

Highlights of the week:

- Mostly firm trend witnessed in pulses during the week ending August 31st, 2011.
- Demand for tur and masoor emerged at lower levels, resulted into improvement in prices.
- Excess moisture content in new moong crop has resulted into supply shortage of bold quality moong.
- Warm temperature in MP and UP has helped standing urad crop to overcome from the excess moisture condition.
- Tanzanian government has made it clear that ban on export of food items from the country is applicable only on maize hence tur is allowed to export.
- Acreage under tur, urad and moong till August 19, 2011 is reported at 35.88 lakh ha, 21.13 lakh ha & 22.33 lakh ha compared to the previous year's area of 42.82 lakh ha, 22.18 lakh ha & 26.80 lakh ha respectively.

Chickpeas (Chana)

Market Recap:

Mostly firm trend witnessed in chana prices during the week ended August 31, 2011 as compared to the last week. Regular demand of the commodity amid festive season and significant improvement in chana prices at NCDEX supported domestic chana prices.

Current Market Dynamics & Outlook:

Regular demand of the commodity amid festive season is currently supporting domestic chana prices. Another factor which had supported chana prices is declining stock of the commodity which has also put stockists in the dominating position. But, since we still have at least 4 months for new domestic crop and trade participants believe that we might face a situation of supply crunch during the end of the season, resulting in improvement in its prices.

However, another factor to watch is the global supplies. Largest chickpea exporting country Australia is likely to harvest similar amount of quantity (around 3.85 lakh tonnes) as it harvested during last year and last year's output was below normal production level by around 1 lakh tonnes, raising the probabilities of supply shortage in the global market.

Below mentioned table shows Canadian & Australian chickpeas outlook:

	Area Harvested (000 hectares)		Yield (t/ha)		Production (000 tonnes)		Exports (000 tonnes)	
	Australia	Canada	Australia	Canada	Australia	Canada	Australia	Canada
2009-10	429	30	1.14	2.49	487	76	459	66
2010-11	546	77	0.69	1.67	379	128	364	95
2011-12	303	40	1.27	1.63	385	65	309	50

Though, some forward contracts of Australian chickpea is reported at around \$680/ton for Sep-Oct delivery which hints for possible improvement in chana prices in coming days as at present, Australian chana prices at Mumbai market are lower by around Rs 150/qtl than the landed cost of contracted price. Likely improvement in imported chana prices will also influence domestic chana prices in the months to come

Market Outlook:

Given the restricted demand at higher levels and possible decline in the demand for processed chana, chana prices are expected to fall in the coming weeks. But trade projections of supply shortfall of the commodity will restrict major downfall in chana prices.

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


Candlestick pattern shows buying interest in the spot market. Closing of prices above 9 and 18 days moving average suggests for firmness in the market. RSI is moving up in overbought zone, hinting for possible decline in prices. MACD is also moving up which further suggests for improvement in prices.

S2	S1	PCP	R1	R2
3000	3058	3200	3300	3375
Call	Entry	T1	T2	SL
BUY	3125	3225	3255	3075

Futures Technical (NCDEX):


Candlestick pattern shows buying interest in the market. Closing of prices well above 9 and 18 days EMA's suggests for firmness in the market. RSI is moving up in neutral zone, hinting for further improvement in prices. Negative divergence in volume is not supporting improvement in chana prices.

Strategy: Buy on dips

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	September	3210	3238	3299	3400	3425
Intraday Trade Call			Call	Entry	T1	T2	SL
Chana	NCDEX	September	BUY	3260-3280	3380	3400	3200

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	Australian	3000	2775-2900	2600-2725	2290-2300
Delhi	Rajasthan	3175	3160	2975	2265-2270
	Madhya Pradesh	3200	3175	3000	2265-2270
Bikaner	Desi	3100	3025	2900	2170-2175
Indore	Kantewala	3175-3200	3160	2900-2950	2225
Kanpur	Desi	3350	3240	3070	2270-2275
Latur	Gauran	-	Closed	-	2200-2300
	Annagiri	-	Closed	-	2300-2350
	G-12	-	Closed	-	2100-2150

Centre		Arivals (Bags per Quintal))			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Delhi	Rajasthan	100	35-40	25-30	40
	Madhya Pradesh	100	35-40	25-30	40
Bikaner	Desi	-	-	-	4000
Indore	Kantewala	4000-5000	4000-5000	5000	400
Latur	Gauran	-	Closed	-	400
	Annagiri	-	Closed	-	200
	G-12	-	Closed	-	40

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

Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Jalgaon	3900-4000	3800-3900	3600-3700	2900
Latur	-	Closed	-	2800
Kanpur	3800	3700	3500	2675-2700
Bikaner	3700	3600	3450	2650
Indore	-	3925	3600-3725	2550
Delhi	3725-3775	3750-3775	3425-3525	3000
Gulbarga	3900-4000	3800-3900	3750-3800	2700

Peas (Matar)
Market Recap:

Mostly firm trend witnessed in both desi and imported peas prices during the week ending August 31, 2011. Regular demand of the commodity amid supply shortage has supported peas prices in domestic markets. However, around 29350 tonnes of yellow peas have arrived at Mumbai port during last week of August but despite of this, prices remained steady in anticipation of tight supplies.

