

## PULSES DAILY

September 01, 2007

### URAD

#### SPOT MARKET

A steady to weak sentiment was observed in Urad spot markets on Friday amidst the higher arrivals in the market from the fresh crop. Prices decreased in Akola by Rs.100 due to lower buying interest in the market, whereas it went up by Rs.50 in Vijaywada due to correction in the market. The arrivals from the fresh crop have already started in few centres. Full fledged arrivals are expected to reach the market by early September. Moreover, tender invited by PEC to sell 5,759 tonnes of imported Urad also pushed the prices down in the spot market. Thus, prices are expected to remain steady to weak in coming days due to increase in arrivals and lower demand in the market.

#### Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade    | Centre    | 31.08.07  | 30.08.07  | Change |
|-----------------|-----------|-----------|-----------|--------|
| Burma Faq       | Mumbai    | 2260      | 2270      | -10    |
| Burma Faq       | Delhi     | 2340      | 2350      | -10    |
| Desi (UP)       | Delhi     | NA        | NA        | -      |
| Desi (MH)       | Delhi     | NA        | NA        | -      |
| Desi (new Crop) | Akola     | 2300      | 2400      | -100   |
| Desi (New Crop) | Latur     | 2550      | 2550      | -      |
| Desi (New Crop) | Jalna     | 2000-2300 | 2000-2300 | -      |
| Desi (New Crop) | Indore    | 2450      | 2450      | -      |
| Desi (New Crop) | Vijaywada | 2750      | 2700      | +50    |
| Desi (New Crop) | Kanpur    | 2400      | 2400      | -      |

## CHANA

### SPOT MARKET

Chana spot market remained slightly firm on Friday due to improved demand in the market. The arrivals in Delhi market remained steady at 25-30 motors; whereas arrivals in Bikaner market, were slightly better at 400 bags against the previous day's arrivals of 300 bags. Prices increased by Rs.10-25 in Delhi, Akola and Latur market due to higher enquiry in the market, whereas it eased by Rs.25 in Jalna due to lower demand in the market. But prices increased by Rs.130 in Bikaner due to higher buying interest in the market. In an effort to check the rise in prices of wheat and pulses, Union Cabinet extended the anti-hoarding drive on Wheat and Pulses for another six months period from September 1, 2007 to February 29, 2008. But, demand in the market is very much scattered. Moreover, expected higher production in Kharif pulses is also acting as bearish factor in the market. Thus, Chana prices are expected to remained range bound in coming days due to indecisive nature of trading in the market.

### Futures Market Commentary

Chana futures at NCDEX opened slightly firm on Friday. The most active October contract opened at Rs.2265 per quintal against the previous close of Rs.2263 per quintal. Prices initially moved downwards and tested a low of Rs.2252 per quintal. But increased buying in the market pushed the prices up and tested a high of Rs.2290 per quintal, which finally ended with positive note. MCX October Chana also traded firm in the range of Rs 2290-2254 per quintal before settling at Rs 2282 per quintal.

### Price Drivers

- ✓ Lifting the stocks of pulses from different warehouses in Punjab under Atta-Dal Scheme
- ✓ Increase in acreage of Kharif pulses to 107.1 lakh hectare against 98.46 lakh hectare last year up to August 17.
- ✓ Expected higher production in Kharif pulses.
- ✓ The MCX and NCDEX combined stock decreased to 23,814 tonnes

### Weather

Good production of Kharif pulses is expected on good monsoon.

### TECHNICALS

#### NCDEX -October Contract

Chana Charts show a hollow candle with shadows in both sides, indicating improved buying in the market within some sort of uncertainty. Prices closed well below the EMAs. MACD is also slowly running downwards in the negative zone. But, upward movement of the oscillators is indicating little bullish momentum over medium term. Prices are expected to trade slightly firm after weak opening with the possibility of profit booking at higher level.



