

PULSES DAILY

January 23, 2007

URAD

SPOT MARKET

Urad saw firm sentiments in majority of the trading centres. Small crops to the tune of 45,000 tonnes and 50,000 tonnes in Orissa and AP respectively, seem not putting much pressure on the prices. The arrivals in Orissa and Andhra are increasing gradually and are expected to increase further during next week. As the demand in consumption centres is improving, arrivals from current small crop is likely to contain any sort of surge in the prices. Traders are anticipating mixed sentiments in February, whereas they expect prices to ease in March when big crop of bold Urad will hit the market yards. Some import deals for FAQ Urad from Burma were seen in Chennai recently at \$630-640 per ton.

Futures Market Commentary

Urad futures at NCDEX traded upwards following a firm opening. Most active February contract opened at Rs 3073 then the prices dipped to lows of Rs. 3050. Speculative buying at lower level took the prices to the highs of 3189 and surpassed upper circuit. Finally closed the session higher by 6.23 % at day's highest prices. The volumes traded increased to 39,580 tonnes today as compare to 24,490 tonnes on Saturday.

Price Drivers

NAFED has imported 25000 tonnes of Urad for March delivery

Harvesting is gathering momentum in Orissa and AP
Main crop of urad in AP is expected 0.25 million tonnes in March

Weather

Weather is suitable for maturing Urad in Orissa and AP.

TECHNICALS

NCDEX-February Contract

Candlestick has formed a big closing marubozu pattern, which indicates strength in the market sentiments. The prices closed well above EMAs, which shows firmness is intact. MACD is rising in positive territory. Stochastics are also positive in neutral region. The prices might see positive inclination, however caution is suggested.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	3084	3028	3189	3266	3329

Trade Recommendation:

Risk lovers can Buy Urad February contract at NCDEX above 3190 with target towards 3240 and then 3275. Put SL at 3160.

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	22.01.07	20.01.07	Change
Burma Faq	Mumbai	3250	3200	+50
Burma Faq	Delhi	3200	3200	-
Desi (UP)	Delhi	3200	3200-3250	-
Desi (MH)	Delhi	3400	3350	+50
Desi (new Crop)	Akola	3350-3400	3300	+50
Desi (New Crop)	Gulbarga	3200	NA	-
Desi (New Crop)	Latur	3200-3300	3000-3100	+100
Desi (New Crop)	Jalna	3250-3300	3200	+50
Desi (New Crop)	Indore	3250-3300	3000-3200	+50
Desi (New Crop)	Vijaywada	3400	NA	-

CHANA

SPOT MARKET

Chana prices remained firm at most of the centers today as the good demand from stockists and millers are supporting at this stage. The arrivals have not gathered momentum yet, it would increase by February as harvesting will speed up in Maharashtra and Karnataka. In MP too, traders are expecting some arrivals in first week of February itself. Traders feel that the unscrupulous premiums in the Chana futures are not justified by the fundamentals and thus the rally is probably not going to last long. There is a rumor circulating in the market that the size of kernel of MP Chana is likely to be small. Gram this year has been sown in about 0.7 mln hectares more than in 2005-06 is likely to see good production this year. The prices are likely to ease with the progress of harvest.

Futures Market Commentary

Chana futures at NCDEX traded mostly upward today. Most active February contract of Chana opened firm at Rs. 2262 and then the prices never looked back. Increased buying interest at this level pushed the prices high Rs 2358 and exceeded upper circuit. Finally culminated the session up by 4.43% at Rs. 2358. The volumes increased today whereas open interest slightly decreased as compare to Saturday.

Price Drivers

Importers are not taking risk of Chana import in harvesting season

Acreage increased by 0.7 mln hectares this year to 8.24 mln hectares

Harvesting in MP to start in early February

Nafed not importing Chana at this stage

Weather

Weather for Chana is expected to be clear in Western and Central region, which is congenial for the maturing and pod forming Chana there.