Current Market Dynamics & Outlook:

Peas fundamentals remained unchanged during the week as supply shortfall and regular demand for the commodity are currently supporting peas prices in domestic markets. While consistent improvement in chana prices in domestic markets is also lending support to peas prices.

However, Ukrainian peas crop has already hit the global markets and this has reduced demand for Canadian peas to the some extent for the reason that Ukrainian peas are comparatively cheaper than Canadian Yellow peas by around \$ 60-70/ton. At present, C&F quotes for Ukrainian peas are coming at \$ 410/ton compared to Canadian Yellow Pea's quotes of \$ 470-75/ton at Mumbai port. But as unfavorable weather in Ukraine also hindered the yield, therefore trade participants are expecting Ukraine's current year crop at just 3.80 lakh tonnes compared to last year's output of 5 lakh tonnes.

In anticipation of lower crop in Ukraine, global trade participants have a view that Ukrainian supply pressure won't last too long in the global market and sooner or later global buyers will have to depend on Canadian crop.

Market Outlook:

Peas prices are expected to remain on higher side in anticipation of supply shortfall in both domestic and international markets.

Price Outlook for Canadian Yellow Peas at Mumbai Market:


Candlestick pattern shows buying interest in the spot market. Closing of prices above 9 and 18 days moving average suggests for firmness in the market. RSI is moving up in overbought zone, hinting for possible decline in prices. MACD is also moving up which further suggests for improvement in prices. Prices are moving in the upward channel supports bullish sentiments.

S2	S1	PCP	R1	R2
1900	1925	2041	2125	2140
Call	Entry	T1	T2	SL
BUY	2020-2030	2100	2125	1980

Domestic & International Prices:

Centre		Price (Rs/Qtl)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	White American	2080-2090	2081-2091	2100	1625
	White Canadian	2041	2031-2041	2051	1611
	Green American	2500	2400-2500	2500-2525	2225-2400
	Green Canadian	2300-2350	2100-2225	2100-2250	1800-1900
Kanpur	Desi	2480	2460	2375	1850-1855
International Prices at Chennai Port (\$/Ton)					
Chennai	Yellow Peas	475	475	475	335

Pigeon pea (Tur)

Market Recap:

Mostly steady to firm sentiments witnessed in domestic and imported tur prices during the week ending August 31, 2011. Improved demand for the commodity and so far lower sown area under the commodity supported the prices.

Current Market Dynamics & Outlook:

Little buying support at lower levels and significant fall of around 16% in current year's seeded area (37.02 lakh hectares) compared to the last year is currently supporting domestic tur prices. However, weather conditions will remain the crucial factors as area is already reduced considerably and unfavorable weather will drastically reduce tur output which will spark tur prices during new season.

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 26)	1,188,537	1,368,556	-13.2
Karnataka (August 16)	621,000	822,000	-24.5
Andhra Pradesh (August 30)	393,503	629,980	-37.5
Madhya Pradesh (August 23)	490,000	488,000	0.4
Uttar Pradesh (August 21)	339,000	450,000	-24.7

At the global front, Tanzanian government has made it clear that ban on export of food items from the country is applicable only on maize hence tur is allowed to export. However availability of Tanzanian tur will further increase the supply of the commodity in international markets which will restrict uptrend in global tur prices.

Market Outlook:

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

Price Outlook for Tur at Gulbarga Market:


Candlestick pattern shows buying interest in the market. Closing of prices just above 9 and 18 days moving average suggests for improvement in the market. RSI is moving up in neutral zone, supporting bullish sentiments. MACD is moving up in negative zone which reflects possible improvement in prices. Buying from lower levels is advisable.

