

PULSES DAILY

August 13, 2007

URAD

SPOT MARKET

A steady to firm sentiment was observed in Urad on Saturday. But, prices increased by Rs.50-100 in Jalna, Vijaywada and Kanpur due to higher demand in the market. But prices eased in Akola by Rs.25 due to lower enquiry in the market. On good monsoon, Up to August 09, the acreage of Kharif pulses increased to 104.34 lakh hectare against 95.45 lakh hectare during the same period last year. So, higher production is expected in the country this time. Stockists are also releasing their stocks in the market due to expected arrivals from the fresh crop. Thus, Urad prices are expected to remain slightly bearish in coming days due to lower demand and expected increase in arrivals in the market.

Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade | Center | 11.08.07 | 10.08.07 | Change |
|-----------------|-----------|----------|----------|--------|
| Burma Faq | Mumbai | 2351 | 2351 | - |
| Burma Faq | Delhi | Closed | 2470 | - |
| Desi (UP) | Delhi | Closed | NA | - |
| Desi (MH) | Delhi | Closed | NA | - |
| Desi (new Crop) | Akola | 2350 | 2375 | -25 |
| Desi (New Crop) | Latur | Closed | 2400 | - |
| Desi (New Crop) | Jalna | 2400 | 2300 | +100 |
| Desi (New Crop) | Indore | 2350 | 2350 | - |
| Desi (New Crop) | Vijaywada | 2800 | 2725 | +75 |
| Desi (New Crop) | Kanpur | 2350 | 2300 | +50 |

CHANA

SPOT MARKET

Firm sentiment continued in Chana spot market on the last day of the week. The arrivals in Delhi were slightly lower at 20-25 motors against the previous day's arrivals of 30-35 motors. But Bikaner market experienced higher arrivals of 500 bags against previous day's 300 bags. Prices increased in almost all the market but it went up by Rs.50-85 in Akola due to higher demand coupled with lower arrivals in the market as most of the farmers are busy Kharif sowing and weeding. On good monsoon, Up to August 09, the acreage of Kharif pulses also increased to 104.34 lakh hectare against 95.45 lakh hectare during the same period last year. But, Chana market is gradually reviving due to increased participation of the millers over buying for the forthcoming festival season. Due to off season, the supply status is also not so satisfactory in the market in recent days. Thus, Chana prices are expected to remain steady to slightly firm in the coming days due to gradual increase in demand.

Futures Market Commentary

Chana futures at NCDEX opened slightly weak on the last day of the week. The most active September contract opened at Rs.2320 per quintal against the previous close of Rs.2323 per quintal. Prices initially moved downwards and tested a low of Rs.2310 per quintal. But increased buying interest in the market pushed the prices up and tested a high of Rs.2344 per quintal, which finally settled with bullish tone. But, MCX September Chana traded firm in the range of Rs 2326-2302 per quintal before settling at Rs 2325 per quintal.

Price Drivers

- ✓ Government's continuous effort to import pulses through PSUs.
- ✓ Gradual increase in demand from the millers.
- ✓ Weak supply status of Chana in the market
- ✓ Increase in acreage of Kharif pulses to 104.34 lakh hectare against 95.45 lakh hectare last year up to August 09.
- ✓ The MCX and NCDEX combined stock decreased to 34,582 tonnes

Weather

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

TECHNICALS

NCDEX -September Contract

Chana charts show a hollow candle with shadows at both sides, indicating the existence of volatility still in the market. After few weeks, prices closed first time above EMAs, which supports the bulls. MACD is also about to make a bullish cross over near neutral zone and RSI is also moving upwards, showing some strength in the market over medium term. But Stochastic is approaching upwards in overbought region. Thus, prices are expected to remain slightly firm with the possibility of profit booking in the market.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|------------|------|------|------|------|------|
| MCX August | 2310 | 2300 | 2325 | 2347 | 2360 |
| NCDEX Sept | 2320 | 2310 | 2339 | 2363 | 2382 |

Trade Recommendation:

BUY MCX September Chana above 2321 with target of 2333 and then 2339; put stop loss at 2315.

