

## PULSES DAILY

August 1, 2007

### URAD

#### SPOT MARKET

Urad prices remained mostly steady on the second trading day of the week. Mumbai market witnessed some fall in the prices of Burmese FAQ Urad on account of subdued demand from the retail end. Further, with the approaching of harvest season of a short duration crop the Stockists are under pressure to offload their stuff. Increased acreage for Urad this year is also adding some bearish sentiments in the market. As on July 26, Urad acreage was higher at 18.92 lakh hectares in this Kharif season compare to last year's 16.85 lakh hectares. Though, the quality of Kharif season crop generally gets affected by rains during harvest, the supplies during the harvest is bound to pressure the prices. Prices eased by Rs.34, whereas a sharp decline of Rs 100 was seen in Akola on account of subdued demand. Also, government's effort to contain the prices of pulses through imports is also bearing some fruits especially ahead of harvest season. The prices are likely to remain steady to slightly weak in the current demand supply situation.

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	31.07.07	30.07.07	Change
Burma Faq	Mumbai	2411	2375	-34
Burma Faq	Delhi	2425	2401	+25
Desi (UP)	Delhi	NA	NA	-
Desi (MH)	Delhi	NA	NA	-
Desi (new Crop)	Akola	2400	2500	-100
Desi (New Crop)	Latur	2400	2400	-
Desi (New Crop)	Jalna	2225	2500	-
Desi (New Crop)	Indore	2600	2650	-
Desi (New Crop)	Vijaywada	2700-2711	2700	-
Desi (New Crop)	Kanpur	2350-2400	2375	-

## CHANA

### SPOT MARKET

Chana prices inched slightly higher Tuesday at most of the spot markets barring some increase in Latur market. The arrivals in Delhi market were slightly better at 25-30 motors against the previous day's arrivals of 20-25 motors. The price inched higher by Rs5-55 at different centres. The prices inched marginally higher after witnessing severe beating action in the recent time. Subdued demand and some quality issues hit the prices recently. Further, continued imports of cheaper alternatives like peas are also keeping the demand price sensitive. With the healthy production this year along with timely imports by government didn't let the dreams of stockists of Chana come true, who bought at higher prices during the harvesting season. Though shortage of other pulses has kept the prices slightly higher than the normal so far, the scope of prices touching astronomical highs like previous year is not there. Further, problem of deterioration of quality much before the normal time is putting pressure on the stockists for speedy selling of the poor quality Chana, which might keep the prices under pressure. Forthcoming festive season demand creates some hope for the Chana bulls, but the upside potential seems limited.

### Futures Market Commentary

Chana futures opened firm on Tuesday ting support from some firmness in spot markets. Chana for August delivery at NCDEX opened firm at Rs 2248 per quintal and the prices touched the highs of Rs 2250. However, the prices couldn't sustain the higher levels and slipped to settled lower at Rs 2223 per quintal. MCX August Chana traded volatile in the range of Rs 2249-2264 before settling at Rs 2253 per quintal.

### Price Drivers

- ✓ Government's continuous effort to import pulses through PSUs.
- ✓ Deterioration in quality (Dank) in Chana
- ✓ Arrivals of 69,166 tonnes Peas in Indian ports during the week.
- ✓ Acreage of kharif pulses increased by 10.06 lakh ha against last year
- ✓ NCDEX and MCX combined stock reached to 42,282 tonnes.

### Weather

Monsoon has progressed in almost every part of the country, which will be helpful for the Kharif pulses.

## TECHNICALS

### NCDEX -August Contract

The prices closed well below short term and medium term EMAs, which supports bears. MACD is running downward in negative territory showing increase in bearish momentum. Stochastic on the other hand is on the verge of making bullish crossover in overbought region. The prices are likely to remain volatile with bearish bias.



### Support / Resistances:

Contract	S1	S2	PCP	R1	R2
MCX August	2220	2200	2253	2280	2295
NCDEX August	2210	2185	2223	2271	2291

### Trade Recommendation:

**SELL** MCX August Chana below 2263 with target of 2240 and then 2225; put stop loss at 2375.

**SELL** NCDEX August Chana below 2235 with target of 2210 and then 2195; put stop loss at 2250.

### Spot Market Prices of Chana

Origin/Grade	Center	31.07.07	30.07.07	(Rs/qrtl) Change
Rajasthan Desi	Delhi	2300-2310	2290	+10
MP Desi	Delhi	2300	2290	+10
Kantewala	Indore	2330	2325	+5
Desi	Kanpur	2325	2325	-
Mixed	Akola	2415	2360	+55
Chapa	Akola	2460	2430	+30
Gauran	Latur	2400	2400	-
Annagiri	Latur	2550	2600	-50
G-12	Latur	2450	2500	-50
Mixed	Latur	2400	2450	-50
Gauran	Jalna	2250	2250	-
Pila	Jalna	2350	2350	-
Desi	Bikaner	2180	2150	+30

## TUR

### SPOT MARKET

Tur markets witnessed mostly steady prices as sluggish demand from millers and slightly tight supply in the peak off season are nullifying each other's impact. Despite, the government imports of Tur, the higher import prices have kept the prices on the firmer side so far this year as compared to the previous year. Further, lower acreage in the country being seen this year for Tur is again concerning for the second largest pulse of the country as the pipeline is still not much healthy with the millers on account of lower production and corresponding higher prices during the harvesting season. Government imports however have contained the prices to some extent. With the harvest is still too far the prices are not likely to any severe hammering in the coming time. The acreage of Tur was down at 26.97 lakh hectares against the last year's acreage of 27.53 lakh hectares up to July 26.

