

Pulses

February 22, 2011

CHANA

Market Analysis:

- Mostly weak sentiments witnessed in the spot chana markets.
- Average daily arrivals of chana in Maharashtra during current year are reported at around 70,000-80,000 bags same as last year's arrivals.
- Excess rainfall in Maharashtra during January 2011 did not hamper the yield of chana and average yield is reported at around 9-10 quintal per hectare.
- However, as per the trade participants quality of new arrival is not upto the mark and this had supported its prices.

Chana prices are expected to trade with weak bias in near term due to the improved arrivals and weak demand of the commodity at higher levels.

Technical Analysis:

- Candlestick pattern shows indecision in the market. Chana futures is trading range bound between 2592-2641.
- MACD is moving down in negative zone, supporting selling pressure.
- RSI is also declining in the neutral zone and supporting the bearish sentiments.
- It is advisable to sell chana futures from higher levels.

Trade Recommendation – Chana NCDEX (Mar.)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| SELL | <2628 | 2606 | 2595 | 2643 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 2565 | 2592 | 2618 | 2650 | 2680 |



Spot Prices of Chana at Key Markets

| Centre | Grade/Variety/Origin | Prices | | Change | Arrivals | | Change |
|---------|-----------------------|-----------|-----------|--------|-----------|-----------|--------|
| | | 21-Feb-11 | 19-Feb-11 | | 21-Feb-11 | 19-Feb-11 | |
| Mumbai | Australian (Imported) | 2400 | 2400-2425 | -25 | - | - | - |
| | Rajasthan | 2600-2625 | 2600-2625 | - | 20-25 | 15 | +10 |
| Delhi | Madhya Pradesh | 2600-2625 | 2600-2625 | - | 20-25 | 15 | +10 |
| Bikaner | Desi | 2525 | 2540 | -15 | - | - | - |
| Indore | Kantewala | 2500-2525 | 2500 | +25 | 3000 | 4000 | -1000 |
| Kanpur | Desi | 2600 | 2620 | -20 | - | - | - |
| Latur | Gauran | - | Closed | - | - | - | - |
| | Annagiri | 2500-2600 | Closed | - | 300 | - | - |
| | G-12 | - | Closed | - | - | - | - |

*all prices are tax paid except Bikaner which is loose prices *arrivals of chana in all the markets are in bags (1 bag = 100 Kg) except Delhi where the arrivals is in motors/trucks.

PEAS

Market Analysis:

- Mostly firm sentiments featured in most of the peas cash markets.
- Improved buying for white peas in Kanpur market has moved up its prices.
- Marginal decline in acreage of desi peas along with negative impact of frost like conditions on crop in MP are likely to reduce the output of the commodity during current year.
- Projections of lower output and high disparity in imported peas have supported its prices.

Peas prices are expected to move range bound.

| Centre | Prices | | Chg |
|-----------------------|-----------|-----------|-----|
| | 21-Feb-11 | 19-Feb-11 | |
| Mumbai White Canadian | 1831 | 1815-1821 | +10 |
| Mumbai White American | 1870-1880 | 1870 | +10 |
| Mumbai Green Canadian | 2150-2325 | 2200-2300 | +25 |
| Mumbai Green American | 2600-2700 | 2600-2700 | - |
| Kanpur Desi | 2125 | 2100 | +25 |

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TUR

Market Analysis:

- Mostly weak tone featured in majority of tur cash markets.
- According to the trade participants in Jalna, total arrivals of the commodity normally stands at around 3.5 lakh bags but this year they are expecting not more than 2.0 lakh bags due to the less arrivals in the market till date.
- As per the traders out of the total arrivals, around 70% is of inferior quality and due to this difference between bold and inferior quality tur has widen.
- Fewer arrivals are expected to move up domestic tur prices in near term and current levels might act as support levels.

Domestic tur prices are expected to trade with firm bias due to the improved demand.

Tur Spot Market Prices

| Centre | Origin/Variety/Grade | 21-Feb-11 | 19-Feb-11 |
|----------|----------------------|-----------|-----------|
| Mumbai | Burmese lemon | 3725-3750 | 3750 |
| Delhi | Burmese Tur | 3750 | 3751 |
| Chennai | Burmese lemon | 3800 | 3850 |
| Gulbarga | Red | 4100 | 4141 |
| Latur | Red | 4100 | - |
| Jalgaon | Red | 4000-4300 | - |

MOONG

Market Analysis:

- Mostly steady to weak tone featured in key moong cash markets.
- Sluggish demand from traders and millers has resulted in downward movement in moong prices in Jaipur market.
- Limited availability of the commodity is expected to support the domestic prices.
- Additionally, projections of lower crop in Myanmar and strong buying support from China will further support international moong prices.

