

PULSES DAILY

December 01, 2006

URAD

FUNDAMENTALS

Urad markets continue to witness weaker sentiments in the harvesting season. Apart from poor demand for costly dal in winter season, Urad market got another bearish reason in lower quotes by Burma for its Urad. As demand of Urad in India is not encouraging at higher prices, exporters lowered their quotes to rekindle the demand. Burmese FAQ grade Urad is coming India at about \$700 per ton against quotes of \$755-765 per ton one week earlier. Similarly, SQ grade Burmese Urad prices have come down to \$820 per ton from \$850 a week earlier. This might cause some more cooling off in the domestic market prices for Desi Urad especially looking at the forthcoming healthy crop of Andhra Pradesh. This Andhra crop is likely to hit the market by mid December.

Futures Market Commentary

Urad futures at NCDEX traded mostly downside after initial weak opening. January futures of Urad at NCDEX started the session at Rs 3345 and then the prices never looked back. The contract saw the lows of Rs 3145 before finally closing the session at Rs 3163.

Price Drivers

Bearish

Lower quotes by Burma
Low demand of Dall at higher prices
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 charts are displaying the strong bearish mood of the market. Long bearish candle is reflecting the same. Prices closed well below 9-day and 18-day EMA, indicating negative sentiments. MACD is again showing increase in bearish momentum. Stochastic is also negative in neutral region. The contract might witness weaker sentiments.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	3095	3043	3163	3240	3280

Trade Recommendation:

Sell Jan Urad below 3200 with target towards 3120 and then 3095. Put SL at 3241.

Spot Market Prices of Urad

(Rs/qttl)

Origin/Grade	Center	30.11.06	29.11.06	Change
Burma Faq	Mumbai	3375	3375	-
Burma Faq	Delhi	3300	3250	-50
Desi (UP)	Delhi	3200	3150	+50
Desi (MH)	Delhi	3750	3700	+50
Desi (new Crop)	Akola	3400-3500	NA	-
Desi (New Crop)	Gulbarga	3400	3400	-
Desi (New Crop)	Latur	NA	3600	-

CHANA

FUNDAMENTALS

Trade in Chana continues to remain subdued in most of the trading centres thanks to poor stocks of the commodity. Prices however eased in some centers on the rumors of cheaper imports. According to the market rumors, a shipment of 300 containers of Australian chickpeas to Pakistan was cancelled partially, as Pakistan accepted only 150 containers. Indian importers grabbed the remainder 150 containers at \$535 per ton. These quotes are far cheaper than the recent \$560 per ton. The rumor added bearish sentiments in the market. Even, if it's a plain market talk, Australia has to lower its quotes, sooner or later, to sell its huge pile of chickpeas. And if it does so, domestic prices are bound to ease, provided importers dare to import.

Futures Market Commentary

Chana futures at NCDEX traded mostly on the negative side today on the rumors of lower quotes by Australia. January Chana at NCDEX started the session weak at Rs. 2791, and then the prices dipped to the lows of Rs. 2739 per quintal. Speculative buying at lower levels took the prices to the highs of Rs 2813 which couldn't continue and finally close at Rs 2760 a quintal.

Price Drivers

Bullish

Depleting stocks

Bearish

Rumors of Australian quotes dipping to \$535 a ton
Increased acreage this year

Weather

Weather is congenial for the crop.

TECHNICALS

NCDEX -January Contract

Charts are showing that Chana futures are in bearish track. Candlesticks patterns are depicting the same by bearish long day pattern formation. Prices closed below 9-day EMA showing weakness in the market. MACD is showing decreasing bullish momentum. Stochastic are negative in neutral region. The prices might continue the bearish mood.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Jan	2720	2697	2760	2788	2823

Trade Recommendation:

Sell NCDEX Chana Jan contract below 2780 with target of 2735. Second target 2720. Put SL at 2810.

Spot Market Prices of Chana

(Rs/qrtl)

Origin/Grade	Center	30.11.06	29.11.06	Change
Rajasthan Desi	Delhi	NA	2880-2890	-
MP Desi	Delhi	NA	2975	-
Kantewala	Indore	2820	2800	+20
Desi	Kanpur	2925	2950	-25
Mixed	Akola	2600-2700	NA	-
Chapa	Akola	2750	NA	-
Gauran	Latur	NA	2550	-
Annagiri	Latur	NA	2750	--50
G-12	Latur	NA	2650	-50
Gauran	Jalna	NA	2700	-
Pila	Jalna	NA	2800	-

TUR

FUNDAMENTALS

Tur markets saw steady sentiments in major trading centres today. Harvesting has started in major producing states, however the same will gather momentum by mid December. Weather is not congenial in some parts of Maharashtra. Late variety of Tur in some patches viz Parbhani is in flowering stage and if this spell of bad weather extends, crop in the region will be badly affected. Andhra crop is already short and quality of the same in some areas like Gulbarga is reported to be pretty average. With the progress of harvest, sentiments in Tur will ease on arrival pressure. However, the prices are likely to hold above previous year's lows during harvesting season, as the production this year is on the lower side. Thus off-season prospects are good in Tur.

