

Highlights of the Month:

- Weak tone featured in key pulses.
- Thin trading activity and lower arrivals in all cash markets due to festival season. Most of the markets remain closed due to festivity.
- Due to fresh arrivals of vegetables in markets, we expect pulses likely to trade with steady to weak bias in near term.
- Meanwhile in Kanpur market pea prices are lower in anticipation of new imported crop.
- Dull demand and available stocks of masoor are currently weighing on its prices.
- Comfortable stocks coupled with lack of buying interest from traders are currently weighing on masoor prices.
- Meanwhile, traders in Jaipur market are fetching discount on the high arrivals and sub-standard quality of moong.

On International Front:-

- The depreciating rupee against dollar is making imports unviable at the moment.
- As per the Commodity News Service Canada, Canadian government announces Grain Marketing Bill which will allow farmers to choose how they would sell their crop. The legislation if approved then implemented from August 1st, 2012.
- Moreover, government will also grant an incentive of 5 million Canadian Dollar per year (for 5 year) to aid the shipments of pulses and other key grains from Churchill port.
- High demand from retailers/millers front due to festivities may support the pulses prices.
- The depreciating rupee against dollar is making imports unviable at the moment.
- As per the latest report of the USDA, this year India's pulses imports are expected to rise due to an expected shortfall in kharif pulses production.
- As per the latest updates from Canadian Grain Commission, 380,700 MT field peas are exported in September.
- As per the latest updates from Government of Alberta, this year green pea prices surge to \$ 9.05/Bushel as compared to last year's \$ 6.44/bushel while yellow peas rise to \$ 8.7/Bushel from the last year's \$ 5.79/Bushel. Meanwhile, lentils are traded at \$ 0.28/lb as compared to last year's \$ 0.33/lb.
- As per latest review from Canadian Grain Commission, field pea available stocks this year is up by 14800MT to 282300 MT as compared to corresponding period of last year.
- Meanwhile field pea export this week was around 73100 MT. Meanwhile field pea export this week was around 73100 MT. Till date this year's total export shipments are lower by 114,400 MT.

Rabi 2011-12 Pulses sowing progress:-

- Owing to the continuous rainfall in AP & Karnataka favours the chana sowing in states. As per the latest report of Andhra Pradesh Agriculture Department, sown area under Rabi 2011-12 pulses is down by 41% to 2.33 lakh hectares from last year's 3.92 lakh hectares. Bengal gram has been sown in 1.690 lakh hectares (LHa), green gram 0.113 LHa and black gram 0.418 LHa respectively as against the same period of last year's sown area of 3.26, 0.09, and 0.29 LHa.
- Meanwhile, as per latest release from Rajasthan Agriculture Department, 505 thousand hectares are being cultivated under gram till date. Whereas area under total rabi pulses till date is 507 thousand hectares.
- In Maharashtra, sown area under gram is 2.08 lakh hectares till date.
- As per sources, commencement of chana sowing in Malwa region of MP has started while the sowing is expected to pick pace in first half of November. Meanwhile, they expect higher sown area for Kabuli chickpeas (Dollar Gram) during this Rabi 2011-12.
- Moreover, rabi pulses sowing is in full pace in Bareilly and Bundelkhand region (Uttar Pradesh). The tur standing crop is in good condition in the state.



Minimum Support Price

The Cabinet Committee on Economic Affairs approved MSP for rabi 2011-12 crops. The MSP for both masur (lentils) and gram (chana) has been fixed at Rs.2800/Qtl which shows a increase of Rs.700/Qtl for gram and Rs.550/Qtl for masur.

MSP (Rs/Qtl)	2010	2011	% Change
Gram	2100	2800	33%
Lentil	2250	2800	24%
Wheat	1120	1285	15%
Rapeseed/Mustard	1850	2500	35%
Safflower	1800	2500	39%

Recent announcement of Rabi MSP for various crops shows marked improvement y-o-y. Percent increase in MSP for chana when compared to wheat and Rabi oilseeds remained considerably high which stands encouraging for the chana growers in the key states besides significantly higher prices so far in 2011-12 season.

Pulses Import April-July, 2011:-

Pulses	2011-12 (Apr-Jul)	2010-11 (Apr-Jul)	% Change
Peas	6.98	2.99	134%
Chickpeas	0.17	0.15	13%
Mung/Urad	1.45	2	-28%
Lentils	0.54	0.76	-29%
Tur	0.8	0.35	127%
Total	9.94	6.25	59.04 %

Peas (Matar)

Market Recap:

Mostly weak tone is witnessed in peas prices during the October month sporadic demand and dull trading activity in key markets. However in last week of month steady to flat tone featured in desi peas in key markets.

Current Market Dynamics & Outlook:

Desi (local) peas prices in Kanpur market eased by Rs 95 per quintal to Rs 2473 per quintal as compared to last month's Rs.2568 per quintal on dull trade. while imported peas prices in Mumbai also remained on weaker side due to lack luster buying activity. The following table shows the average price of October month as compared to September month:-

Centre	Variety	Pea Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	White American	2156	2222	-3.0%
	White Canadian	2105	2163	-2.7%
	Green American	2695	2464	9.4%
	Green Canadian	2609	2630	-0.8%



Kanpur	Desi	2473	2568	-3.7%
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The table below shows the parity/disparity of Canadian origin green peas–

	Green Peas (Canadian) in September	Green Peas (Canadian) in October
C&F Prices (in \$/MT)	497	523
INR (1 USD= Rs.49)	24,353	25,627
Expenses (loading/unloading/clearing etc) at port	1,150	1150
Total Landed Cost (Rs/MT)	25,503	26,777
Domestic Price at Mumbai (Rs/MT)	26300	26090
Parity/Disparity (Rs/MT)	797	-687

As evident from the above table, there is disparity in Canadian origin green peas (disparity of Rs687 per MT) It also indicates that if the dollar continues to remain firm than the countries (India) imports for both yellow and green peas going to be badly affected which would lead to soaring peas prices domestically.

