

Highlights of the week:

- Mixed trend witnessed in pulses during the week.
- Weak demand for chana at higher levels reduced chana prices during the week. Taking cues from chana, peas prices also fell down significantly.
- Significant sowing progress is recorded in tur in southern parts of the country but area still remained below last year's seeded area during the same time.
- So far the crop condition of Kharif pulses is reportedly good and recent rains favours crop growth and consequently the yield. August rains will remain the key for Kharif pulses yield. As per the IMD's latest long range forecast for Aug-Sept 2011, rainfall is expected to remain below normal during the period over the country.
- A cyclonic typhoon is expected to hit eastern China in coming days which might severely impact moong crop in the country.
- Dull demand for urad in international markets has reduced C&F prices of urad but despite of this, no forward contracts have been done at current levels.

Chickpeas (Chana)

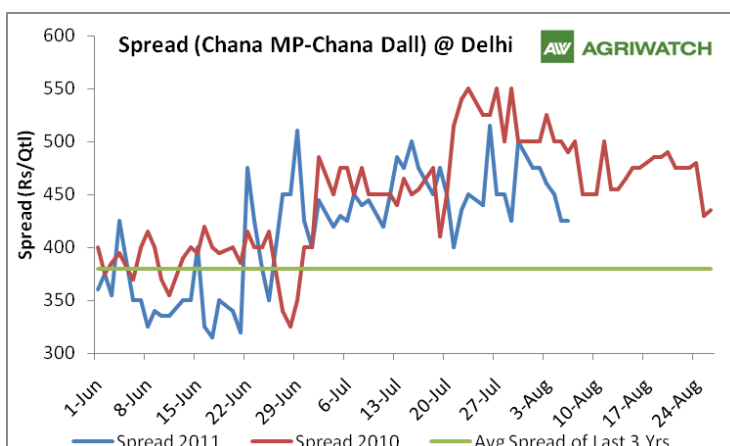
Market Recap:

Mostly weak trend witnessed in chana prices during the week ended August 10, 2011 as compared to the last week. Weak demand at higher levels and comparatively improved arrivals at upper levels weighed on chana prices during the week.

Current Market Dynamics & Outlook:

After reaching the season's high of Rs 3050/qtl at Delhi spot market, significant dip (around 3.28%) was recorded in chana prices during the week as stockists tried to liquidate their stock at higher levels while buyer's remained out of the market in anticipation of a further decline in prices. But since, trade participants are projecting supply shortages till new crops arrive, this has restricted major decline in chana prices.

Meanwhile, spread between chana and chana dall is falling continuously and is presently recorded at Rs 425/qtl lower from last year's spread of Rs 490/qtl during the same period, but is still higher than last 3 year's average spread of Rs 380/qtl. Normally spread between chana and chana dall reduces during the month of August (based on last 3 years spread), therefore it is expected that prevailing spread might go towards last 3 years average spread level in the coming weeks. But the supporting factor is that, projections of supply shortage will restrict major downfall in chana prices and therefore prevailing spread is not expected to touch the average spread level of Rs 380/qtl.



Despite the satisfactory crop development and better yield prospects in Australia, Canada and US, there won't be enough quantity to satisfy the market for a long time, so the international prices will remain on the higher note.

Market Outlook:

Given the restricted demand at higher levels and expected improved supplies at the prevailing higher prices may weigh on prices in the days to come.

Spot Market Price Outlook - Delhi (Chana MP weekly chart):


Candlestick pattern shows selling interest in the market. Prices are well above the short term EMAs which hints at a possible improvement in prices. Momentum indicator MACD also favours bullish sentiment. However, RSI is declining in the neutral zone, which warranting cautions to the bulls. Selling for short term is advisable.