#### Spot Market Prices of Tur

Origin/Grade	Center	(Rs/qtl)		
		31.07.07	30.07.07	Change
Burmese Lemon (New)	Mumbai	2461	2451	+10
Burmese Lemon (New)	Delhi	2450-2455	2451	+5
Maharastra tur	Delhi	NA	NA	-
Karnataka tur	Delhi	NA	NA	-
Red tur (New)	Gulbarga	2625	2650	-25
Fatka Dall	Gulbarga	3800	3800	-
Red Tur	Latur	2650	2650	-
White Tur	Latur	2650	2650	-
Red	Jalna	2400	2400-2500	-
White	Jalna	2500-2600	2500-2600	-
Red Tur	Indore	2675	2675	-
Vidharpatta	Akola	2635-2640	2630	+5
Marathwada	Akola	2615	2615	-
Red Tur	Vijaywada	2525	2500	+25

## **OTHERS MOONG**

Moong markets witnessed slightly weak sentiments today as approaching harvesting season lent some weakness to the market. Increased acreage this year on account of good realization by farmers is likely to result in good supply in the coming season. The acreage of Moong on July 26 increased to 24.95 lakh hectares against the last year's acreage of 18.41 lakh hectares. Stockists are under pressure to offload their stuff ahead of harvesting season. Some patches have already started witnessing fresh crop as the crop duration is quite small. Thus, the supply is likely to remain healthy with the progress of harvest, which in turn might keep the prices on the softer side. At the same time, government imports might also keep the prices under pressure. Prices of Pedishewa Moong remained steady in Mumbai and Delhi, whereas local moong in terminal markets like Indore, Jalna and Akola witnessed some beating action today.

### **Spot Market Prices of Moong (Rs/qttl)**

Origin/Grade	Center	31.07.07	30.07.07
Pedishewa	Mumbai	2751	2751
Pedishewa	Delhi	2750	2751
Desi	Indore	2450-2500	2650
Desi	Kanpur	2350	2300
Chamki	Jalna	2500	2600
Chamki	Akola	2400-2500	2450

## **FIELD PEAS**

Peas market remained standstill on Tuesday in the absence of fresh fundamental developments. Heavy imports of peas this season have fulfilled the supply shortage in domestic markets. In a similar demand supply scenario the prices of Green American Peas remained steady at Rs 1551 per quintal, whereas white American peas quoted at Rs 1701. Similarly, Canadian white and green varieties also traded steady at previous levels of Rs 1671 and Rs 1501 respectively. MMTC offered bid to sell 2,000 tonnes of Dun Peas during the last week. Thus, prices are expected to remain slightly bearish on account of healthy supplies of imported peas.

### **Spot Market Prices of Pea (Rs/qttl)**

Center	Variety	31.07.07	30.07.07
Mumbai	White.Can	1671	1671
Mumbai	White American	1701	1700
Mumbai	Green Can	1501	1501
Mumbai	Green American	1551	1551
Kanpur	Desi	1900	1900

## **MASOOR**

Masoor spot market remained mostly calm in a similar demand supply situation at most of the trading centers. Indore market on the other hand witnessed some weakness on sluggish demand. Prices softened by Rs. 20-30 due to lower demand in the Indore market. Sporadic demand might keep the prices steady to slightly weak in the coming time.

### **Spot Market Prices of Masoor (Rs/qttl)**

Center	31.07.07	30.07.07
Delhi-MP/kota Line	2850	2850
Delhi- UP/Sikri	3100	3100
Kanpur local mill delivery	2910	2900
Kanpur new- Bareilly Delivery	3040	3025
Kanpur- new Malka Dal	3225	3225
Indore- Masra	2810	2830
Indore- Masoor New	2820	2840
Indore- Medium New	2700	2730



Vessel Afea reached Kolkata port on 23.07.07 to discharge 20,499 tonnes of Peas. Vessel TCI Xps arrived at Kolkata port on 23.07.07 to offload 3,687 tonnes pulses. Vessel Bright Coral reached Kolkata port on 22.07.07 to offload 22,000 tonnes peas. Vessel Sanko Eternal arrived at Mumbai port by 27<sup>th</sup> July to discharge 26,666 tonnes bulk peas.

#### FOREX (31.07.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.54
European Union	Euro	55.42
Japan	100 Yen	34.00
United Kingdom	GBP	82.03

#### International Prices

(\$/ton) (CNF )

Quality	Latest
Burmese New Lemon (15% or 20% Weeviled) Tur Mumbai	600-610
Burmese New Lemon (Yellow) Tur Chennai	560
Burmese FAQ New Tur Mumbai	580-590
Burmese Shwebo Tur Mumbai	580
Tanzanian Matwara Tur Chennai	550
Burmese FAQ Urad Mumbai	610-620
Burmese SQ Urad Mumbai	700-720
Burmese FAQ Urad Chennai	630-640
Burmese SQ Urad Chennai	700
Ethiopian Moong Chennai	680-685
Burmese Pedishewa Moong Mumbai	700-730
Burmese Anneshwar Moong Mumbai	580-590
Burmese Pokako Moong Mumbai	630-640
Australian Chickpea Mumbai	580-585
Tanzanian Chickpea Chennai	740-750
Dun Pea (Caspar) Mumbai	370-380
Peas (White Canadian) Chennai	380-385
Peas (Green Canadian ) Chennai	360

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
 © 2005 Indian Agribusiness Systems Pvt Ltd.