

## Pulses Fortnightly Report

### Fundamentals: Chickpeas (Chana)

Chana prices witnessed weak trend during the fortnight. Regular inflow of the commodity in the local markets of Maharashtra and MP has created supply pressure and this has forced chana prices to move in southwards direction. Slight improvement in chana prices were recorded during past couple of days due to the reduced arrivals ahead of holi but buyer's unwillingness to buy the commodity at higher levels as they are gauging further decline in its prices in near term.

Around 5000 bags of new crop are arriving in the Indore market on daily basis but traders are not buying them due to the high moisture level and expectations of further decline in near term. In addition to this, prevailing weather conditions are also beneficial for the standing crop in MP and Maharashtra and will aid in harvesting. However, fresh arrivals from MP will gain momentum from third week of March onwards and commencement of new crop from Rajasthan in April will create immense supply pressure in domestic markets and keep the prices under control.

Around 64 containers of chickpeas have also arrived at Mumbai port during March 2011 and this will further add to the supply line.

### Chickpeas Prices at Key Centers (Rs/Qtl)

Origin/Grade	Centre	19.03.11	03.03.11
Chana (Australia)	Mumbai	2350	2325-2350
Rajasthan Desi	Delhi	Closed	2565-2570
M.P. Desi	Delhi	Closed	2565-2570
Desi (Loose)	Bikaner	Closed	2450
Kantewala	Indore	Closed	2400-2425
Gauran New	Latur	2275-2600	2225-2250

### International Price Offer for Chana (Indicative) USD/MT C&F

Date	Tanzania Chickpeas (Mumbai)	Australian Chickpeas (Mumbai)	Australian Chickpeas (Chennai)
19.03.11	-	620-630	630-640
03.03.11	-	620-630	630-640

### Other Pulses: Black Matpe / Black Gram (Urad)

Urad prices witnessed mostly weak sentiments in the spot markets during the fortnight. Arrival of new crop has started in AP but improved demand of the commodity has discounted the new arrival factor.

While demand for the commodity in the local markets of Maharashtra remained lackluster and due to this urad prices witnessed steep decline during the fortnight. Although new crop has started in the local markets of AP but failed to create supply pressure and in addition to this forecasted output is also less compared to the last year and this has further supported bullish sentiments in Vijaywada market. Slight improvement in demand is also recorded from Gujarat traders during early week have moved up urad prices in local markets of MP to some extent.

Trade participants of Maharashtra are expecting some improvement in demand in near term due to the depleting stock with the mills and this might lift up its prices in near term.

At the global front, rainfall in Myanmar during third week of March might delay the harvesting of crop and could associate some quality issues and this might further support global urad prices.

We expect urad prices to remain range bound with slight firmness in coming days.

### Urad Price (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	19.03.11	03.03.11	Arrival 19.03.11	Arrival 03.03.11
Mumbai Burma FAQ	4000	3950-3975	-	-
Delhi Burma FAQ	Closed	3950	-	-
Indore Desi	Closed	4100	500	700
Vijayawada Polished	Closed	4450	-	-
Jalgaon Desi	Closed	3500-4000	200	200
Latur Desi	2800-3500	2500-3500	700	700

### International Price Offer for Burmese Urad FAQ & SQ (Indicative) USD/MT C&F

Date	FAQ (Mumbai)	SQ (Mumbai)	FAQ (Chennai)	SQ (Chennai)
19.03.11	920-930	1030-1040	930-940	1040-1050
03.03.11	920-930	1030-1040	930-940	1040-1050

### Pigeon Pea / Red Gram (Tur / Arhar)

Mostly a weak tone featured in major Tur cash markets during the period. Weak demand of the commodity in most of the markets amid continuous inflow of new crop had restricted upward movement in domestic tur prices. Consistent arrivals in Karnataka and Maharashtra had created supply pressure in the markets while new crop arrival in AP is almost finished and this had supported tur prices in Vijayawada market.