S2	S1	PCP	R1	R2
2775	2800	2925	3175	3210
Call	Entry	T1	T2	SL
SELL	2925-50	2850	2810	2965

Futures Technical (NCDEX):



Domestic Prices & Arrivals:

Centre	Variety	Prices (Rs/Qtl)			
		10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	Australian	2650	2550-2675	2500	2180
Delhi	Rajasthan	2925	3000	2725	2250
	Madhya Pradesh	2925	3015	2730	2250
Bikaner	Desi	2875	2970	2700	2250
Indore	Kantewala	2950	2950	2725-2750	2225
Kanpur	Desi	3040	3070	2870	2260
Latur	Gauran	2600-2650	2600-2650	2600	2075
	Annagiri	2950-3000	2950-3000	2800	2250
	G-12	2750	2750	2700	2150

Centre	Variety	Arivals (Bags per Quintal))			
		10-08-2011	03-08-2011	09-07-2011	10-08-2010
Delhi	Rajasthan	30	40-45	35-40	40
	Madhya Pradesh	30	40-45	35-40	40
Bikaner	Desi	-	-	-	-
Indore	Kantewala	1000	5000	1000	3000
Latur	Gauran	100	200	200	300
	Annagiri	50	100	100	100
	G-12	100	100-200	200	300

Arrivals at Delhi markets are in Motors, 1 motor = 16 tonnes

Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Jalgaon	3600-3700	3600-3700	3400-3500	3000
Latur	3300	3300	3200	2800
Kanpur	3420	3450	3250	2575
Bikaner	3350	3600	3225	2550
Indore	3700	3725	3275-3475	3050
Delhi	3450-3500	3475-3550	3175-3275	2700
Gulbarga	3700-3750	3750-3800	3500-3600	Closed

Peas (Matar)

Market Recap:

Weak trend witnessed in both desi and imported peas prices during the week ending August 10, 2011 amid weak demand for the commodities at higher levels. Additionally, decline in chana prices also influenced peas prices and moved them in southwards direction.

Current Market Dynamics & Outlook:

Major variation is not recorded in desi peas fundamentals during the week. Weak demand at higher levels is currently weighing on peas prices and has put a cap on rising prices. Recent decline in chana prices also supported weakness in peas prices.

Globally due to the cool temperatures and excessive moisture across much of western Canada, Canadian agriculture ministry has further lowered the harvested area under peas during 2011-12 to 9.75 lakh hectares from the previous estimate of 9.90 lakh hectares. Moreover, crop progress in the country is about 1 to 2 weeks behind normal crop development but is catching up because of the warmer temperatures. Also the expected yield has marginally increased in latest estimate by 0.03 t/ha compared to the previous estimate and due to this, total supply, production and exportable surplus is kept unchanged as they were in the previous estimate.

Below mention table represents Canadian Peas outlook:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks
	(000 ha)		(t/ha)	(000 tonnes)		
2008-09	1617	1582	2.26	3571	2826	445
2009-10	1522	1487	2.27	3379	2178	795
2010-11	1396	1322	2.17	2862	3000	200
2011-12	1018	975	2.18	2125	1800	100

Market Outlook:

In view of expected delay in harvesting following the slow crop progress in Canada and a possible decline in output, availability of the commodity in international markets is likely to remain tight which may push peas prices higher and in tandem with higher international prices domestic prices are also expected to remain on higher note as country has to rely on imports to fulfill its annual requirement.

Price Outlook for Canadian Yellow Peas at Mumbai Market:


Candlestick pattern shows selling interest in the market. Closing of prices below 9 days moving average suggests weakness in the market. RSI is declining in neutral zone, hinting at a further decline in prices. MACD is also declining which suggests possible decline in prices.

S2	S1	PCP	R1	R2
1900	1925	2000	2125	2140
Call	Entry	T1	T2	SL
SELL	2000-2020	1950	1930	2030

Domestic & International Prices:

Centre	Variety	Price (Rs/Qtl)			
		10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	White American	2040	2080-2090	2080-2090	1625-1650
	White Canadian	2000	2031	2011-2021	1601-1611
	Green American	2500	2500-2525	2600	1900-2000
	Green Canadian	2100-2225	2100-2250	2100-2300	2275-2300
Kanpur	Desi	2330	2380	2325	1825
International Prices at Chennai Port (\$/Ton)					
Chennai	Yellow Peas	475	475		335

Pigeon pea (Tur)

Market Recap:

Mostly steady to weak sentiments witnessed in domestic and imported tur prices during the week ending August 10, 2011. Improved sowing activity during last few days and the present good condition of standing crop have increased the prospects of a good crop and this has weighed on tur prices. Dull demand for the commodity in international markets also reduced C&F quotes at Mumbai market to \$625/ton but no forward contracts have been done at prevailing lower levels.