#### Support / Resistances:

| Contract   | S1   | S2   | PCP  | R1   | R2   |
|------------|------|------|------|------|------|
| MCX August | 2267 | 2254 | 2282 | 2318 | 2325 |
| NCDEX Sept | 2267 | 2252 | 2283 | 2319 | 2331 |

#### Trade Recommendation:

**BUY** MCX October Chana above 2279 with target of 2297 and then 2306; put stop loss at 2370.

**BUY** NCDEX October Chana above 2280 with target of 2296 and then 2305 put stop loss at 2272.

### Spot Market Prices of Chana

| Origin/Grade   | Centre  | 31.08.07 | 30.08.07 | (Rs/qttl) Change |
|----------------|---------|----------|----------|------------------|
| Rajasthan Desi | Delhi   | 2315     | 2290     | +25              |
| MP Desi        | Delhi   | 2325     | 2315     | +10              |
| Kantewala      | Indore  | 2330     | 2330     | -                |
| Desi           | Kanpur  | 2360     | 2360     | -                |
| Mixed          | Akola   | 2375     | 2360     | +15              |
| Chapa          | Akola   | 2430     | 2430     | -                |
| Gauran         | Latur   | 2325     | 2300     | +25              |
| Annagiri       | Latur   | 2500     | 2500     | -                |
| G-12           | Latur   | 2400     | 2350     | +50              |
| Mixed          | Latur   | 2400     | 2350     | +50              |
| Gauran         | Jalna   | 2275     | 2300     | -25              |
| Pila           | Jalna   | 2350     | 2375     | -25              |
| Desi           | Bikaner | 2220     | 2090     | +130             |

## TUR

### SPOT MARKET

A steady to slightly firm sentiment was observed in Tur market on Friday. Prices increased by Rs.10-25 in Indore and Akola due to higher enquiry in the market. Subdued demand in the market pushed the prices slight lower sides in these days. The tender invited by PEC last week to sell 1,932 tonnes of imported Tur in the market also put the prices down. This year, the acreage of Kharif Tur up to 17th August has increase to 34.52 lakh hectares against 33.02 lakh hectares last year. But arrivals are expected to come in the market by November-December as Tur is long duration crop. Thus, in the present situation, prices are expected to remain mostly range bound with slight weak inclination in coming days due to lower demand in the market.

#### Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade        | Centre    | 31.08.07  | 30.08.07  | Change |
|---------------------|-----------|-----------|-----------|--------|
| Burmese Lemon (New) | Mumbai    | 2320      | 2320      | -      |
| Burmese Lemon (New) | Delhi     | 2450      | 2450      | -      |
| Maharastra tur      | Delhi     | NA        | NA        | -      |
| Karnataka tur       | Delhi     | NA        | NA        | -      |
| Red tur (New)       | Gulbarga  | 2620      | 2620      | -      |
| Fatka Dall          | Gulbarga  | 3800      | 3800      | -      |
| Red Tur             | Latur     | 2600      | 2600      | -      |
| White Tur           | Latur     | 2600      | 2600      | -      |
| Red                 | Jalna     | 2350-2450 | 2350-2450 | -      |
| White               | Jalna     | 2400-2500 | 2400-2500 | -      |
| Red Tur             | Indore    | 2550      | 2525      | +25    |
| Vidharvapatta       | Akola     | 2540      | 2530      | +10    |
| Marathwada          | Akola     | 2525      | 2520      | +5     |
| Red Tur             | Vijaywada | 2375      | 2270      | +5     |

## **OTHERS MOONG**

A weak sentiment was seen in Moong spot market on Friday on higher arrivals from the fresh crop. Stockists are also pilling up their old stock in the market before further decrease in prices. On higher arrivals in the market demand is also very low in these days. Production of Moong is also expected to increase this year on higher acreage in the country. Moreover, PEC invited tender to sell 3,764 tonnes of Moong in the market. Thus, prices are expected to remain bearish in coming days due higher arrivals in the market.

