

PULSES DAILY

December 08, 2006

URAD

FUNDAMENTALS

Urad prices saw slight improvement at some centres as millers seem to have started covering for the forthcoming Pongal demand. Dal demand is likely to revive during the Pongal festival. Arrivals in Maharashtra have gone down; also Andhra crop harvesting hasn't started yet. This is making supply side slightly tight for Moti Urad, which is traded at NCDEX. However, harvesting of Chhoti Urad is in progress in Orissa. Moreover, quotes for Burmese Urad have again bounced up to \$700 mark against \$680 per ton. Thus it seems the prices might hold these levels until harvesting in Andhra gets momentum.

Futures Market Commentary

Urad futures at NCDEX saw a churning action today. January futures of Urad started the session firm at Rs 3109 and then the prices surged to the highs of Rs 3123. However, prices couldn't sustain those levels and came down to see the lows of Rs 3054 a quintal. However, bulls came again at lower levels and took the prices to 3131 before finally closing the session at Rs 3115. The volumes traded remain low at 27460MT.

Price Drivers

Bearish

Govt extended duty free imports of pulses to 31st August
Low demand of Dal at higher prices

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 again showing indecision in the market. Long upper lower of candlestick body shows tentativeness at lower levels. Prices closed below EMAs thus indicating negative sentiments; MACD is indicating decrease in bearish momentum. Stochastic Oscillator is positive in oversold zone. The contract might witness volatile movement of prices.



Support / Resistances:

Contract	S1	S2	PCP	R1	R2
Jan	3049	3021	3115	3170	3209

Trade Recommendation:

Buy Jan Urad above 3090 with target towards 3145 and then 3170. Put SL at 3055.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	07.12.06	06.12.06	Change
Burma Faq	Mumbai	3250	3250	-
Burma Faq	Delhi	3250	3300	+50
Desi (UP)	Delhi	3100	3100	-
Desi (MH)	Delhi	3650-3700	3600	+50
Desi (new Crop)	Akola	3250	3250-3300	-
Desi (New Crop)	Gulbarga	Closed	3350	-
Desi (New Crop)	Latur	NA	Closed	-
Desi (New Crop)	Jalna	NA	Closed	-
Desi (New Crop)	Indore	3250	NA	-

CHANA

FUNDAMENTALS

Chana prices remained steady at most of the spot markets today. According to the market sources, stockists of Andhra are in some pressure to off load their stocks, as Chana crop in Andhra Pradesh is likely to hit the market by mid February. Maharashtra Chana will also start leaving field by mid February. Trade continues to be subdued on poor stocks, higher prices and risky imports. The situation is hazy in Chana as the prices can easily move either way in a shallow market. If stockists start bringing their stuff then there might be some more easing in the prices.

Futures Market Commentary

Chana futures at NCDEX traded in red today. January futures of Chana started the session weak at Rs 2752 and then it dipped to the lows of Rs 2709 before finally closing the session at moderate losses of Rs 31 at Rs 2731. The volume traded was healthy at 128820 MT.

Price Drivers

Bullish

Depleting stocks

Bearish

MMTC to sell 600MT Chana

Australia has exportable surplus of 2.25 lt Chickpeas

Increased acreage this year

Weather

Weather is congenial for the vegetative growth of the crop.

TECHNICALS

NCDEX -January Contract

Chana charts are portraying bearish picture. Prices closed below 9-day EMA showing weakness in the market. MACD is showing increase in bearish momentum. Stochastic however, have turned positive in oversold zone. The prices might see volatility with bearish inclination.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	2700	2660	2731	2791	2808

Trade Recommendation:

Sell NCDEX Chana Jan contract below 2755 with target of 2701. Second target 2677. Put SL at 2788.

Spot Market Prices of Chana

(Rs/qttl)

Origin/Grade	Center	07.12.06	06.12.06	Change
Rajasthan Desi	Delhi	2900	2900	-
MP Desi	Delhi	2875	2875	-
Kantewala	Indore	2750	2750	-
Desi	Kanpur	2900	2900	-
Mixed	Akola	2625	2650	-25
Chapa	Akola	2650-2700	2700	-
Gauran	Latur	NA	Closed	-
Annagiri	Latur	NA	Closed	-
G-12	Latur	NA	Closed	-
Gauran	Jalna	NA	Closed	-
Pila	Jalna	NA	Closed	-

TUR

FUNDAMENTALS

Tur prices remained steady at most of the spot markets today, as the harvesting in major producing states hasn't picked up. As the crop this year is expected to be lower, traders are not expecting the prices to ease much. As the harvesting progresses there might be some cooling off in the price initially but it probably won't last long, as stockists activity will underpin the prices again. However, as the government has extended duty free imports to 31st August, the off-season prospects of Tur seems not be as rosy as it was looking currently on account of the possibility of imports in case the prices moves abnormally higher.