Spread Analysis (Chana and Peas):

Prices(Rs.Qtl)	Current	Weak Ago	Month Ago	Year Ago	2 year Ago	3 year Ago	4 Year Ago
Chana (Kanpur)	3575	3650	3600	2340	2475	2210	2360
Peas Desi (Kanpur)	2460	2480	2525	1800	1800	2025	1940
Spread (Chana- Peas)	1115	1170	1075	540	675	185	420

Currently Chana & Pea spread is significantly higher in October month as at Rs.1115 per Qtl whereas normally the spread remains in a range of Rs.450-550 per Qtl. In near term we expect narrowing of spread on account of following expectation of increase in chana sown area during rabi 2011-12 due to recent hike in MSP of Rs. 700/qtl along with high prices during 2011-12.

While on other side, firm sentiment like depleting stocks domestically, firm international factors (lower production in key producer Canada and in other countries like US and unviable imports due to depreciation in INR Vs USD are supporting the peas prices. Overall peas prices are expected to remain on stronger note moving forward.

Market Outlook:

Range bound movement is expected in peas prices on dull trading activity and depleting stocks in medium term. However, lower imports due to disparity and lower production further support the peas prices.

Price Outlook for Canadian Yellow Peas at Mumbai Market:


- Candlestick pattern shows sideways movement in prices.
- 2200 levels seems resistance for the prices in this season and breaching the level likely lead to bulls run for short term.
- 2043 levels seems strong support for the prices which likely hold the prices for short term.
- Positioning of Oscillator RSI in chart remained sideways which depicts range bound movement in prices for short term. Whereas indicator MACD is moving up in neutral zone which further indicates further improvement in prices.
- Currently prices are moving in the range of 2070-2130 levels. Breaching either level might take prices to new directions.
- We expect prices likely remain range bound during the month of November.

Strategy: Sell on rallies.

S2	S1	PCP	R1	R2
2013	2043	2090	2200	2212
Call	Entry	T1	T2	SL
Sell	<2133	2094	2070	2153

Domestic Prices:

Centre		Price (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	White American	2140	2200	1550
	White Canadian	2090	2151	1501
	Green American	2675	2700	2300
	Green Canadian	2575	2600	1750
Kanpur	Desi	2470	2500	1800

Pigeon pea (Tur)

Market Recap:

During the October month mixed tone featured in most of the tur trading centers due to sluggish buying support, reportedly comfortable stocks and amid expectation of lower crop output and improved demand for processed tur (dal).

Current Market Dynamics & Outlook:

In Gulbarga, Karnataka prices surged by Rs.24/qtl to Rs.3767/Qtl from the September month's average price of Rs. 3742/Qtl due to expectation of lower output of lower sown area as well as reports of pest attack on standing crops. While, in Jalna market firm tone witnessed as prices rise up by Rs.137/Qtl to Rs.3000/Qtl in anticipation of expected lower crop production this year. However, in Jalgaon weak tone witnessed in market due to thin trading activity in October month.

In tandem with the rising in domestic markets, imported tur prices also eased down by Rs.100-131/Qtl in domestic Mumbai market amid low buying support.

The following table shows the average price of October month as compared to September month:-

Centre	Variety	Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	Burmese Lemon	3089	3220	-4.1%
Gulbarga	Red	3767	3742.74	0.6%
Latur	Red	3696	3666	0.8%
Jalna	Red	3000	2863	4.8%
Jalgaon	Red	3410	3509	-2.8%

The commodity prices also fall down due to dull demand for tur dal in market from millers, retailers and possessors front. The huge decline in prices noticed in Indore, Latur and Gulbarga market.

The following table shows the Processed Tur Rates (Dall),average price of October month as compared to September month :-

Centre	Average Prices (Rs/Qtl)		
	Oct	Sep	% change
Jalgaon	6100	6140	-0.7%
Latur	5808	5921	-1.9%
Indore	5578	5742	-2.9%
Gulbarga	5700	5881	-3.1%
Katni	5723	5788	-1.1%
Katni (Sava)	4500	4415	1.9%

Meanwhile, sources revealed that, early sown pink tur is expected to harvest in last part of November while full pace arrivals would be expected in second half of December and this year tur dal was sown in 3,72,595 hectares and they expect 50-60% crop loss in state.

On import front, Countries tur import during April-July 2011 period rose by 127% to 80,000 tonnes against 35,000 tonnes same period last year.

Whereas, sluggish demand coupled with comfortable stocks in the Myanmar reduce the prices during the month, the price quotes/offers down by USD 55/ MT to USD 625/MT. In near term we expect price offers for tur to remain range bound at current levels as exporters are trying to liquidate their stocks. However, any significant increase in domestic tur prices may provide support to international prices.