TECHNICALS

NCDEX -February Contract

Chana charts are showing strength in the market. Candlesticks have formed bullish Marubozu pattern, which shows the dominance of bulls. The prices closed above 9-days and 18-days EMA, which suggests firmness is intact. MACD is showing increase in bullish momentum. Stochastics are in overbought region, which warrants some caution on the part of bulls.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	2314	2278	2358	2414	2425

Trade Recommendation:

Risk lovers can Buy NCDEX Chana Feb contract above 2330 with target of 2390 and then 2410. Put SL at 2300. Risk averse investors should stay away from the heated market.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	22.01.07	20.01.07	Change
Rajasthan Desi	Delhi	2525	2500	+25
MP Desi	Delhi	2500	2450	+50
Kantewala	Indore	2450-2500	2410	+40
Desi	Kanpur	2550	2500	+50
Mixed	Akola	2400	2350	+50
Chapa	Akola	2450	2375-2400	+50
Gauran	Latur	2300	2250-2300	-
Annagiri	Latur	2400	2400	-
G-12	Latur	2400	2400	-
Gauran	Jalna	2300	2200-2250	+50
Pila	Jalna	2400	2300-2350	+50

TUR

SPOT MARKET

Tur prices remained firm at most of the domestic markets as good demand from the millers and different MNCs supported the prices at higher levels. Stockists earlier waiting for the prices to come down after Pongal but they lost their patience and were seen buying despite higher prices in Maharashtra mandis. Lemon Tur is also costing higher to add further fuel to the fire. Good demand from southern India kept the prices higher in Gulbarga today. As lemon Tur generally sells at discount to desi counterpart, these prices are not attractive for the importers. Tur is most attractive among the pulses for stockists this year, so the prices have limited downside potential.

Futures Market Commentary

Tur futures at NCDEX traded upwards following a firm opening. February futures of Tur started the session firm at Rs 2264. Increased buying interest at this level took the prices high Rs 2353. Finally future settled higher by 2.53 % at Rs. 2307. The volumes and open interest slightly increased as compare to Saturday.

Price Drivers

Bullish

Good demand from millers

Arrivals are increasing with progress of harvest

Stockists also buying despite higher prices in peak arrival season

Production is expected to dip this year

Import prices are above the parity levels

Bearish

Arrivals increasing in Maharashtra and Madhya Pradesh

Weather

Weather is congenial for Tur harvest in major producing states.

TECHNICALS

NCDEX -February Contract

Long upper shadow of candlestick shows tentativeness at higher levels. The prices closed well above EMAs, which favours bulls. MACD is rising in the positive zone. Stochastics are also positive in neutral region. The prices are most likely to hover on the positive side; some hesitation at higher levels can be seen.



Support / Resistances:

Contr act	S1	S2	PCP	R1	R2
Feb	2263	2219	2307	2355	2395

Trade Recommendation:

Risk lovers can Buy NCDEX Tur Desi Feb contract above 2310 with target towards 2340 and then 2355. Put SL at 2290.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	22.01.07	20.01.07	Change
Burmese Lemon	Mumbai	2050-2100	1950	+100
Burmese Lemon	Delhi	2050-2100	1950	+100
Maharashtra tur	Delhi	2150	2100	+50
Karnataka tur	Delhi	NA	NA	-
Red tur(New)	Gulbarga	2350-2450	2200	+150
Fatka Dall	Gulbarga	3300	3200	+100
Red Tur	Latur	2350-2400	2200	+150
White Tur	Latur	2400	2250	+150
Red	Jalna	2350	2150-2200	+150
White	Jalna	2350-2400	2100-2150	+200
Red Tur	Indore	2200	2050-2100	+100
Vidharpatta	Akola	2350	2250	+60
Red Tur	Vijaywada	NA	NA	-