Current Market Dynamics & Outlook:

Tur fundamentals remained unchanged as dull demand for the commodity and considerable sowing progress in southern parts of the country during last couple of weeks is currently weighing on tur domestic prices. Although significant improvement is recorded in seeded area, current years acreage still lags behind than last year's and targeted area set for the commodity. But the supporting factor is that all the key growing regions of the commodity have received adequate rainfall during the last one month and due to this, sowing of the commodity will extend upto mid August, so there are possibilities that area under the commodity might reach the target level of 11.99 lakh hectares. However, the actual deviation in the area will be determined after first half of August which will further provide direction to domestic tur prices as any decline/deviation in sown area may give chance to sellers to dominate the market.

Following table shows the crop progress during current year and corresponding period last year:

State	Current Year's Area in Hectares	Area in same period last year in Hectares	% Change
Maharashtra (August 09)	1175672	1345125	-12.60
Karnataka (August 08)	614000	778000	-21.08
Andhra Pradesh (August 10)	308787	559239	-44.78
Madhya Pradesh (July 28)	481000	487000	-1.23
Uttar Pradesh (July 31)	314000	334000	-5.99

Since sowing of the commodity is likely to finish by next week, therefore progress of monsoon will remain the key factor to watch as good distribution of rainfall will be beneficial for the growth of the crop. But the concerning factor is that IMD has forecasted below normal monsoon during Aug-Sep 2011 while rainfall over southern peninsula will be predicted at 94% of LPA with a model error of $\pm 8\%$ (during June-September 2011 season) and this might further have a negative impact on the yield of the commodity.

Market Outlook:

Domestic Tur prices are expected to remain range bound and sideways during the coming week. Progress of monsoon in the coming weeks over the key growing states will remain the key factor in deciding the price movement.

Price Outlook for Tur at Gulbarga Market:



Tur prices remain capped under 3100-3690 trading range. Trend to take shape in the sessions ahead. 3100, on the lower side is the capable support whereas 3690 holds importance as an immediate resistance. 3100-3690 is the immediate trading range for the price; drift in either direction is likely to take it further in the respective direction. Positioning of MACD and RSI favorable for bulls.

S2	S1	PCP	R1	R2
3200	3250	3475	3645	3670
Call	Entry	T1	T2	SL
WAIT	-	-	-	-

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
	Variety	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	Burmese Lemon	2811-2821	2825	3000-3025	2675-3700
Delhi	Burmese Lemon	2950	3000	-	3475
Chennai	Burmese Lemon	2800-2850	2850	2900	3300
Gulbarga	Red	3475	3475	3460	Closed
Latur	Red	3000-3300	3000-3500	3600	3900
Jalna	Red	2200-2500	2200-2600	2200-2700	Closed
Jalgaon	Red	3000-3300	3000-3300	3000-3400	3600-3700
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur		640-45	-	

Centre		Arrivals (Bags per Quintal)			
	Variety	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Gulbarga	Red	6000	6000	5000	Closed
Latur	Red	200	500	800	100
Jalna	Red	-	-	50-100	Closed
Jalgaon	Red	100	100-200	100-200	-

Black Matpe (Urad)
Market Recap:

Desi and imported urad witnessed steady to weak sentiments during the week ending August 10, 2011. Regular inflow of imported urad in the domestic markets and domestically dull demand for the commodity kept weighing on its prices.

Current Market Dynamics & Outlook:

Demand for the commodity is unresponsive which is currently driving urad prices south but on the other hand, seeded area under urad crop in the key growing regions of southern parts of the country is much lower than last year's area and targeted area which has restricted major downtrend in urad prices. However, on contrary area covered in Uttar Pradesh, Madhya Pradesh and Rajasthan has surpassed last year's seeded area which has offset the decline in sown area in southern India as total sown area under

urad during current year (till July 29, 2011) has reached to 17.56 lakh hectares compared to the last year's sown area of 15.61 lakh hectares.

Following table shows the crop progress during current year and corresponding period last year:

State	Current Year's Area in Hectares	Area in same period last year in Hectares	% Change
Maharashtra (August 09)	324367	484338	-33.03
Karnataka (August 08)	83000	119000	-30.25
Andhra Pradesh (August 10)	58289	95159	-38.75
Madhya Pradesh (August 5)	614000	585000	4.96
Uttar Pradesh (July 31)	387000	231000	67.53
Rajasthan (August 09)	159900	124000	28.95

Since seeded area during current year is well above the last year's area , the crucial factor which will now determine the price behavior in the near term is the progress of monsoon. But the concerning factor is that IMD has predicted below normal rainfall during Aug-Sep 2011 period which is considered a critical time for the standing crop as at this point of time crop mostly requires water (irrigation or rainfall) and any deviation in distribution of rainfall will hinder the yield of the standing crop.