Trade participants of Karnataka are expecting improvement in demand of tur in near term as they believe that stock with millers and traders are continuously depleting and this will force them to once again enter into the market. While regular shipments of Burmese tur at Indian ports is the supporting factor for bearish movement as around 708 containers (20 feet) have arrived at Nava Sheva port during March 2011.

Indian importers are finding huge disparity at current C&F levels and due to this they are not entering into fresh agreements with the Burmese exporters. While trade participants still believe that international prices will remain on higher side for some more time for the reason that if Burmese exporters reduces the prices then chances of default will increase in delivery of commodity contracted earlier at around \$1030-1050/ton.

### Tur Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	19.03.11	03.03.11	Arrival 19.03.11	Arrival 03.03.11
Burmese Lemon New Mumbai	3525-3550	3625		
Burmese Lemon New Delhi	Closed	3625		
Red Tur Gulbarga		2900-4041	6000	6000
Red Tur Latur	3800-4075	3400-4100	5000	6000
White Tur Latur	3200-4100	3600-4100	1000	1000
Red Tur Indore	Closed	4000	-	500
Red Tur (New) Jalgaon	Closed	3800-4000	-	100

### International Price for Tur (Indicative) USD/MT C&F

Date	Burmese (Red Lemon Tur) Mumbai	Tanzania (Tur Arusha) Chennai
19.03.11	920-930	
03.03.11	920-930	-

### Masoor (Lentil)

A steady to firm tone featured in masoor cash markets during the fortnight. Improved demand of new crop in the spot markets supported its prices throughout the fortnight. Although, fresh arrivals have started in MP and UP but failed to create supply pressure in the markets and hence prices moved in the northwards direction.

Talks of lower yields in MP from farmer's front had also added to the bullish sentiments. According to the trade participants, quality of the new crop is good but they are expecting fewer crops (around 10-15%) compared to the last year. Since new arrival will gain momentum from April onwards and this will pressurize domestic masoor prices. Reportedly good carry-in stock from last year will also act as a supporting factor for bearish movement in near term as trade participants have reported stock of around 5 lakh bags of masoor is lying in MP and this will ease down the supply side.

Another supporting factor for decline in prices is buyer's unwillingness to pay higher prices for the commodity. Taking the above factors into consideration we believe that masoor prices will trade with steady to weak tone in near -term.

### Masoor Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	19.03.11	03.03.11	Arrival 19.03.11	Arrival 03.03.11
Mumbai ( Red Lentil)	3050-3150	3100-3150		
Delhi-Chanti Export	Closed	4400-4500		
Delhi- New MP/kota Line	Closed	2650-2700		
Delhi-UP Sikri Line	Closed	3200		
Kanpur local mill delivery	3250	2970	1000	-
Kanpur -Bareilly Delivery	3280	3080	-	-
Indore- Masra	Closed	3100		
Indore- Medium	Closed	3150	-	

### International Price for Masoor (Indicative) USD/MT C&F

Date	Yellow Lentil (Laird)	Yellow Lentils (Richlea)	Red Lentils
19.03.11	-	-	-
03.03.11	-	-	-

## Moong

Moong prices witnessed a steady to weak tone during the fortnight. Buyer's unwillingness to purchase the commodity at higher levels kept weighing on domestic moong prices throughout the fortnight.

Sluggish demand of the commodity has forced the miller's to run the mill at under capacity and if this situation will continue in near term then current stock position will be sufficient to meet the domestic demand till fresh Kharif crop. Moreover, rabi crop from TamilNadu is also likely to hit the markets from April onwards and this will further try to keep the prices under control as this will fulfill the local demand.

Decline in demand from China in international markets has also reduced the international prices but Indian traders are still not finding parity at current global prices and due to this they are expecting some decline in global prices also.

We expect moong prices to remain range bound with weak bias in coming days.