S2	S1	PCP	R1	R2
3200	3250	3470	3645	3670
Call	Entry	T1	T2	SL
BUY	3410-3430	3525	3560	3360

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	Burmese Lemon	2975	2900	2900	3450-3475
Delhi	Burmese Lemon	3150	3125	3050-3075	3600
Chennai	Burmese Lemon	2900-2950	2800-2850	2900	3600
Gulbarga	Red	3470	3450	3500	Closed
Latur	Red	-	Closed	-	3500-3775
Jalna	Red	-	2200-2500	2200-2600	3550

Jalgaon	Red	3000-3300	3000-3300	3000-3200	3700-3800
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur	650-655	620-625	-	800

Centre		Arrivals (Bags per Quintal)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Gulbarga	Red	4000	4000	5000	Closed
Latur	Red	-	Closed	-	700
Jalna	Red	-	-	-	100
Jalgaon	Red	100	100-200	100-200	-

Black Matpe (Urad)

Market Recap:

Desi and imported urad witnessed steady to firm sentiments during the week ending August 31, 2011. Depreciation of Indian currency against US Dollars and consistent demand for urad in global markets has improved international urad prices, subsequently increased domestic prices.

Current Market Dynamics & Outlook:

Total seeded area under urad during current year is reported at 21.97 lakh hectares (till August 26, 2011) compared to the previous year's area of 23.82 lakh hectares during the same period. While excess rainfall in key urad growing regions of UP (Jhansi) & MP (Ashoknagar) during third week of August has raised the concerns of yield loss in the standing crop but warm temperature at the end of the month helped the crop to overcome from the excess moisture condition, hence erased the fears of crop damage in the standing crop. While in Maharashtra, all the key urad growing regions also received more than adequate rainfall but crop till August end was reported in a good condition.

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 26)	330541	498057	-33.6
Karnataka (August 16)	84000	118000	-28.8
Andhra Pradesh (August 30)	65697	80548	-18.4
Madhya Pradesh (August 23)	617000	634000	-2.7
Uttar Pradesh (August 21)	437000	382000	14.4
Rajasthan (August 30)	162700	128000	27.1

However, trade participants are not expecting downfall in urad prices from current levels because of the two reasons. Firstly, due to the less area coverage current year's output is likely to be lower and we need to import considerable amount of quantity. Secondly, Indian government has already fixed MSP of urad during 2011-12 season at Rs 3300/ql plus Rs 500/ql as additional incentive which shows that total urad price comes at Rs 3800/ql while on contrary, urad is also currently trading at Rs 3800/ql (Ashoknagar market) which hints for possible improvement in its prices in the due course.

Market Outlook:

Progress of monsoon is to be watched very carefully in the coming weeks as progress of monsoon will determine direction of urad prices as deviation in monsoon will have a negative impact on output and hence 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 above 9 and 18 days moving average suggests for firmness in the market. RSI is moving up in neutral zone, supporting bullish sentiments. MACD is moving up in negative zone which reflects chances of possible improvement in prices. Prices are expected to touch primary trend line resistance level in the days ahead.

S2	S1	PCP	R1	R2
3580	3620	3825	3975	4100
Call	Entry	T1	T2	SL
BUY	3800-3820	3900	3950	3750

Domestic & International Prices:

Centre		Prices (Rs/Qtl)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	Burmese FAQ	3825	3675-3700	3650	5100-5125
Delhi	Burmese FAQ	4100	3900-3925	3900	5100
Chennai	Burmese FAQ	3850	3750	3625	4950
	Burmese SQ	4450	4350	4125	5551
Indore	Desi	3800	3700-3800	-	4200-4300
Vijayawada	Polished	4250	4700	-	5750
Jalgaon	Desi	4000-4200	4000-4200	4000	5000
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese FAQ	830	790-800	800	920
	Burmese SQ	930	890	900	1020

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Jalgaon	5800-5900	5600-5700	5700	7000
Bikaner (Split)	5200	4900	5100	6700
Indore	-	6200-6300	6100	7200

Lentils (Masoor)

Market Recap:

Desi masoor witnessed steady to firm sentiments during the week ending August 31, 2011 as lower level buying and declining domestic stock supported masoor prices throughout the week.

Current Market Dynamics & Outlook:

Since masoor prices had went upto Rs 2760-70/qtl levels during last couple of weeks and some demand has emerged at the lower levels. But on contrary, trade participants believe that as per the current consumption pattern current stock position will fulfill annual requirement with no trouble till new domestic crop.

But, to make supplies comfortable in the domestic markets importers will have to enter into forward contracts for Canadian lentils from September onwards and at present C&F quotes for Canadian lentils are coming at around \$ 590/ton which indicates that landed cost will be higher than prevailing prices Canadian masoor at Mumbai market by around Rs 150/qtl.

So, if Indian importers import masoor during October onwards even at the current levels then we might witness significant improvement in imported masoor prices in the domestic markets and since desi

masoor normally trade higher than imported masoor by around Rs 150-170/qtl therefore increase in imported masoor prices will surely influence desi masoor prices in the same way.