The following table shows the parity/disparity during October month week as compared to September month –

	Burmese Lemon Tur in September	Burmese Lemon Tur in October
C&F Prices (in \$/MT)	680	625
INR (1 USD= Rs.49)	33,320	30,625
Expenses (loading/unloading/clearing etc) at port	1,150	1150
Total Landed Cost (Rs/MT)	34,470	31,775
Domestic Price at Mumbai (Rs/MT)	32200	30890
Parity/Disparity (Rs/MT)	-2,270	-885

Meanwhile as per trade source, large numbers of tur containers are reported in October month. Three hundred containers of African Tur arrived during the first fortnight of October. While recently on 2nd November about 98 containers of tur arrived at Mumbai port. Following are the details of variety wise containers arrived on Nov. 2, 2011 –

Tur Crop Origin/Variety	No. of Container
Mozambique	77
Malawi	11
(Tanzania)	5
Burma (Lemon)	5
Total	98

Market Outlook:

Tur prices in near term prices are expected to remain on higher side on expected lower crop output and depleting stocks domestically. International prices are also expected to move in tandem with the domestic prices. But on contrary, dull buying interest in other pulses might affect the tur prices.

Price Outlook for Tur at Gulbarga Market:


- Candlestick pattern depicts range bound in prices.
- Prices taking support at 3531 levels to and 4105 level seem resistance on higher side and breaching the level likely keep the bulls run for short term.
- 3501 level seems strong support for the prices and breaching the level likely lead to a fall up to 3200 level during the month of November.
- Positioning of RSI in chart depicts range bound with firm bias movement in prices.
- Considering the technical indicators and oscillators along with fundamental factors , prices likely remain range bound with firm bias during the month of November. Therefore, market participants are suggested to go for buying on dips.

S2	S1	PCP	R1	R2
3501	3531	3820	4105	4209
Call	Entry	T1	T2	SL
BUY	>3656	3823	3906	3569

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	Burmese Lemon	3175	3100	2900
Delhi	Burmese Lemon	3150	-	2900
Chennai	Burmese Lemon	3100	3100	3000
Gulbarga	Red	-	3855	2950
Latur	Red	3900	-	3250
Jalna	Red	3000	3000	3200
Jalgaon	Red	3400	3500	3400



Centre		Arrivals (in bags of 1 Quintal)		
		31-10-2011	30-09-2011	30-10-2010
Gulbarga	Red	-	6000	4000
Latur	Red	3000	-	700
Jalna	Red	-	-	150
Jalgaon	Red	100	100	-

Processed Tur Rates (Dall):

Centre	Prices (Rs/Qtl)		
	31-10-2011	30-09-2011	30-10-2010
Jalgaon	6300	6000	5500
Latur	-	-	5500
Indore	5600	5850	5300
Gulbarga	-	6000	5100
Katni	5800	5700	5350
Katni (Sava)	4500	4400	4300

Black Matpe (Urad)

Market Recap:

Weak trend witnessed in all key trading centers during the October month. However in domestic market, fresh buying interest for the bold quality of urad in the market while the sub-standard quality crop is being traded at lower level.

Current Market Dynamics & Outlook:

During October month the commodity prices eased in major trading centre on high arrivals of new crop. In this month, key trading centre of Maharashtra (Akola & Jalgaon) and Madhya Pradesh (Indore & Ashok Nagar) noticed high new crop arrivals. During this period, arrivals of 20000-25000 bags per day in Rajasthan and 10000-15000 bags per day in Maharashtra reported. However, market sources revealed that the new crop arrivals in Maharashtra, Karnataka, Andhra Pradesh are expected to finish in near term which may further support the rise in prices.

The following table shows the total urad arrivals in October month as compared to September month:-

Centre	Total Arrivals(in Bags of 1 Qtl)		
	OCT	Sep	% change
Indore	21200	10300	106%
Jalgaon	7700	2000	285%
Akola	21850	9600	128%
Ashok Nagar	73000	36400	101%

Moreover, desi urad prices eased by Rs. 300-480 /Qtl as compared to September month as high arrivals of poor quality new crop arrivals are fetching at discount, aiding weakness in prices. Traders and buyers

have forced some discounts due to the high moisture in the crop. However, demand remains for good quality produce at current price levels.

The following table shows the average price of October month as compared to September month:-