Moong prices are likely to trade range bound in coming days on subdued demand and quality issue in new moong.

Moong Spot Market Prices

| Centre | Origin/Variety/Grade | 21-Feb-11 | 19-Feb-11 |
|---------|----------------------|-----------|-----------|
| Mumbai | Pedishewa | - | - |
| | Moong Australia | - | - |
| Chennai | Pedishewa | 5800 | 6200-6300 |
| Delhi | Mertha City | 5800 | 5800 |
| | Raj Line | 5800 | 5800 |
| Indore | Chamki | 5300-5400 | 5500 |
| Kanpur | Desi | 3600-4400 | 4250 |
| Jaipur | Moong | 3000-4300 | 3000-4400 |

URAD

Market Analysis:

- Urad prices mostly featured weak tone in key cash markets.
- Stock of urad in Maharashtra is depleting continuously and this had supported its prices during past few days.
- Market participants are expecting less rabi crop from AP compared to the last year due to the reduced acreage and yield loss.
- Additionally, rabi crop from AP has delayed by around 10-15 days during current year.
- Another supporting factor for improvement in domestic urad prices is higher international prices.

Prices are expected to remain range bound with firm bias in short term.

Urad Spot Market Prices

| Centre | Origin/Variety/Grade | 21-Feb-11 | 19-Feb-11 |
|------------|----------------------|-----------|-----------|
| Mumbai | Burmese FAQ | 4175 | 4200 |
| Delhi | Burmese FAQ | 4175 | 4200 |
| Chennai | Burmese FAQ-SQ | 4150-4700 | 4100-4700 |
| Indore | Desi | 3700 | 3900 |
| Vijayawada | Polished | 4700 | 4600 |
| Jalgaon | Desi | 3000-4000 | Closed |

MASOOR

Market Analysis:

- Mostly steady sentiments featured in key Masoor cash markets.
- Thin trading activities for the commodity have resulted in steady movement in masoor prices.
- Buyers are waiting for new crop and this has resulted in limited enquiries.
- Moreover, satisfactory crop condition has raised the prospects of better crop.

Masoor prices are likely to trade range bound with weak bias in coming days.

Masoor Spot Market Prices

| Centre | Origin/Variety/Grade | 21-Feb-11 | 19-Feb-11 |
|--------|----------------------|-----------|-----------|
| Mumbai | Red Lentils | 3200 | 3200 |
| | Chaanti export | 4500-4550 | 4500-4550 |
| Delhi | MP/ Kota Line | 2700-2750 | 2700-2750 |
| | UP/Sikri Line | 3250-3300 | 3250-3300 |
| | Mill Delivery | 3050 | 3050 |
| Kanpur | Bareilly Del. | 3120 | 3140 |
| Indore | Masra | 3200 | 3200 |

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Indicative International Prices (C&F, \$/MT)

| Commodity | Origin | Port | Prices as on 21-02-11 |
|----------------------------|-------------------|-----------|-----------------------|
| Tur Arusha | Tanzania | Chennai | - |
| Tur Lemon | Burmese | Mumbai | 915 |
| Tur FAQ | African | | - |
| Tur | Malawi/Mozambique | Chennai | - |
| Yellow Lentils (Richleas)* | Canadian | Tuticorin | - |
| Yellow Lentils (Laird)* | Canadian | Tuticorin | - |
| Red Lentils (Oct-Nov) | Canadian | Mumbai | - |
| Yellow Peas* | Canadian | Chennai | 440-445 |
| Yellow Peas | Ukrainian | | - |
| Yellow Peas* | U.S. | Chennai | - |
| Urad FAQ*(New) | Burmese | Mumbai | 900-910 |
| Urad SQ*(New) | Burmese | Mumbai | 1030-40 |
| Chickpea | Australian | Mumbai | 640-650 |
| Moong Pedishewa* | Burmese | Mumbai | 1475 |
| Moong | Tanzania | Mumbai | - |
| Moong Annashewa | Burmese | Mumbai | 1160-1180 |

(*Last Traded)

FOREX

| Country/Continent | Currency | Value in Rupees 19-02-11 | Value in Rupees 21-02-11* |
|-------------------|-----------|-----------------------------|------------------------------|
| USA | Dollar | 45.10 | 45.11 |
| European Union | Euro | 61.78 | 61.70 |
| Japan | Yen (100) | 54.28 | 54.24 |
| United Kingdom | GBP | 73.26 | 73.25 |

Source: RBI; *Saturday's value taken from xe.com

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