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

| Origin/Grade     | Centre | 31.08.07  | 30.08.07  |
|------------------|--------|-----------|-----------|
| Pedishewa        | Mumbai | 2400      | 2425      |
| Kenya            | Mumbai | 2100      | 2100      |
| Pedishewa        | Delhi  | 2600      | 2600      |
| Karnataka Chamki | Delhi  | 2200-2450 | 2350-2550 |
| Kishangarh       | Delhi  | 2350      | 2450      |
| Desi             | Indore | 2300      | 2300      |
| Desi             | Kanpur | 2100-2500 | 2100-2500 |
| Chamki           | Jalna  | 2000-2300 | 2100-2300 |
| Chamki           | Akola  | 2100-2215 | 2100-2275 |

## **FIELD PEAS**

A slight bearish sentiment was witnessed in Peas spot markets on Friday. Prices eased by Rs.10-25 in Mumbai and Kanpur market due to lower buying interest in the market. The weak sentiment in Chana prices is also creating negative sentiment in Peas prices. The vessel expected to reach Mumbai port by 30.08.07 to offload 8,800 tonnes of Bulk Peas earlier, which is now expected to arrive by 05.09.07. Thus, prices are expected to remain range bound with weak inclination due to expected increase in arrivals and subdued demand in the market.

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

| Centre | Variety        | 31.08.07  | 30.08.07  |
|--------|----------------|-----------|-----------|
| Mumbai | White.Can      | 1681      | 1691      |
| Mumbai | White American | 1700      | 1700      |
| Mumbai | Green Can      | 1450-1550 | 1450-1575 |
| Mumbai | Green American | 1475-1600 | 1491-1621 |
| Kanpur | Desi           | 1900      | 1915      |

## **MASOOR**

Masoor spot market remained weak on Friday due to lower demand in the market. Prices eased by Rs.10-25 in Delhi and Kanpur market, whereas dipped lower Indore market due to lower buying interest in the market. MMTC's tender to sell 1,500 tonnes of imported Masoor to the domestic market is creating some negative impact over the prices in recent days. Thus, prices are expected to remain steady to slightly weak in coming days due to sluggish demand in the market.

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

| Centre                        | 31.08.07 | 30.08.07 |
|-------------------------------|----------|----------|
| Delhi-MP/kota Line            | 2800     | 2825     |
| Delhi- UP/Sikri               | 3175     | 3200     |
| Kanpur local mill delivery    | 2900     | 2910     |
| Kanpur new- Bareilly Delivery | 3010     | 3025     |
| Kanpur- new Malka Dal         | 3175     | 3200     |
| Indore- Masra                 | 2760     | 2800     |
| Indore- Masoor New            | 2660     | 2790     |
| Indore- Medium New            | 2525     | 2675     |

## PORT WATCH

Vessel Vinashin Summer VI is expected to arrive at Mumbai port by 05.09.07 discharge 8,800 tonnes Bulk Peas.

### FOREX (31.08.07)

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA                | Dollar   | 40.88           |
| European Union     | Euro     | 55.96           |
| Japan              | 100 Yen  | 35.23           |
| United Kingdom     | GBP      | 82.55           |

### International Prices

(\$/ton) (CNF )

| Quality  | Latest  |
|--|---------|
| Burmese New Lemon (15% or 20% Weeviled) Tur Mumbai | 580     |
| Burmese FAQ New Tur Mumbai                         | 550-560 |
| Burmese Shwebo Tur Mumbai                          | 540     |
| Burmese Kenya Tur Mumbai                           | 510     |
| Tanzanian Matwara Tur Mumbai/Chennai               | 490-510 |
| Tanzanian Arusa Tur Mumbai                         | 530     |
| Tanzanian Arusa Tur Chennai                        | 575     |
| Burmese FAQ Urad Mumbai                            | 580     |
| Burmese SQ Urad Mumbai                             | 610     |
| Burmese Pedishewa Moong Mumbai                     | NA      |
| Burmese Anneshwa Moong Mumbai                      | 550     |
| Dun Pea (Caspar) Chennai                           | 385-400 |
| Peas (White Canadian) Chennai                      | 355-360 |
| 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.