On the import front, sluggish demand from Indian sub continent reduced C&F price offers of Burmese urad from \$ 805/ton to \$ 780/ton at Chennai market during the week but reportedly no fresh contracts have been done at prevailing levels. But now since importers have started finding parity (Rs 10-15/Qtl) at current levels and further dip in C&F quotes might encourage importers to import the commodity.

Market Outlook:

Progress of monsoon is to be watched very carefully in the coming weeks as progress of monsoon will determine directions of urad prices as deviation in monsoon will move urad prices in northwards direction.

Price Outlook for Burmese Urad at Mumbai Market:


Candlestick pattern shows buying interest in the market. Closing of prices below 9 and 18 days moving average suggests weakness in the market. RSI is moving up in neutral zone, supporting bullish sentiments. MACD is also rising in positive zone, hinting for further improvement in urad prices.

S2	S1	PCP	R1	R2
3500	3550	3700	3850	3900
Call	Entry	T1	T2	SL
BUY	3680-3700	3780	3810	3630

Domestic & International Prices:

Centre	Prices (Rs/Qtl)				
	Variety	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	Burmese FAQ	3700	3625	3861	4700
Delhi	Burmese FAQ	3900	3850-3900	-	4625
Chennai	Burmese FAQ	3650	3650	3650	4550
	Burmese SQ	4150-4175	4150	4250	5050
Indore	Desi	3600-3700	-	-	3700
Vijayawada	Polished	-	-	4600	5200

Jalgaon	Desi	4000-4200	4000-4200	4000-4200	5000-5200
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese FAQ	800-805	800	815-820	990
	Burmese SQ	900-905	900	915-920	1090

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Jalgaon	5600	5600-5700	5700-5800	7000
Bikaner (Split)	4850	5050	5200	6200
Indore	6100-6200	6000-6200	-	7000

Lentils (Masoor)

Market Recap:

Desi masoor remained steady during the week ending August 10, 2011 but weakness is recorded in imported masoor prices at Mumbai market due to the sluggish demand for the commodity. Demand for processed masoor is declining in spot markets and due to this, masoor dall prices reduced by 1.56% to Rs 3150/qtl at Kanpur market during the week but since masoor is already trading at lower levels, therefore masoor prices remained unchanged.

Current Market Dynamics & Outlook:

Major variations are not recorded in desi masoor fundamentals as dull demand for the commodity kept weighing on its prices but since masoor has already reached to season's low at Rs 2730/qtl on July 22, 2011 and is currently trading at Rs 2760/qtl, therefore major decline from current levels is not expected. However, trade participants believe that demand might improve with the arrival of new imported masoor in domestic markets which is expected to commence from September 2011 onwards.

If we talk about the international markets, due to cool temperatures and excessive moisture across western Canada, Canadian agriculture ministry has further reduced forecasts of area harvested during 2011-12 compared to the previous estimate. In addition to this, crop progress is also reported to be 1 to 2 weeks behind than normal pattern and this will further delay in harvesting of the crop.

Production forecast and carry-out stock forecasts are also revised and are estimated on lower note as compared to the previous estimate but the supporting factor is that exportable surplus kept unchanged, meaning that availability will remain comfortable throughout the season.

Below mention table represents Canadian Peas outlook:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks
	(000 ha)		(t/ha)	(000 tonnes)		
2008-09	706	700	1.49	1043	973	32
2009-10	971	963	1.57	1510	1387	45
2010-11	1408	1336	1.46	1947	1200	450
2011-12	1133	1000	1.38	1375	1200	375

Market Outlook:

Desi masoor prices are expected to remain range bound with slight firmness in the coming week while international masoor prices are not expected to increase significantly in the coming days since demand from India is low and also European countries are not buying lentils from Canada and US due to some quality issues (excess glyphosate). Therefore major uptrend is also not expected in domestic masoor prices.