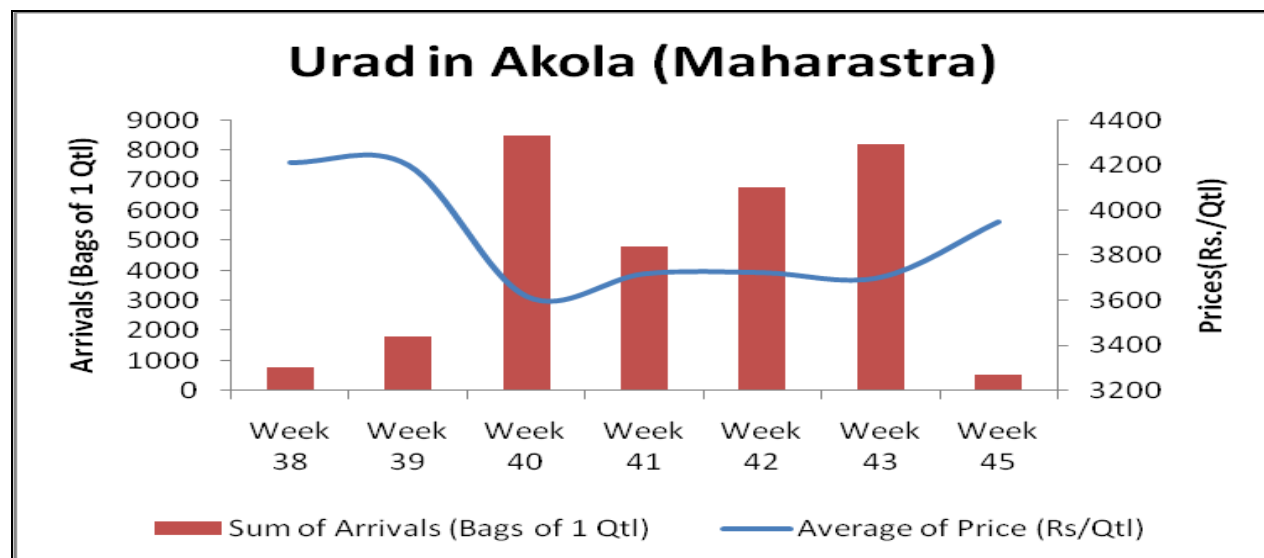
Centre	Variety	Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	Burmese FAQ	3754	4009	-6.4%
Delhi	Burmese FAQ	3808	4241	-10.2%
Chennai	Burmese FAQ	4062	4118	-1.4%
	Burmese SQ	4265	4589	-7.1%
Indore	Local	3409	3891	-12.4%
Vijayawada	Polished	4352	4654	-6.5%
Jalgaon	Desi	3900	4236	-7.9%
Akola	Desi	3717	4023	-7.6%
Ashok Nagar	Desi	3240	3673	-11.8%

The other reason for downfall in commodity prices also was dull demand for urad dal in market from millers, retailer's and possessor's front. The huge decline in dal prices noticed in Bikaner, Jalgaon and Indore Markets.

The following table shows the Processed urad Rates (Dall), average price of October month as compared to September month:-

Centre	Average Prices (Rs/Qtl)		
	Oct	Sep	% change
Jalgaon	5673	5820	-2.5%
Bikaner (Split)	4732	5354	-11.6%
Indore	6233	6530	-4.5%

However, drying up of new crop arrivals in Maharashtra, Rajasthan, MP and in other states due to expected lower crop output during the Kharif 2011 season amid lower area coverage remains supportive for major fall in prices.



As shown in above graph, urad prices in Akola (Maharashtra) moves in accordance of the amount of arrivals in centre. The prices surge on account of low arrivals in this week 45 as compared to earlier weeks. As sources also revealed that, prices would rise further in tandem with expected lower arrivals in near term.

In tandem with the declining domestic prices, C&F quotes for Burmese urad both FAQ and SQ quality also eased during the month as compared to last month's quotes/offers.

Landed Cost of Imported Urad with the current price quotes and parity/disparity:

	Urad (FAQ) Burmese in September	Urad (FAQ) Burmese in October	Urad (SQ) Burmese in September	Urad (SQ) Burmese in October
C&F Prices (in \$/MT)	834	792	930	881
INR (1 USD= Rs.49)	40866	38808	45570	43169
Expenses (loading/unloading/clearing etc) at port	1150	1150	1150	1150
Total Landed Cost (Rs/MT)	42016	39958	46720	44319
Domestic Price at Chennai (Rs/MT)	41180	40620	45890	42650
Parity/Disparity (Rs/MT)	-836	662	-830	-1669

As evident from the above table, there is huge disparity in import of SQ quality which FAQ imports can be done at the prevailing prices as current it is giving the parity of Rs662/MT which we expect to increase further as domestic prices are expected to increase once the domestic arrival over. However, importers should keep an eye on US dollar which looks strong at the moment and may again test 50 or 50.3 level from the current level of 49.1. So, hedging the dollar may reduce the risk of importers and may also add to their profit margin.

Market Outlook:

Urad prices are expected to remain range bound with slightly weak tone in near term as higher moisture currently in new crop arrivals. However, expected demand from millers and stockists for good quality seeds may restrict/support the prices.

Price Outlook for Burmese Urad at Mumbai Market:



- Candlestick pattern shows sideways movement in prices
- 3882 levels seem immediate resistance and 3600 level as immediate support for the prices.
- Breaching the immediate support level likely lead to a fall up to 3500 levels which likely hold the prices for short term.
- Positioning of RSI in chart depicts sideways movement wherein prices likely remain range bound with weak bias movement during the month of Nov.
- We expect that Prices might remain range bound with weak bias movement in short to medium term.