BUY NCDEX September Chana above 2334 with target of 2350 and then 2358; put stop loss at 2326.

Spot Market Prices of Chana

| Origin/Grade | Center | 11.08.07 | 10.08.07 | (Rs/qrtl) Change |
|----------------|---------|----------|----------|------------------|
| Rajasthan Desi | Delhi | 2325 | 2320 | +5 |
| MP Desi | Delhi | 2320 | 2280 | +40 |
| Kantewala | Indore | 2350 | 2340 | +10 |
| Desi | Kanpur | 2300 | 2300 | - |
| Mixed | Akola | 2425 | 2375 | +50 |
| Chapa | Akola | 2510 | 2425 | +85 |
| Gauran | Latur | Closed | 2400 | - |
| Annagiri | Latur | Closed | 2500 | - |
| G-12 | Latur | Closed | 2450 | - |
| Mixed | Latur | Closed | 2400 | - |
| Gauran | Jalna | 2275 | 2275 | - |
| Pila | Jalna | 2400 | 2375 | +25 |
| Desi | Bikaner | 2135 | 2130 | +5 |

TUR

SPOT MARKET

A steady to slightly weak sentiment was seen in Tur spot markets on Saturday amidst the steady arrivals. The prices softened in Jalna and Akola by Rs.10-25 due to lower enquiry in the market, whereas prices increased by rs.25 in Indore due to lower arrivals in the market. MMTC invited tender on Friday to import 9,000 tonnes Tur (Pigeon Peas) from Myanmar or Africa by September-October. Up to August 09, the acreage of Kharif pulses increased to 104.34 lakh hectare against 95.45 lakh hectare during the same period last year. But, the present arrival status in the market is not so satisfactory. Thus, prices are likely to remain range bound with slight firm inclination in the coming days until the imported commodity reach the market.

Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade | Center | 11.08.07 | 10.08.07 | Change |
|---------------------|-----------|-----------|-----------|--------|
| Burmese Lemon (New) | Mumbai | 2370 | 2375 | -5 |
| Burmese Lemon (New) | Delhi | Closed | 2475 | - |
| Maharastra tur | Delhi | Closed | NA | - |
| Karnataka tur | Delhi | Closed | NA | - |
| Red tur (New) | Gulbarga | 2630 | 2630 | - |
| Fatka Dall | Gulbarga | 3800 | 3800 | - |
| Red Tur | Latur | Closed | 2660 | - |
| White Tur | Latur | Closed | 2600 | - |
| Red | Jalna | 2400-2500 | 2400-2500 | - |
| White | Jalna | 2500-2550 | 2500-2575 | -25 |
| Red Tur | Indore | 2625 | 2600 | +25 |
| Vidharpatta | Akola | 2585 | 2600 | -15 |
| Marathwada | Akola | 2570 | 2580 | -10 |
| Red Tur | Vijaywada | 2500 | 2500 | - |

OTHERS MOONG

A mixed sentiment was witnessed in Moong markets on Saturday. Prices decreased in Mumbai and Indore by Rs.50-100 due to lower buying interest, while increased by Rs.25-50 in Jalna and Akola due to higher demand in the market. On good monsoon, Up to August 09, the acreage of Kharif pulses increased to 104.34 lakh hectare against 95.45 lakh hectare during the same period last year. It is making a bearish impact over the market. According to the trade sources, in some centres, little arrivals from the fresh crop have also started. So, prices are expected to remain slightly weak in coming days due to lower demand and expected increase in arrivals.

| Spot Market Prices of Moong | | (Rs/qtt) | |
|-----------------------------|--------|-----------|-----------|
| Origin/Grade | Center | 11.08.07 | 10.08.07 |
| Pedishewa | Mumbai | 2650 | 2700 |
| Pedishewa | Delhi | Closed | 2800 |
| Kenya | Mumbai | 2200 | 2300 |
| Desi | Indore | 2250 | 2300 |
| Desi | Kanpur | 2200-2350 | 2200-2350 |
| Chamki | Jalna | 2400 | 2350 |
| Chamki | Akola | 2350 | 2325 |