Price Outlook of Desi Masoor at Kanpur Market:



Masoor prices remain capped under 2730-2870 trading range. Trend to take shape in the sessions ahead. 2730, on the lower side is the capable support whereas 2870 holds importance as an immediate resistance. 2730-2870 is the immediate trading range for the price; drift in either direction is likely to take it further in the respective direction. Positioning of MACD and RSI favorable for bulls.

S2	S1	PCP	R1	R2
2730	2785	2800	2870	2910
Call	Entry	T1	T2	SL
WAIT				

Domestic & International Prices:

Centre		03-08-2011			
	Variety	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	Red Lentils	2550-2600	2500-2700	2650	3400
Delhi	Chanti Export	3850-3950	3900-3975	4050-4100	4450-4500
	MP/ Kota Line	2650-2750	2650-2800	2850-2900	3150
	UP/ Sikri Line	2950-3000	3000-3050	3150-3250	3400
Kanpur	Mill Delivery	2800	2770	2840	3350
	Bareilly Delivery	2830	2820	2900	3400
Indore	Masra	2825	2775	2850	3425
International Prices at Chennai Port (\$/Ton)					
Chennai	Laird Lentils	630	-	530	725

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Kanpur (Malka)	3200	3200	3270	3900
Indore	3425	-	-	4000
Delhi (Badi Masoor)	3300-3350	3400	3500-3550	3750
Delhi (Choti Masoor)	3850-3900	3850-3950	3950-4025	4350-4400
Katni	3125-3325	3125-3325		

Green Gram (Moong)

Market Recap:

Moong prices remained steady in most of the markets during the week ending August 10, 2011. Demand for the commodity remained dull but lower area covered during current year compared to the last year offset the dull demand and kept moong prices unchanged in most of the markets.

Current Market Dynamics & Outlook:

Lull in monsoon during current season has drastically reduced moong acreage in southern parts of the country. But on the other hand, timely advancement of monsoon in Rajasthan has helped in sowing operations and seeded area has marginally increased compared to the last year. But despite the increased area in northern parts of the country, total area during current year has declined by around 2.4% and reached to 18.52 lakh hectares compared to the last year's area.

Following table shows the crop progress during current year and corresponding period last year:

State	Current Year's Area in Hectares	Area in same period last year in Hectares	% Change
Maharashtra (August 09)	391411	607645	-35.59
Karnataka (August 08)	258000	371000	-30.46
Andhra Pradesh (August 10)	166254	283747	-41.41
Rajasthan (August 09)	947600	883000	7.32
Madhya Pradesh (August 5)	116000	96000	20.83

Since sowing of the commodity has finished in the country, the distribution of rainfall will be the crucial factor to watch. Till date weather conditions are favorable for the growth of the standing crop but IMD has forecasted below normal rainfall during August-September 2011 and if distribution of rainfall will remain uneven in August then it will severely affect the yield of the commodity.

On the global front, Chinese crop condition is also reported well till date and trade participants are expecting more than normal crop during coming season. But there is a cyclonic typhoon warning for the eastern parts of China which if it occurs, would cause severe loss in China.

Market Outlook:

Moong prices are expected to remain range bound in near term and Aug-Sept rains may give direction to the prices in days to come.

Price Outlook for Desi Moong at Jaipur Market:



Moong prices breached trading range of 4000-4500. Candlestick pattern shows selling interest in the market. Closing of prices well below 9 & 18 days EMA's also supports weakness in moong prices. MACD is moving down in negative, thus warranting cautious to the bulls. RSI is also declining in neutral zone, hinting for further weakness in moong prices.

S2	S1	PCP	R1	R2
3650	3680	3800	4000	4050
Call	Entry	T1	T2	SL
SELL	<3800-3850	3720	3690	3870

Domestic Prices:

Centre		Prices (Rs/Qtl)			
	Variety	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Mumbai	Annaseva	3800	3700	4000	4000
Chennai	Pedishwa	5000	5000	5000	5900
Delhi	Gujarat	-	-	4800	-
	M.P	4650	4650	4600	-
Indore	Chamki	5700-5800	-	3800-4200	5000
Kanpur	Desi	-	3600-3650	4000-4150	-
Jaipur	Desi	3800	4000	4300	4800

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	10-08-2011	03-08-2011	09-07-2011	10-08-2010
Jalgaon	5600-5700	5700-5800	6000-6100	7700
Bikaner (Split)	5100-5300	5400-5600	5400	6000
Indore	5700-5800	5800-5900	-	6100

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