OTHERS MOONG

Moong prices remained steady to firm at majority of trading centers. Lower stock of the commodity and slightly improved demand from millers at this stage is supporting the commodity to some extent. Some arrivals (40-50 bags) of Moong are being seen in Latur region of Maharashtra, where small crop comes this time. As the crop size is small it is not likely to affect the prices much. NAFED is importing 5,000 tonnes of Moong to be delivered in March. Similarly, MMTC is also importing 1000 tonnes of Moong looking at shortage of the commodity. International markets of lentil continue to remain hot on lower production. Good quality Burmese Anneswar Moong is being quoted at \$650 per ton, whereas Pokako Moong is selling at \$650 a ton. 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/qty)	
Origin/Grade	Center	22.01.07	20.01.07
Kekdi/kishangarh (Raj)	Delhi	3350	3300
Shekhavati (Raj)	Delhi	NA	NA
Medta (Raj)	Delhi	3400	3350
Desi	Indore	3300	3350
Desi	Gulbar ga	NA	NA
Chamki	Jalna	3350	3300
Chamki	Latur	3300	3200
Chamki	Akola	3300	3250

FIELD PEAS

A steady to slightly weak sentiment mostly prevailed in the Mumbai and Kanpur markets today. Poor demands of white peas from the millers' side and stockists contributing its weakness. UP crop is expected to be good this year, however if it gets one slight winter shower the prospects would be much better and quality would also improve. Whereas MP crop is showing good production prospects this season. Both the states are likely to witness arrivals from first week of February so some weaker sentiments can be seen at that time. Acreage of the crop has dropped this year, which is also supporting higher prices.

Spot Market Prices of Pea		(Rs/qty)	
Center	Variety	22.01.07	20.01.07
Mumbai	White.Can	1341	1301
Mumbai	White American	1371	1341
Mumbai	Green Can	1501	1501
Mumbai	Green American	1551	1551
Kanpur	Desi	1520	1490-1500

MASOOR

Masoor markets continue to observe steady to slightly firm today in major markets. Acreage of Masoor this year is seen 7.95 lakh hectare as compared to 7.0 lakh hectares in the previous season. UP crop is feared to premature in some areas due to lack of winter rains this year and likely to hit in market from second week of February. Consequently, the quality of the produce might be somewhat poor. Further, cold wave conditions in northern UP are not suitable for the pod bearing Masoor crop. In Delhi mandis arrivals will reach in first week March so some weaker can be seen in that time but demand from the millers will support the prices. As export has still not opened by the government, the prices are not finding much support from the domestic demand. Prices are likely to remain range bound during the harvesting season of the other pulses.

Spot Market Prices of Masoor		(Rs/qty)	
Center		22.01.07	20.01.07
Delhi-MP/kota Line		2000	2000
Delhi- UP/Sikari		2500	2500
Kanpur local mill delivery		1990	1950
Kanpur new- Braeilly Delivery		2070	2025
Kanpur- new Malka Dal		2225	2160-2180
Indore- Masra		1950	1920
Indore- Masoor New		1940	1910
Indore- Medium New		1875	1875
Bahraich-Masoor		2900	2950
Bahraich-Export Chanti		3400	3400
Kolkata (Truck delivery)		3750	3775
Masur Dal		3100	3100

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 (22.01.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.21
European Union	Euro	57.34
Japan	100 Yen	36.43
United Kingdom	GBP	87.30

International Prices

(\$/ton) (CNF 90 days)

Quality	Latest
Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai	470
Burmese FAQ new Tur Mumbai/Chennai	470
Burmese Shwebo Tur Mumbai/Chennai	375-400
Tanzania Matwara Tur Mumbai/Chennai,	-
Tanzania Arusha Tur Mumbai/Chennai,	400-425
Burmese FAQ Urad Mumbai/Chennai	630-640
Burmese SQ Urad Mumbai/Chennai	685-710
Burmese Pedishwa Mung Chennai/Mumbai	760
Burmese Anneshwar Mung Mumbai	610-625
Burmese Pokako Mung Mumbai/Chennai	670
Chinese above 3.5 mm grade Chennai	Finished
Australian Chickpea Chennai/Mumbai/	-

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