crop)	Indore	3400	3400	-

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. Arrivals of G12 Chana have started in Latur (200 Bags) and Gulbarga (200). 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 retreated today after some initial losses. January futures of Chana at NCDEX started the session firm at Rs 2640 and then the price dipped to lows of Rs. 2617. The contract eased to see the highs of Rs 2641 before closing the session with marginal losses of Rs. 12 at Rs 2628 a quintal.

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 -February Contract

Chana chart is showing a downtrend of prices. Candlesticks are indicating bearishness in prices. The prices closed below short term EMA's and MACD is rising in negative zone. Stochastic Oscillator is rising in neutral region and RSI is falling in neutral zone. The prices might remain volatile with bearish inclination.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	2313	2300	2355	2381	2409

Trade Recommendation:

Sell NCDEX Chana Feb contract below 2370 with target of 2335 and then 2316 Put SL at 2391.

Spot Market Prices of Chana

(Rs/qrtl)

Origin/Grade	Center	22.12.06	21.12.06	Change
Rajasthan Desi	Delhi	2700-2725	2700-2750	-
MP Desi	Delhi	NA	NA	-
Kantewala	Indore	2625-2630	2650	-20
Desi	Kanpur	2750	2775	-25
Mixed	Akola	2600	2600	-
Chapa	Akola	2625	2625	-
Gauran	Latur	2500	2500	-
Annagiri	Latur	2600	2650	-50
G-12	Latur	2700	2650-2675	+25
Gauran	Jalna	2550-2600	2500	+50
Pila	Jalna	2700	2650	+50

TUR

FUNDAMENTALS

Tur continue to witness slightly weak sentiment in the most of the spot markets as harvesting is gathering momentum. MP Tur has started reaching the market yards. About 8000 bags of Tur arrived in market today. Further, Gulbarga is witnessing arrivals to the tune of 25000 bags. As the production of Tur is expected to fall this year, demand for the commodity is good. However, stockists are expecting prices to come down further in peak harvesting season on arrival pressure.

Futures Market Commentary

Tur futures at NCDEX traded mostly on the negative side continuing its recent bearish trend. January futures of Tur started the session week at Rs 1840 and traded volatile in the range of Rs. 1832 - 1850 per quintal before finally closing the session with a marginal loss of Rs 5 at Rs 1835. February futures of Tur started the session week at Rs 1883 and traded in the range of Rs. 1875 - 1897 per quintal finally future settled at Rs 1876.

Price Drivers

Bullish

Good demand from stockist

Production is expected to dip this year

Import prices are above the parity levels

Bearish

Arrivals increasing in Karnataka

Fresh Arrivals in MP

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 -February Contract

Tur chart is displaying a short-term downtrend of prices. 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:

Contr act	S1	S2	PCP	R1	R2
Jan	1862	1842	1876	1900	1921

Trade Recommendation:

Sell NCDEX Tur Desi Feb contract below 1887 with target towards 1865 and then 1852 Put SL at 1897

Spot Market Prices of Tur

(Rs/qrtl)

Origin/Grade	Center	22.12.06	21.12.06	Change
Burmese Lemon	Mumbai	1650	1625	+25
Burmese Lemon	Delhi	1750	1750	-
Maharashtra tur	Delhi	1900	1950	-50
Karnataka tur	Delhi	2000	NA	-
Red tur(New)	Gulbarga	1800	1825	-25
Fatka Dall	Gulbarga	2750	2750	-
Red Tur	Latur	1950	2000	-50
White Tur	Latur	1850-1900	1950	-50
Red	Jalna	1650	1600	+50
White	Jalna	1850-1900	1850-1900	-
Red Tur	Indore	1950	1950	-
Vidharpatta	Akola	1930	1950	-
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 be fulfilling the market demand to some extent. As the stocks are not good in the commodity due to 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	22.12.06	21.12.06
Kekdi/kishangarh (Raj)	Delhi	3250	3200
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3300
Desi	Indore	3375	3425
Desi	Gulbar ga	3200	3200
Chamki	Jalna	3150	3200
Chamki	Latur	3100	3100
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 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	22.12.06	21.12.06
Mumbai	White.Can	1261	1261-1271
Mumbai	White American	1311	1301
Mumbai	Green Can	1375	1350-1375
Mumbai	Green American	1451	1375-1400
Kanpur	Desi	1490	1490

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

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	22.12.06	21.12.06
Delhi-MP/kota Line	1925-1950	1925-1950
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	1950	1940
Kanpur new- Braeilly Delivery	2020	2000
Kanpur- new Malka Dal	2150	2150
Indore- Masra	1840-1850	1840
Indore- Masoor New	1800	1810
Indore- Medium New	1725	1735
Bahraich-Masoor	2875	2875
Bahraich-Export Chanti	3450	3425
Kolkata (Truck delivery)	3750-3800	3775-3800
Masur Dal	3100-3200	3100-3200

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 22.12.06

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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