

PULSES DAILY

URAD

FUNDAMENTALS

Urad continues to trade weak in most of the markets. Fresh arrivals of Chhoti urad were seen in Jatin (Orissa) today, which fetched Rs 2700 for a quintal. Supply side is thus getting support from the arrivals of Bihar and Orissa. NAFED is likely to finalise the import tender for pulses including 5000 MT Urad by January 2. Delivery of the same will take place in March-April. Further, MMTC is also importing 15000 MT of pulses to be delivered in February. The government seems preparing in advance for the any sort of shortage in pulses this year, as supply pressure last year triggered the prices of important pulses. In addition to this, crop is also expected to be good this year in AP and Orissa provided climate remains favourable during the harvesting season. So, good expected production of Urad and government's initiatives to curb prices is likely to keep the prices on the softer side in the coming time.

Futures Market Commentary

Urad futures at NCDEX traded downward today after initial firm opening and recover some of the early day's losses. January futures of Urad at NCDEX started the session at Rs 2892, then the price never looked back and eased to see lows of Rs. 2823. Finally the future settled at negative territory at Rs 2861 with some losses. February contract traded in the range of Rs. 2645-2730 after initial firm opening at Rs 2730 as compare to previous close of Rs. 2705.

Price Drivers

NAFED to import 5000MT Urad in March-April

Imports almost dried up

Harvesting started in Orissa; AP crop is near maturity stage

Weather

Weather is suitable for maturing Urad in Orissa and AP.

December 29, 2006

TECHNICALS

NCDEX -February Contract

Urad charts are showing tentativeness at lower levels. Hammer formation of candlestick shows some chances of recovery in the prices. However, close far below EMS shows weakness in the market. MACD is falling in negative zone, which is in favor of bears. Overbought levels of stochastic warrants some caution to bears. The trend in Urad prices is still bearish, however some attempts of prices to test higher levels cannot be ruled out.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Feb	2653	2601	2694	2755	2809

Trade Recommendation:

Buy Feb Urad above 2695 with target towards 2733 and then 2770. Put SL at 2670.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	28.12.06	27.12.06	Change
Burma Faq	Mumbai	3050	3100	-50
Burma Faq	Delhi	3200	3200-3250	-
Desi (UP)	Delhi	3100	3100	-
Desi (MH)	Delhi	3500	3500-3600	-
Desi (new Crop)	Akola	3150-3200	3200-3250	-
Desi (New Crop)	Gulbarga	3200-3250	3250	-
Desi (New Crop)	Latur	3300	3350-3400	-50
Desi (New Crop)	Jalna	2900	2950	-50
Desi (New Crop)	Indore	3150-3200	3250	-50

CHANA

FUNDAMENTALS

Chana markets are witnessing easing sentiments these days. Desi Chana has started leaving the field in some patches of Maharashtra one month in advance. Generally harvesting in Maharashtra Desi Chana starts in early February. Though, this fresh Chana is not fit for millers due to high moisture content at the stage, it will fulfill demands from other usage of Chana. Crop is expected to be 60 lakh tonnes this year according to the trade sources. If this comes true, the prices will find somewhat more realistic levels on lower side. In the same line the prices are gradually coming down gradually, which in turn is pressuring stockists to offload their stocks. Import scene is lack luster and no activity is being seen these days in Chana import. The prices are most likely to remain on the softer side as the harvesting season is stepping in.

Futures Market Commentary

Chana futures at NCDEX traded mostly in red after initial weak opening. January futures of Chana started the session at Rs 2480 a quintal and then the prices moved in between Rs. 2453-2485. Finally culminated the session at Rs 2470. February futures of Chana started the session weak at Rs 2274 and traded in the range of Rs. 2254 - 2281 per quintal, finally future settled at Rs 2270. As the harvesting season is nearing, bearish sentiments are slowly stepping in to the commodity.

Price Drivers

Bullish

Depleting stocks
No fresh imports
Higher quotes by exporters

Bearish

Stockists offloading their stocks
Production this year expected 60 lt by trade sources
Harvesting of desi Chana started in MH

Weather

Weather is congenial for the vegetative growth of the crop.

TECHNICALS

NCDEX -February Contract

Charts are displaying a continued downtrend in Chana; however, doji formation of candlesticks shows indecision at lower levels. Prices closed below 9-days EMA, which is favoring bears. MACD is showing increasing bearish sentiments. Stochastic is falling in oversold region, which hints for some caution on the part of bears. The prices are most likely to remain weak.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	2243	2212	2277	2308	2330

Trade Recommendation:

Sell NCDEX Chana Feb contract below 2290 with target of 2255 and then 2230 Put SL at 2310.