S2	S1	PCP	R1	R2
3551	3600	3750	3882	3901
Call	Entry	T1	T2	SL
SELL	<3859	3713	3625	3913

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	Burmese FAQ	3750	3800	4250
Delhi	Burmese FAQ	3775	-	4150
Chennai	Burmese FAQ	3973	4100	4450
	Burmese SQ	4175	4450	5150
Indore	Local	3300	3700	3700
Vijayawada	Polished	4350	4400	5300
Jalgaon	Desi	4000	3800	4000

Centre	Variety	Arrivals (in bags of 1 Quintal)		
		31-10-2011	30-09-2011	30-10-2010
Indore	MH	1300	400	1000
Latur	Local	4000	-	-
Akola	Local	550	1500	1000
Ashok Nagar	Local	3000	8000	2000

Processed Urad Rates (Dall):

Centre	Prices (Rs/Qtl)		
	31-10-2011	30-09-2011	30-10-2010
Jalgaon	5600	5700	5500
Bikaner (Split)	4700	5000	5000
Indore	6200	6300	6500

Green Gram (Moong)

Market Recap:

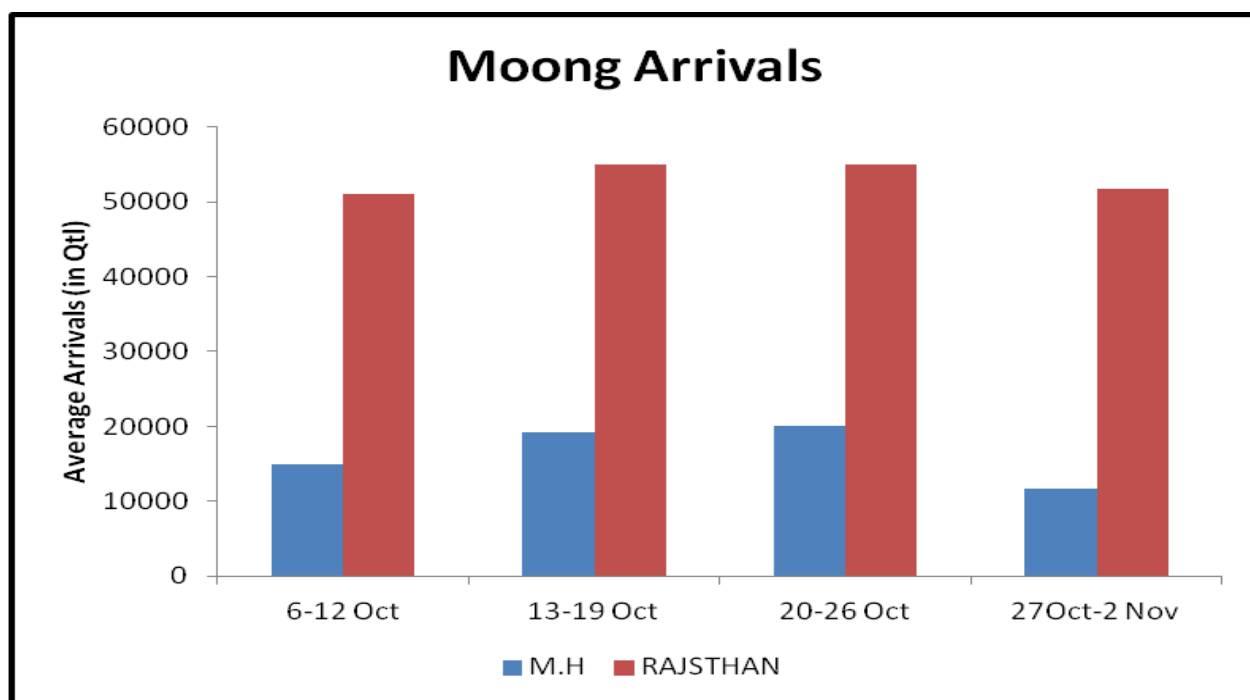
Weak tone featured in moong prices during the October Month. However, fluctuation in prices noticed due to high arrivals, fresh demand from retailer's front and arrivals of below standard quality crop.

Current Market Dynamics & Outlook:

This month bold (good) quality moong arrivals are in full pace in all major markets of Rajasthan, and Madhya Pradesh and demand also remained in the markets for good quality moong which supported the sentiment.

During this period, arrivals of 1183000 bags in Rajasthan and 28000 bags in Indore (Madhya Pradesh) reported. The following table shows the total urad arrivals in October month as compared to September month:-

Centre	Variety	Total Arrivals(in Bags of 1 Qtl)		
		Oct	Sep	% change
Madhya Pradesh (Indore Centre)	Chamki	28000	11800	137.3%
Rajasthan	Desi	1183000	520000	127.5%



As Maharashtra and Rajasthan are the main producers of domestic moong. In Rajasthan moong arrivals have been around 50000-55000 bags/day which is likely to increase in the coming days. However, lower arrivals (10000-15000 Bags/day) in Maharashtra are reported in last week of month as compared to previous week (20000 bags/day).

As per trade sources, in near term moong prices would move in tandem with arrivals in Rajasthan as the Naguar belt of Rajasthan hold the largest portion of this year moong production. The market participants also expect arrivals on very lower side in Maharashtra and other states in near term due to lesser production this year which would support the prices in near term.

Fresh crop arrivals in all key trading centers weighs on prices besides the below average quality arrivals in Rajasthan, Madhya Pradesh and Maharashtra which is fetching at discount.

During October month, both desi and imported moong eased in key trading centre. The decline of Rs199 per Qtl was noticed in moong prices while marginal reduction of Rs.20per Qtl was reported in Jaipur market due to the arrivals of below standard crop. During this month bold quality of moong fetches a premium and traded at around Rs. 4400-4500/qtl while the below average quality crop is traded at Rs.2900-3500/Qtl in Jaipur and Indore markets. During this period, excess moisture content in the new crop arrival in Maharashtra and MP keeping buyers in the sidelines, which further exert pressure on prices.