FIELD PEAS

Peas market remained almost steady on Friday on steady arrivals and supportive demand in the market. Though demand is present in the market but recent arrivals of more than 1 lakh tonnes of Peas in Indian ports in last couple of weeks made the prices unmoved. Thus, in present scenario, prices are expected to remain range bound with slight bearish bias due to heavy import of the commodities.

| Spot Market Prices of Pea | | (Rs/qtt) | |
|---------------------------|----------------|-----------|-----------|
| Center | Variety | 11.08.07 | 10.08.07 |
| Mumbai | White.Can | 1681 | 1671 |
| Mumbai | White American | 1700 | 1700 |
| Mumbai | Green Can | 1501-1601 | 1501-1550 |
| Mumbai | Green American | 1531-1651 | 1531-1651 |
| Kanpur | Desi | 1900 | 1910 |

MASOOR

A mixed sentiment was observed in Masoor spot market Saturday amidst the steady arrivals. Prices eased by Rs.10 in Kanpur market due to lower enquiry. But, it increased by Rs.5-10 due to slight better demand in the market. The demand from the flood affected eastern part of the country was very poor in recent days, which pushed the prices down. At the same time, MMTC invited tender on Friday to import 9,000 tonnes Masoor (Red Lentil) from Australia or Canada by October-November. Thus, prices are expected to remain slightly bearish until the demand improves.

Spot Market Prices of Masoor (Rs/qtt)

| Center | 11.08.07 | 10.08.07 |
|-------------------------------|----------|----------|
| Delhi-MP/kota Line | Closed | 2800 |
| Delhi- UP/Sikri | Closed | 3075 |
| Kanpur local mill delivery | 2900 | 2910 |
| Kanpur new- Bareilly Delivery | 3030 | 3030 |
| Kanpur- new Malka Dal | 3170 | 3180 |
| Indore- Masra | 2800 | 2790 |
| Indore- Masoor New | 2780 | 2775 |
| Indore- Medium New | 2700 | 2690 |

PORT WATCH

Vessel Afea reached Kolkata port on 25.07.07 to discharge 20,499 tonnes of Peas. Vessel Sanko Eternal arrived at Mumbai port on 27th July to discharge 26,666 tonnes bulk peas.

FOREX (11.08.07)

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 40.63 |
| European Union | Euro | 55.60 |
| Japan | 100 Yen | 34.44 |
| United Kingdom | GBP | 82.12 |

International Prices

(\$/ton) (CNF)

| Quality | Latest |
|--|---------|
| Burmese New Lemon (15% or 20% Weeviled) Tur Mumbai | 610-620 |
| Burmese New Lemon (Yellow) Tur Chennai | 560 |
| Burmese FAQ New Tur Mumbai | 590-600 |
| Burmese Shwebo Tur Mumbai | 580 |
| Tanzanian Matwara Tur Chennai | 550 |
| Tanzanian Arusa Tur Mumbai | 585 |
| Kenyan Tur Mumbai | 530 |
| Burmese FAQ Urad Mumbai | 580 |
| Burmese SQ Urad Mumbai | 665 |
| Burmese FAQ Urad Chennai | 630-640 |
| Burmese SQ Urad Chennai | 700 |
| Ethiopian Moong Chennai | 680-685 |
| Burmese Pedishewa Moong Mumbai | 700-710 |
| Burmese Anneshwar Moong Mumbai | 570 |
| Australian Chickpea Mumbai | 600-605 |
| Tanzanian Chickpea Chennai | 740-750 |
| Dun Pea (Caspar) Mumbai | 380-385 |
| Peas (White Canadian) Chennai | 380-385 |
| Peas (Green Canadian) Chennai | 360 |
| Peas (White American) Mumbai | 358 |
| Peas (Green American) Mumbai | 360-370 |

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