Market Outlook:

Desi masoor prices are expected to remain range bound with slight firmness in the coming week due to little buying support at lower levels.

Price Outlook of Desi Masoor at Kanpur Market:



Candlestick pattern shows buying interest in the market. Closing of prices above 9 and 18 days moving average suggests for firmness in the market. RSI is rising in neutral zone, supporting bullish sentiments. MACD is moving up in negative zone which hints for possible improvement in prices. Masoor prices have got trend line break up and prices are expected to move towards immediate resistance level of 3130.

S2	S1	PCP	R1	R2
2830	2850	2960	3010	3030
Call	Entry	T1	T2	SL
BUY	2900-2930	2980	3000	2860

Domestic & International Prices:

Centre	Variety	03-08-2011			
		30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	Red Lentils	2500-2700	2550-2700	2500-2700	3450
Delhi	Chanti Export	4000-4050	4000-4025	3950-4000	4650-4750

	MP/ Kota Line	2750-2950	2700-2925	2700-2850	3250
	UP/ Sikri Line	3100	3050-3100	3000-3050	3500-3550
Kanpur	Mill Delivery	2960	2930	2780	3350
	Bareilly Delivery	3010	2990	2820	3400
Indore	Masra	2950	2900	2800	3450
International Prices at Chennai Port (\$/Ton)					
Chennai	Laird Lentils	590	590	-	730

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Kanpur (Malka)	3400	3340	3200	3850-3875
Indore	-	3450	3400	4000
Delhi (Badi Masoor)	3550-3650	3600-3650	3400	3900
Delhi (Choti Masoor)	3900-4000	3900-4000	3900-3950	4650-4700
Katni	3250-3350	3225-3350	3150-3300	3775-4100

Green Gram (Moong)

Market Recap:

Steady to firm sentiments witnessed in most of the markets during the week ending August 31, 2011. Higher moisture content in the new crop has resulted into shortage of bold quality moong which had supported its prices.

Current Market Dynamics & Outlook:

Harvesting of the commodity has just been started and new crop from Maharashtra has already hit the markets from last week of August onwards. But excess moisture content in the new crop arrival is currently supporting domestic moong prices. As per the trade participants, around 15-30% of moisture level is reported in new crop against normal moisture level of 10%, resulted into supply shortage of bold quality moong.

However, trade participants are optimistic for improvement in domestic moong prices because of the two reasons. Firstly, moong was trading at season's bottom levels (prices remained range bound between Rs 3800-4000/qtl throughout August). Secondly, moong is currently trading just above to the MSP set by the government for 2011-12 season and significant fall in area amid excess rainfall in Maharashtra during last week of August will result in lower output compared to the last year, which will support moong domestic prices.

Total area covered under moong during current year has been reduced significantly to 22.92 lakh hectares (till August 26, 2011) compared to the last year's area of 27.67 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 26)	393087	612242	-35.8
Karnataka (August 16)	259000	377000	-31.3
Andhra Pradesh (August 30)	175733	262721	-33.1
Rajasthan (August 30)	1023100	1050000	-2.6
Madhya Pradesh (August 23)	117000	115000	1.7

Market Outlook:

Moong prices are expected to remain range bound with firm bias in near term as excess moisture content in the new crop will result in supply shortage of bold quality moong, hence support moong prices.

Price Outlook for Desi Moong at Jaipur Market:



Candlestick pattern shows buying interest in the market. Closing of prices above short term EMAs (9 and 18 days) suggests for further improvement in the market. Oscillator RSI is rising in the neutral zone which hints for a firmness in the market. MACD is rising in negative zone raising the prospects of possible improvement in prices. Buying from lower levels is advisable.

S2	S1	PCP	R1	R2
3720	3800	4200	4400	4450
Call	Entry	T1	T2	SL
BUY	4150-75	4275	4300	4100

Domestic Prices:

Centre		Prices (Rs/Qtl)			
	Variety	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Mumbai	Annaseva	3900	3850-3875	3800	-
Chennai	Pedishwa	5150	5150	5000	4800
Delhi	Gujarat	4600-4700	-	-	-
	M.P	-	-	-	-
Indore	Chamki	4300	4200	3800-4200	4200
Kanpur	Desi	3300-4000	-	3650	-
Jaipur	Desi	4200	4000	4000-4200	4400-4600

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	30-08-2011	24-08-2011	29-07-2011	30-08-2010
Jalgaon	5700-5800	5700-5800	5700-5800	6500
Bikaner (Split)	5100	4800-5000	5300-5500	5800
Indore	-	5500-5600	6100	6700

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