### Moong Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	19.03.11	03.03.11	Arrival 19.03.11	Arrival 03.03.11
Mumbai Pedishewa	-	-		
Chennai Moong Pedishewa	5900-6000	5900-6000		
Delhi-UP Line	-	-		
Delhi -Moong Mertha City	5800	5800		
Indore- Chamki	Closed	5200	-	700
Kanpur Desi	4150	4100	30-40	
Jalna New Moong	Closed	3600-4100		
Akola Chamki	Closed	3600-4400	-	1200
Jaipur Moong	3400-4000	-	-	-

### International Price Offer for Moong (Indicative) USD/MT CNF (Mumbai)

Date	Moong (China)	Moong Annashewa (Burma)	Moong Pedishewa (Burma)
19.03.11		1350	1450-1500
03.03.11	-	1350	1450-1500

## Field Peas

Mostly a steady to firm tone featured in key peas cash markets. Although fresh arrivals of desi peas has started in the spot markets of MP and UP but failed to create supply pressure in the markets and this has supported its prices throughout the week. Moreover, good demand of the new crop also supported bullish sentiments.

According to the trade participants of Budelkhand market, present arrival of new crop is less compared to the last year's crop during the same time and this is supporting desi peas prices during last few days. Moreover, Mumbai traders are offering peas of April delivery at higher levels compared to the current levels and this has further made buyers optimistic for price rise in near term. Additionally, talks of lower crop during current season are also supporting bullish sentiments.

According to the Canadian Grain Commission, visible stocks of pea in Canada till 18 Mar, 2011 are reported at 2.85 lakh tonnes compared to the last year's stock of 1.56 lakh tonnes during the same period. Canada has exported 16.23 lakh tonnes of peas till 18 Mar, 2011 compared to the last year's figure of 9.54 lakh tonnes.

Given the above factors, peas prices are expected to remain on higher side in near term.

### Peas Prices (Rs/Qtl.)

Date	Mumbai Canadian White Peas	Mumbai White American	Kanpur Desi New (Factory delivery)
19.03.11			
03.03.11			

The current offer for Canadian yellow peas is USD 400-425 per MT C&F Indian ports respectively.

### Weather Watch:

States	Weather	Crop Impact
<b>Andhra Pradesh</b>	Mainly Dry Weather	Favorable for harvesting of urad crop.
<b>Maharashtra</b>	Mainly Dry Weather	No impact on crop.
<b>Karnataka</b>	Mainly Dry Weather	No impact on crop.
<b>Madhya Pradesh</b>	Mainly Dry Weather	Helpful in harvesting of chana, masoor and peas.
<b>Rajasthan</b>	Mainly Dry Weather	Helpful in harvesting of chana, masoor and peas.
<b>UP</b>	Mainly Dry Weather	Helpful in harvesting of chana, masoor and peas.

### Key Finding:

1. Reduced arrivals of chana in MP supported chana prices to some extent.
2. Good demand of desi peas supported its prices despite of the commencement of fresh arrivals in the market.
3. Arrival of new moong is expected to hit the markets from April onwards till July from different states.

### Forex as on 19.03.11

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.00
European Union	Euro	63.77
Japan	100 Yen	55.84
United Kingdom	GBP	73.02

### Technical Outlook:

- Chana futures witnessed weak trend during the fortnight.
- Candlestick pattern shows selling support in the market supported by increase in volume.
- Closing of prices below short term EMAs (9 & 18 days) suggests weakness in prices.
- RSI is moving up in neutral zone, thus warranting the bears.
- MACD is moving down in negative territory, thus hinting bearish trend.
- It is advisable to sell from higher levels.

### Trade Recommendation – Chana NCDEX (Apr.)

Call	Entry	T1	T2	SL
<b>SELL</b>	<2550	2495	2475	2580
Support & Resistance				
S2	S1	PCP	R1	R2
2445	2473	2528	2580	2600



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