The following table shows the average price of October month as compared to September month:-

Centre	Variety	Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	Annaseva	3773	4165	-9.4%
Delhi	Karnataka	4768	5264	-9.4%
Indore	Chamki	4266	4465	-4.5%
Kanpur	Desi	3885	4045	-4.0%
Jaipur	Desi	4200	4220	-0.5%
Jalna	Desi	4645	4625	0.4%
Akola	Desi	4252	4472	-4.9%

The prices downfall also supported by dull demand of processed moong dall. The following table shows the Processed moong Rates (Dall), average price of October month as compared to September month:-

Centre	Average Prices (Rs/Qtl)		
	Oct	Sep	% change
Jalgaon	5852	6077	-3.7%
Bikaner (Split)	5163	5408	-4.5%
Indore	5804	5855	-0.9%

On the import front, this month the quotes of moong Annaseva Burmese surge by USD 11 per MT. The table below shows the parity/disparity of moong –

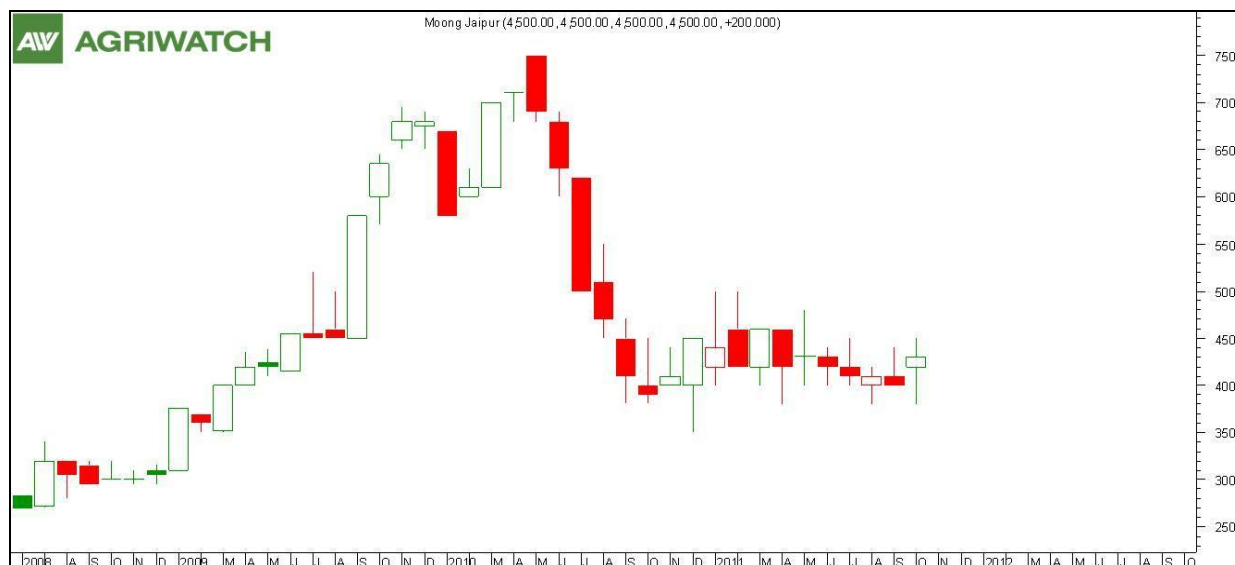
	Moong Annaseva - Burma Origin in September	Moong Annaseva - Burma Origin in October
C&F Prices (in \$/MT)	838	849
INR (1 USD= Rs.49)	41062	41601
Expenses (loading/unloading/clearing etc) at port	1150	1150
Total Landed Cost (Rs/MT)	42212	42751
Domestic Price at Mumbai (Rs/MT)	41650	37740
Parity/Disparity (Rs/MT)	-562	-5011

As evident from the above table, there is huge disparity Moong Annaseva -Burma Origin at Mumbai (disparity of Rs5011 per MT). It also indicates that if the dollar continues to remain firm than the countries (India) imports for moong Annaseva is going to be badly affected which would lead to soaring moong prices domestically.

Market Outlook:

In near term steady to firm sentiment is expected in moong prices on expected demand for good quality crop in coming weeks and expected lower crop output this season. However, currently no major upside is expected in prices due to huge arrivals in Rajasthan which is restricting upside in prices to some extent.

Price Outlook for Desi Moong at Jaipur Market:



- Candlestick chart depicts range bound with firm bias movement in prices.
- Prices taking support at 4100 levels and likely keep the trend intact for short term.
- 4500-4600 levels seems strong resistance on higher side.
- Positioning of RSI in chart is sideways indicates range bound with firm bias movement in prices during the month of Nov.
- We expect moong prices to remain range bound with firm bias in coming month.

S2	S1	PCP	R1	R2
3995	4108	4300	4611	4714
Call	Entry	T1	T2	SL
BUY	>4200	4406	4509	4099

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	Annaseva	3650	3825	-
Chennai	Pedishwa	-	-	4500
Delhi	Karnataka	4800	4800	4000



	Mertacity Mogar	4500	4500	4400
Indore	Chamki	4300	4200	4200
Kanpur	Desi	3850	3800	-
Jaipur	Desi	4300	4000	3900

Centre	Arrivals (in bags of 1 Quintal)		
	31-10-2011	30-09-2011	30-10-2010
Kanpur	300	1500	-
Indore	1400	1000	500
Jaipur	50000	60000	50000
Jalna	400	500	500
Akola	850	1500	1500

Processed Moong Rates (Dall):

Centre	Prices (Rs/Qtl)		
	31-10-2011	30-09-2011	30-10-2010
Jalgaon	5900	6000	5500
Bikaner (Split)	5400	5200	5000
Indore	5800	5800	5300

Lentils (Masoor)

Market Recap:

Lentil prices featured a weak tone during the October month due to lower buying interest and dull demand. On contrary, depleting stocks domestically and festivities restricts major fall in prices. Moreover, 18% fall in Canadian lentils production also restricts major fall in prices. While, recent hike in MSP support the commodity in last week of month.

