

PULSES DAILY

August 25, 2007

URAD

SPOT MARKET

Urad spot market remained steady on Friday amidst the slight better arrivals. But, prices dipped by Rs.200 in Latur market due to lower buying interest in the market, whereas it eased by Rs.25 in Akola by Rs.25 due to lower enquiry in the market. Production of Kharif crop may get affected in Marathwada region due to water stress condition at the important phase of crop growth. But, full fledged arrivals from fresh crop are expected to come in the market by early September. Meanwhile, PEC also invited bids to sell 5,759 tonnes of imported Urad. Thus, prices are expected to trade slightly bearish in coming days due to increase in arrivals in the market.

Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade | Centre | 24.08.07 | 23.08.07 | Change |
|-----------------|-----------|-----------|-----------|--------|
| Burma Faq | Mumbai | 2321 | 2321 | - |
| Burma Faq | Delhi | 2450 | 2450 | - |
| Desi (UP) | Delhi | NA | NA | - |
| Desi (MH) | Delhi | NA | NA | - |
| Desi (new Crop) | Akola | 2450 | 2475 | -25 |
| Desi (New Crop) | Latur | 2550 | 2750 | -200 |
| Desi (New Crop) | Jalna | 2000-2400 | 2000-2400 | - |
| Desi (New Crop) | Indore | 2525 | 2525 | - |
| Desi (New Crop) | Vijaywada | Closed | 2750 | - |
| Desi (New Crop) | Kanpur | 2400 | 2400 | - |

CHANA

SPOT MARKET

Chana spot markets recovered little bit on Friday after downfall in recent few days. Prices increased by Rs.25-40 in most of the centres across the country. The arrivals in Delhi and Bikaner market were slightly lower at 35-40 motors and 100 bags respectively in comparison to previous day's arrivals of 40-45 motors and 200 bags respectively. Slight improved demand pushed the prices in most of the market. But still the demand in the market is not so satisfactory for the steady increase in the prices. Bearish momentum in other pulses has also some negative bearing over Chana prices in recent days. Moreover, a vessel is expected to arrive at Mumbai port by 30.08.07 to offload 8,800 tonnes of Bulk Peas, which is an alternative of Chana. Thus, prices are expected to trade range bound in coming days until the festival demand pushes the prices up.

Futures Market Commentary

Chana futures at NCDEX opened firm on Friday. The near month September contract opened at Rs.2350 per quintal against the previous close of Rs.2346 per quintal. Prices initially moved upward and tested a high of Rs.2355 per quintal. But, increased selling pressure in the market pushed the prices down and tested a low of Rs.2330 per quintal, which finally ended with bearish undertone. But, MCX September Chana also traded bearish in the range of Rs 2349-2330 per quintal before settling at Rs 2330 per quintal.

Price Drivers

- ✓ Demand is expected to be higher in coming days due approaching festival season.
- ✓ 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.
- ✓ The MCX and NCDEX combined stock decreased to 30,433 tonnes

Weather

Good production of Kharif pulses is expected on good monsoon. Lack of rainfall in Marathwada region may affect the production of Urad crop little bit.

TECHNICALS

NCDEX -September Contract

Chana charts show dark candle indicates higher selling in the market. Prices closed below the EMAs, which supports the bears. MACD is flattening in negative territory, while both the oscillators moving downwards, indicating bearish momentum in the market. Prices are expected to trade slightly weak after steady to slightly firm opening.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|------------|------|------|------|------|------|
| MCX August | 2310 | 2300 | 2330 | 2341 | 2346 |
| NCDEX Sept | 2307 | 2291 | 2331 | 2346 | 2360 |

Trade Recommendation:

SELL MCX September Chana below 2332 with target of 2322 and then 2315; put stop loss at 2337.

SELL NCDEX September Chana below 2333 with target of 2318 and then 2311 put stop loss at 2341.

Spot Market Prices of Chana

| Origin/Grade | Centre | 24.08.07 | 23.08.07 | (Rs/qttl) Change |
|----------------|---------|----------|----------|------------------|
| Rajasthan Desi | Delhi | 2370 | 2345 | +25 |
| MP Desi | Delhi | 2380 | 2370 | +10 |
| Kantewala | Indore | 2360 | 2360 | - |
| Desi | Kanpur | 2385 | 2360 | +25 |
| Mixed | Akola | 2425 | 2400 | +25 |
| Chapa | Akola | 2540 | 2500 | +40 |
| Gauran | Latur | 2400 | 2400 | - |
| Annagiri | Latur | 2525 | 2525 | - |
| G-12 | Latur | 2400 | 2450 | -50 |
| Mixed | Latur | 2400 | 2400 | - |
| Gauran | Jalna | 2325 | 2300 | +25 |
| Pila | Jalna | 2425 | 2400 | +25 |
| Desi | Bikaner | 2220 | 2180 | +40 |

TUR

SPOT MARKET

A mixed sentiment was observed in Tur spot market on Friday amidst the steady arrivals in the market. The prices eased by Rs.10-20 in Gulbarga and Akola due to lower enquiry in the market. But it dipped by Rs.50 in Jalna due to lower demand in the market. Prices also went up by Rs.25 in Delhi, Latur and Indore due to higher buying interest in the market. Kharif crop is vegetative stage in most of the Tur growing tracts in the country. Lack of rainfall in Marathwada region may also affect this crop little bit if dry condition continues. It some created bearish impact over Tur prices. At the same time, to increase the arrivals in the market, PEC floated tenders to sell 1,932 tonnes of imported Tur. Thus, in the present context, Tur prices are expected to remain steady to slightly weak in coming days due to expected increase in arrivals and comparatively lower demand in the market.

Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade | Centre | 24.08.07 | 23.08.07 | Change |
|---------------------|-----------|-----------|-----------|--------|
| Burmese Lemon (New) | Mumbai | 2370 | 2370 | - |
| Burmese Lemon (New) | Delhi | 2500 | 2475 | +25 |
| Maharastra tur | Delhi | NA | NA | - |
| Karnataka tur | Delhi | NA | NA | - |
| Red tur (New) | Gulbarga | 2630 | 2650 | -20 |
| Fatka Dall | Gulbarga | 3800 | 3800 | - |
| Red Tur | Latur | 2600 | 2600 | - |
| White Tur | Latur | 2675 | 2650 | +25 |
| Red | Jalna | 2350-2450 | 2400-2500 | -50 |
| White | Jalna | 2400-2500 | 2500-2550 | -50 |
| Red Tur | Indore | 2600 | 2575 | +25 |
| Vidharvapatta | Akola | 2560 | 2570 | -10 |
| Marathwada | Akola | 2550 | 2560 | -10 |
| Red Tur | Vijaywada | Closed | 2450 | - |

OTHERS MOONG

A bearish sentiment was observed in most of Moong spot markets on Friday amidst the higher arrivals. Prices decreased significantly in most of the market. The arrivals from the fresh crop are bringing down the prices in spot market in recent days. The acreage of Kharif Moong is also higher this year in comparison to last year and higher production is expected this year. 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 from the fresh crop.

Spot Market Prices of Moong (Rs/qty)

| Origin/Grade | Centre | 24.08.07 | 23.08.07 |
|------------------|--------|-----------|-----------|
| Pedishewa | Mumbai | 2550 | 2600 |
| Pedishewa | Delhi | 2750 | 2750 |
| Karnataka Chamki | Delhi | 2400-2700 | 2400-2700 |
| Kenya | Mumbai | 2150 | 2200 |
| Desi | Indore | 2300 | 2375 |
| Desi | Kanpur | 2200-2500 | 2200-2500 |
| Chamki | Jalna | 2300-2350 | 2300-2450 |
| Chamki | Akola | 2200-2300 | 2050-2300 |

FIELD PEAS

Peas spot market remained steady to slightly firm on Friday amidst the slight lower arrivals. The prices of White American Peas and Green Canadian Peas in Mumbai and Desi Peas in Kanpur were up due to higher demand and slight lower arrivals in the market. But another vessel is expected to arrive at Mumbai port by 30.08.07 to offload 8,800 tonnes of Bulk Peas, which will improve the arrivals in the market in the short run. Thus, prices are expected to remain range bound until the arrivals improve by the imported Peas in the market.

Spot Market Prices of Pea (Rs/qty)

| Centre | Variety | 24.08.07 | 23.08.07 |
|--------|----------------|-----------|-----------|
| Mumbai | White.Can | 1680 | 1680 |
| Mumbai | White American | 1710 | 1700 |
| Mumbai | Green Can | 1461-1600 | 1461-1550 |
| Mumbai | Green American | 1511-1611 | 1550-1600 |
| Kanpur | Desi | 1925 | 1920 |

MASOOR

A mixed sentiment was observed in Masoor spot market on Friday amidst the weak arrivals. Prices eased by Rs.10-15 in Delhi and Indore market due to lower enquiry in the market, while it went up by Rs.10 in Kanpur market due to higher demand in the market. The demand from the eastern part of the country was slightly better in the market as flood situation has improved little bit. Thus, prices are expected to remain range bound with slightly firm inclination in the coming days on lower arrivals and improved demand in the market.

Spot Market Prices of Masoor (Rs/qty)

| Centre | 24.08.07 | 23.08.07 |
|-------------------------------|----------|----------|
| Delhi-MP/kota Line | 2850 | 2860 |
| Delhi- UP/Sikri | 3125 | 3125 |
| Kanpur local mill delivery | 2920 | 2910 |
| Kanpur new- Bareilly Delivery | 3040 | 3040 |
| Kanpur- new Malka Dal | 3180 | 3180 |
| Indore- Masra | 2820 | 2810 |
| Indore- Masoor New | 2800 | 2800 |
| Indore- Medium New | 2700 | 2715 |

PORT WATCH

Vessel Vinashin Summer VI is expected to arrive at Mumbai port by 30.08.07 discharge 8,800 tonnes Bulk Peas.

FOREX (24.08.07)

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 41.09 |
| European Union | Euro | 55.85 |
| Japan | 100 Yen | 35.53 |
| United Kingdom | GBP | 82.41 |

International Prices

(\$/ton) (CNF)

| Quality | Latest |
|--|---------|
| Burmese New Lemon (15% or 20% Weeviled) Tur Mumbai | NA |
| Burmese FAQ New Tur Mumbai | NA |
| Burmese Kenya Tur Chennai | 550 |
| Tanzanian Matwara Tur Mumbai/Chennai | 510 |
| Tanzanian Arusa Tur Mumbai/Chennai | 550-560 |
| Kenyan Tur Mumbai | 520 |
| Burmese FAQ Urad Mumbai | 570-580 |
| Burmese SQ Urad Mumbai | 640-650 |
| Burmese FAQ Urad Chennai | 565-570 |
| Burmese SQ Urad Chennai | 650 |
| Burmese Pedishewa Moong Mumbai | NA |
| Burmese Anneshwa Moong Mumbai | 560-570 |
| Dun Pea (Caspar) Chennai | 385-400 |
| Peas (White Canadian) Chennai | 355-360 |
| Peas (Green Canadian) Chennai | 360 |

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