Futures Market Commentary

Tur Futures at NCDEX recouped all the initial losses to close the session with marginal gains today. January futures of Tur started the session at Rs 1878 and since then it has traded mostly in red between 1875-1891. However, a bout of heavy buying towards the end of the session took the prices in green and the contract closed the day at Rs 1896.

Price Drivers

Bullish

Price sensitive demand from stockist
Poor crop this year

Bearish

Harvesting in progress
Govt extended duty free imports of pulses to 31st August

Weather

Weather is congenial for Tur harvest in major producing states. Cloudy weather in southern India is not much concerning for the standing crop.

TECHNICALS

NCDEX -January Contract

Tur charts are displaying some improvement in the in the market sentiments. Prices still closed below 9-day EMA showing weakness in the market. MACD is showing decreasing bullish momentum. Stochastic are positive in oversold levels. The prices might see some more tests of higher levels.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Jan	1873	1856	1896	1918	1935

Trade Recommendation:

Buy NCDEX Tur Desi Jan contract above 1880 with target towards 1910 and 1920. Put SL at 1860.

Spot Market Prices of Tur

(Rs/qrtl)

Origin/Grade	Center	07.12.06	06.12.06	Change
Burmese Lemon	Mumbai	1621	1621	-
Burmese Lemon	Delhi	1700	1700	-
Maharashtra tur	Delhi	1875-1900	1900	-
Karnataka tur	Delhi	NA	NA	-
Red tur (New)	Gulbarga	Close	2000	-
Fatka Dall	Gulbarga	Closed	2800	-
Red Tur	Latur	NA	Closed	-
White Tur	Latur	NA	Closed	-
Red	Jalna	NA	Closed	-
White	Jalna	NA	Closed	-
Red Tur	Indore	1925-1950	1950	-
Vidharpatta	Akola	1860	1850	+10
Marathwada	Akola	1865	1860	+5

OTHERS

Moong

Moong markets saw steady prices today. 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/qtt)

Origin/Grade	Center	07.12.06	06.12.06
Kekdi/kishangarh (Raj)	Delhi	3250	3300
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3350	3350
Desi	Indore	3300	3300
Desi	Gulbar ga	Closed	3000-3200
Chamki	Jalna	NA	Closed
Chamki	Latur	NA	Closed
Chamki	Akola	3150	3100-3200

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/qtt)

Center	07.12.06	06.12.06
Mumbai (W.Canadian)	1301	1301
Kanpur	1480-1485	1480-1485

Masoor

Masoor prices remained stand still at higher levels.. 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 remained mostly steady today. However, the commodity is not likely to get much support from the domestic demand side, which has inclined towards other cheaper alternatives like peas and vegetables.

Spot Market Prices of Masoor

(Rs/qtt)

Center	07.12.06	06.12.06
Delhi-MP/kota Line	1950-1975	1950-1975
Delhi- UP/Sikari	2600-2650	2600-2650
Kanpur local mill delivery	1875-1980	1875-1980
Kanpur new- Braeilly Delivery	2050	2050
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1870	1870
Indore- Masoor New	1860	1860
Indore- Medium New	1820	1820
Bahraich-Masoor		2950
Bahraich-Export Chanti	3500	3500
Kolkata (Truck delivery)	3800	3800
Masur Dal	3100-3200	3100-3200

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 is expected at Mumbai port to offload 30775 MT peas.
- Vessel 'Bianco Zealand' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel. New Guardian has also arrived at the port to offload 10920 MT peas.

Forex rate as on 02.12.06

Country/ Continent	Currency	Value in Rupees
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USA	Dollar	44.87
European Union	Euro	58.15
Japan	100 Yen	38.57
United Kingdom	GBP	85.99

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	320
Burmese FAQ new Tur Mumbai/Chennai	320
Burmese Shwebo Tur Mumbai/Chennai	320
Tanzania Matwara Tur Mumbai/Chennai,	NA
Tanzania Arusha Tur Mumbai/Chennai,	355-370
Burmese FAQ Urad Mumbai/Chennai	675
Burmese SQ Urad Mumbai/Chennai	820
Burmese Pedishwa Mung Chennai/Mumbai	680
Burmese Anneshwar Mung Mumbai	615
Burmese Pokako Mung Mumbai/Chennai	640-630
Chinese above 3.5 mm grade Chennai	750-760
Australian Chickpea Chennai/Mumbai	560

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