Current Scenario:

In October month, lentil prices in all trading centre eased as compared to the September month. During the period, desi (local) masoor at key trading centre of Kanpur marginally eased by Rs.150/Qtl to Rs 2974/Qtl as compared to September month's average prices of Rs.Rs.3126/Qtl on sluggish buying interest in market from the retailer and processors front.

The following table shows the average price of October month as compared to September month:-

Centre	Variety	Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	Red Lentils	2673	2784	-4.0%
Delhi	Chanti Export	4216	4256	-0.9%
	MP/ Kota Line	3005	3119	-3.7%

	UP/ Sikri Line	3230	3245	-0.5%
Kanpur	Mill Delivery	2974	3126	-4.9%
	Bareilly Delivery	3018	3180	-5.1%
Indore	Masra	2925	3108	-5.9%

The following table shows the Processed masoor Rates (Dall), average price of October month as compared to September month:-

Centre	Average Prices (Rs/Qtl)		
	Oct	Sep	% change
Kanpur (Malka)	3437	3582	-4.0%
Indore	3533	3727	-5.2%
Delhi (Badi Masoor)	3720	3784	-1.7%
Delhi (Choti Masoor)	4027	4110	-2.0%
Katni	3535	3702	-4.5%

Meanwhile, center on October 25th increased the minimum support prices of masoor to Rs2800/Qtl for this year's (2011-12) crop up by Rs 550/Qtl from last year's MSP, this would provide support to masoor prices moving forward. Announcement of higher MSP is also expected to add to the acreage this Rabi 2011-12.

Moreover, market participants expect no major fall in prices due to lower lentils production in major exporting countries along with the depleting stocks in the domestic markets. The traders are watching the emerging scenario of Canadian lentils, where as per the latest update, the production is down by 18 % mainly due to the 23 % decline in lentils harvested area over last year .

Meanwhile, the latest update from Alberta Pulse Growers reflects that the high carry-over stocks resulted into all time high exports in August months over and above 100,000 tonnes. Most of the buying was dominated by Turkey in this period while India wasn't in the top ten buyers. Moreover, exporters are expecting the demand for November shipments (green lentils). Exporters aren't expecting rise in prices in anticipation of marginal prices jump in India even after smaller kharif pulses.

Moreover, total harvested area under lentils this year in USA is down by 28 % to 465,000 acre from the last year's 634,000 acre. Overall lentils production is expected to remain lower by around 25-26% in the US.

Whereas, red lentils prices in Australia started to be in weaken due to high crop estimates (300,000 tones) even after recent frost reports.

Moreover, Red lentil (crimson) ready prices are also eased by \$ 39 /MT to USD 616/MT from USD 655/MT during the period due to sluggish trade activity following appreciation in USD Vs INR which marking imports costlier as well as comfortable supply situation internationally. Internationally, lentils prices are expected to follow the price trend of domestic masoor prices.

Market Outlook:

Range bound movement is expected in both desi and imported masoor on account of subdued trading activity. Moreover, weak tone in other pulse might weigh on the masoor prices. However, depleting domestic stocks may restrict major fall in prices. Masoor prices are also expected to follow the price trend

of tur prices as yellow lentils substitutes' tur or used for mixing with tur and as fresh tur arrivals are expected in last part of November.

Price Outlook of Desi Masoor at Kanpur Market:



- Candlestick pattern shows sideways movement in the market.
- 3021 levels seem immediate resistance and 2858 as immediate support for the prices.
- Prices likely test the resistance at 3000 level in short term and likely remain with range bound during the month of Nov.
- Positioning of RSI is with sideways movement indicating range bound in prices in short term.
- We expect prices to remain range bound with slight firmness in coming month.

S2	S1	PCP	R1	R2
2800	2858	2960	3021	3051
Call	Entry	T1	T2	SL
BUY	2902-2921	2954	2984	2880

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	Red Lentils	2675	2700	3000
Delhi	Chanti Export	4150	-	4450
	MP/ Kota Line	2950	-	3100
	UP/ Sikri Line	3150	-	3350
Kanpur	Mill Delivery	2960	2950	3020



	Bareilly Delivery	3000	3000	3070
Indore	Masra	3000	3000	3250

Processed Masoor Rates (Dall):

Centre	Prices (Rs/Qtl)		
	31-10-2011	30-09-2011	30-10-2010
Kanpur (Malka)	3400	3400	3525
Indore	3550	3600	3700
Delhi (Badi Masoor)	3750	-	3650
Delhi (Choti Masoor)	4050	-	4400
Katni	3600	3650	3700

Chickpeas (Chana)

Market Recap:

Weak trend was witnessed in chana prices during the October month as compared to the September month. Willingness of sellers to liquidate their stocks at higher levels weighs on the prices.