Spot Market Prices of Chana

Origin/Grade	Center	28.12.06	27.12.06	(Rs/qtl) Change
Rajasthan Desi	Delhi	2500	2550	-50
MP Desi	Delhi	2450	2500	-50
Kantewala	Indore	2450	2500	-50
Desi	Kanpur	2550-2575	2575	-
Mixed	Akola	2500-2550	2550-2600	-
Chapa	Akola	2575	2600	-25
Gauran	Latur	2450	2450	-
Annagiri	Latur	2550	2550	-
G-12	Latur	2650-2700	2700	-
Gauran	Jalna	2450	2500	-50
Pila	Jalna	2600-2650	2650	-

TUR

FUNDAMENTALS

Tur markets are witnessing mixed sentiments on increasing arrivals and good demand. In Maharashtra, arrivals have not picked up much, but demand is good, which is supporting the higher prices. According to the market sources, some MNCs are said to be buying Tur in Maharashtra, though in small quantities, keeping in mind the stock limit imposed by the government. However, supply pressure of healthy arrivals in Karnataka is being counterbalanced by equally good demand. As the harvesting is gathering momentum in most of the states, it is likely to pressure the prices despite good demand from the millers. However, the scope on the lower side is limited as production of Tur is expected to go down this year.

Futures Market Commentary

Tur Futures at NCDEX retreated today after earlier gains. January futures of Tur started the session steady at Rs 1865 and since then it has traded mostly upwards between Rs 1862-1902 finally future settled with some gains at Rs 1871 a quintal. February contract traded in the range of Rs. 1935-1985 after initial steady opening at Rs 1938. Arrivals from major producing areas seems putting pressure on the prices.

Price Drivers

Bullish

Good demand from millers
Some MNCs are buying Tur
Production is expected to dip this year
Import prices are above the parity levels

Bearish

Arrivals increasing in MH and MP
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 -February Contract

Tur shed most of the earlier gains, but still managed to close above EMAs, which shows firmness in the market sentiments. However, long upper shadow of candlestick shows tentativeness at higher levels. MACD is showing decrease in bearish momentum. Stochastic is also positive in neutral territory. The prices might make some more attempt to test higher levels.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	1898	1878	1938	1975	1995

Trade Recommendation:

Sell NCDEX Tur Desi Feb contract below 1970 with target towards 1930 and then 1920. Put SL at 1995.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	28.12.06	27.12.06	Change
Burmese Lemon	Mumbai	1650	1675	-25
Burmese Lemon	Delhi	1700	1750	-50
Maharashtra tur	Delhi	1850	1850	-
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	1950	1925-1950	-
Fatka Dall	Gulbarga	2850	2850	-
Red Tur	Latur	1980	1970	+10
White Tur	Latur	1950	1900	-50
Red	Jalna	1700-1750	1700	-
White	Jalna	1900	1900	-
Red Tur	Indore	1950	2000	-50
Vidharpatta	Akola	1910	1950	-40
Marathwada	Akola	NA	NA	-

OTHERS

Moong

With the approach of harvesting season in other pulses, Moong markets are also witnessing easing sentiments these days. Moong prices remained steady at different domestic markets. The commodity is in short supply these days due to off-season and lower production estimates. Good quality Burmese Anneshwar Moong is being quoted at Rs 3000 per ton. Imports are not lucrative at the stage. The prices are likely to remain on the softer side during the harvesting season of pulses, however, due to poor stocks and imports, downside is also limited.

Spot Market Prices of Moong (Rs/qtt)

Origin/Grade	Center	28.12.06	27.12.06
Kekdi/kishangarh (Raj)	Delhi	3250	3250
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3250-3300	3350
Desi	Gulbarga	3200	3200
Chamki	Jalna	3100	3100
Chamki	Latur	3100	3100
Chamki	Akola	3150-3200	3200-3250

Field Peas

Field peas prices are getting 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 Peas. Further, as the harvesting has started in Chana in some states, the bearish sentiments in Chana can spill over to peas also. However, as the momentum has not picked up in Chana harvesting, peas prices has some scope on the firmer side. 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	28.12.06	27.12.06
Mumbai	White.Can	1300	1275
Mumbai	White American	1375	1325
Mumbai	Green Can	1425	1375
Mumbai	Green American	1500	1450
Kanpur	Desi	1500	1500

Masoor

Masoor markets are witnessing slight weakness in conjunction with the other pulses. As export has still not opened by the government, the prices are not finding much support from the domestic demand. Acreage of Masoor this year is seen 7.95 lakh hectare as compared to 7.0 lakh hectares in the previous season. 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. If CCP allows export of masoor the prices might increase to some extent until then the prices are likely to remain steady to slightly weak.

Spot Market Prices of Masoor (Rs/qtt)

Center	28.12.06	27.12.06
Delhi-MP/kota Line	1900	1900
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	1925	1925
Kanpur new- Braeilly Delivery	1980-2000	1980-2000
Kanpur- new Malka Dal	2150	2150
Indore- Masra	1780	1780
Indore- Masoor New	1770	1760
Indore- Medium New	1700	1725
Bahraich-Masoor	2875	2875
Bahraich-Export Chanti	3450	3450
Kolkata (Truck delivery)	3775	3775
Masur Dal	3150	3150

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.

Forex rate as on 28.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.36
European Union	Euro	58.22
Japan	100 Yen	37.37
United Kingdom	GBP	86.84

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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