Futures Market Commentary

Tur Futures at NCDEX traded upward initially following a firm opening at Rs 1930. However increased selling interest at higher level pressurized the future and traded downwards thereafter. Finally the future settles at negative territory with some losses. January contract of Tur traded in range of Rs. 1904-1948.

Price Drivers

Bullish

Weather is not congenial for late varieties
Production is expected to dip this year

Bearish

Fresh arrivals in all major producing states
No loss seen by recent rains

Weather

Weather is congenial for Tur harvest in major producing states. Some patches of Maharashtra is witnessing slightly unhealthy weather for late varieties of tur.

TECHNICALS

NCDEX -January Contract

Tur charts are displaying weakness in the market sentiments. Candlesticks patterns are depicting the same by bearish long day pattern formation. Prices closed below 9-day EMA showing weakness in the market. MACD is showing decreasing bullish momentum. Stochastic are negative in neutral region. The prices might continue the current bearish trend.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1870	1864	1910	1936	1946

Trade Recommendation:

Sell NCDEX Tur Desi Jan contract below 1925 with target towards 1890 and 1880. Put SL at 1945.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	30.11.06	29.11.06	Change
Burmese Lemon	Mumbai	1700	1661	+39
Burmese Lemon	Delhi	1850	1800	+50
Maharashtra tur	Delhi	1900	1875	+25
Karnataka tur	Delhi	NA	1900	-
Red tur(New)	Gulbarga	2000	2000	-
Fatka Dall	Gulbarga	2800	2800	-
Red Tur	Latur	NA	1950	-
White Tur	Latur	NA	1850	-50
Red	Jalna	NA	1650	-
White	Jalna	NA	1600	-
Red Tur	Indore	1900	1900-1950	-
Vidharpatta	Akola	1835	NA	-
Marathwada	Akola	NA	NA	-

OTHERS

Moong

Moong markets continue to observe steady sentiments on account of lack luster trade in the commodity. As the harvesting is over in major growing regions arrivals in the terminal markets are falling day by day. 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/qttl)

Origin/Grade	Center	30.11.06	29.11.06
Kekdi/kishangarh (Raj)	Delhi	3300	3250
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3400-3500	3300-3400
Desi	Indore	3300	3100-3300
Desi	Gulbar ga	3200	3200
Chamki	Jalna	NA	3100-3150
Chamki	Latur	NA	3000
Chamki	Akola	3100-3200	3200-3250

Field Peas

Field peas prices are dancing in a range these days. 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/qttl)

Center	30.11.06	29.11.06
Mumbai (W.Canadian)	1261	1261
Kanpur	1500	1490-1500

Masoor

Masoor markets recently got some good news in government plan to export more masoor apart from recently decided 2000MT export to Sri Lanka. The commodity is likely to get some support from the news. The prices are already getting support from good export demand especially for medium grade masoor. As the Australian lentil production dipped sharply this year, prices in the international markets are quite high. According to reports 2006 Australian production (mostly red lentils) is expected to drop sharply, from 210,000 tonnes in 2005 to only 66,000 tonnes this year. Accordingly, exports are seen falling from 200,000 tonnes in 2005-06 to only 55,000 tonnes this year. The prices improved in almost all major trading centres. However, the commodity is not likely to get much support from the demand side, which has inclined towards other cheaper alternatives like peas.

Spot Market Prices of Masoor

(Rs/qttl)

Center	30.11.06	29.11.06
Delhi-MP/kota Line		1975
Delhi- UP/Sikari		2700-2720
Kanpur local mill delivery	2000	2000
Kanpur new- Braeilly Delivery	2050	2040
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1850	1880
Indore- Masoor New	1840	1870
Indore- Medium New	1810	1850
Bahraich-Masoor	3000	3000
Bahraich-Export Chanti	3500	3500
Kolkata (Truck delivery)	3825-3850	3800
Masur Dal	3100-3200	3100

Port Watch

- Navios Astra has arrived at Mumbai port to discharge 51800MT peas. Lake Maja is expected at Mumbai port. The Vessel is carrying 22415MT of peas. Vessel IVS Kwela is expected at Mumbai port to offload 30775 MT peas.
- Vessel 'MV Great Summit' has arrived at Tuticorin port to discharge 32,369 MT of peas. Vilsons shipping is handling this vessel. Another vessel 'Bianco Zealand' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel. New Guardian is expected at the port to offload 10920 MT peas.

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	325-330
Burmese FAQ new Tur Mumbai/Chennai	320
Burmese Shwebo Tur Mumbai/Chennai	315-310
Tanzania Matwara Tur Mumbai/Chennai,	NA
Tanzania Arusha Tur Mumbai/Chennai,	340
Burmese FAQ Urad Mumbai/Chennai	755-765
Burmese SQ Urad Mumbai/Chennai	850-860
Burmese Pedishwa Mung Chennai/Mumbai	Finished
Burmese Anneshwar Mung Mumbai	650-750
Burmese Pokako Mung Mumbai/Chennai	655-760
Chinese above 3.5 mm grade Chennai	780-790

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