Current Scenario:

Chana prices in the benchmark market Delhi (Lawrence Road) eased by Rs 108-160 per quintal while in Bikaner market prices declined by Rs 225 per quintal on reportedly weak demand for chana from millers/processors following dull demand for processed chana (dal). Other major markets also featured a similar trend during the period on weak demand.

The following table shows the average price of October month as compared to September month:-

Centre	Variety	Average Prices (Rs/Qtl)		
		Oct	Sep	% change
Mumbai	Australian	3366	3308	1.8%
Delhi	Rajasthan	3283	3443	-4.6%
	Madhya Pradesh	3365	3473	-3.1%
Bikaner	Desi	3105	3330	-6.8%
Indore	Kantewala	3365	3471	-3.1%
Kanpur	Desi	3505	3661	-4.3%
Latur	Gauran	3204	3175	0.9%
	Annagiri	3650	3553	2.7%
Jalgaon		3602	3672	-1.9%
Akola	Chapa	3572	3532	1.1%
Gulbarga		3565	3625	-1.7%

The following table shows the Processed chana Rates (Dall), average price of October month as compared to September month:-

Centre	Average Prices (Rs/Qtl)		
	Oct	Sep	% change
Jalgaon	4447	4477	-0.7%
Akola	4378	4354	0.6%
Kanpur	4057	4202	-3.5%
Bikaner	3884	4137	-6.1%
Indore	4385	4618	-5.0%
Delhi	4053	4265	-5.0%
Gulbarga	4465	4630	-3.6%

Meanwhile, recent increase in MSP (Rs 2800/Qtl up by Rs700/Qtl from last year) may support of chana prices as taking the current MSP, the floor prices of chana in bench mark market Delhi translates to Rs 3000-3050/Qtl. So, any dip in prices towards 3050 level would be considered as buying levels in short to medium term.

On the crop sowing front given the higher MSP, significantly higher prices for the commodity so far this season 2011-12 and favorable weather condition (good soil moisture) in the entire key growing regions hints for increase in sown area for chana this Rabi 2011-12. Already the sowing of the commodity is in full pace in all the key growing regions and soon it will pick up more pace.

Moreover, this Rabi 2011-12, farmer might shift to gram or mustard cultivation from wheat due to comparatively higher realization from wheat. The following table shows the net realization of chana, mustard and wheat -

Relative return from chana and other crops: Realization in INR/hectare

Commodity	Yield (kg/ha.)	Price: (Rs/kg)	Gross Realization	Cost of Cultivation (Rs/ha.)	Net realization (Rs. /ha.)
Gram	895	36	32,220	18,000	14,220
Mustard	1160	30	34,800	20,500	14,300
Wheat	4300	11	47,300	37,000	9,700

Source: traders and farmers, Rajasthan, Ganganagar

However, it is not yet clear and likely to be known once the sowing is in full swing that area of which crop will shift towards chana cultivation. However, market participants expect that last year's fallow land will be used for chana cultivation in Rajasthan, MP and UP.

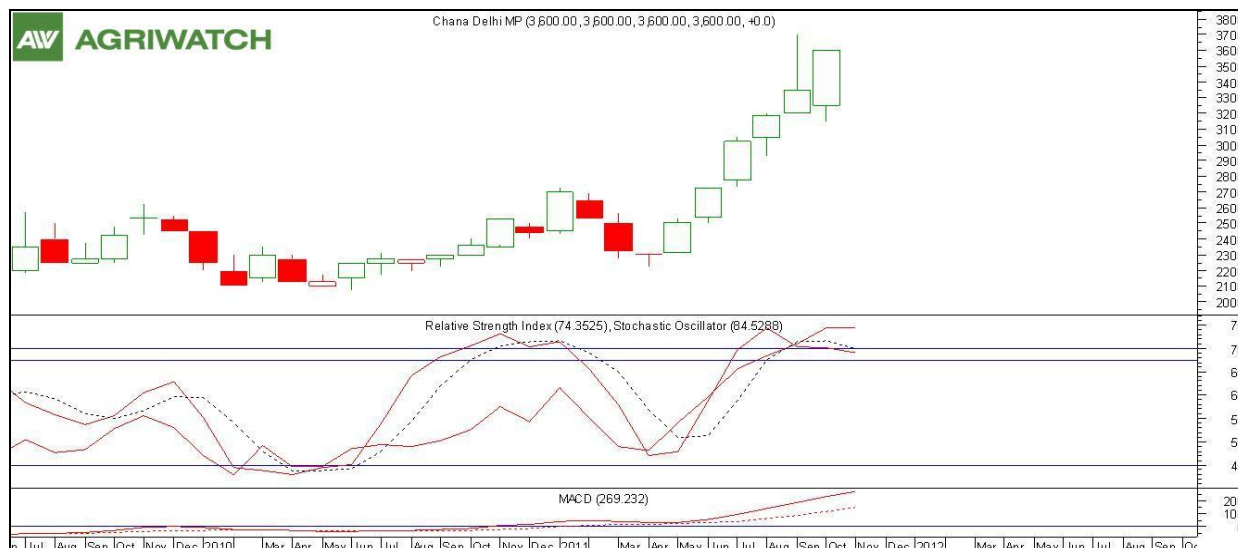
On global front, reports of frost damage to chickpeas crop in Canada which in harvesting stage further created concerns of lower production as well as quality issue in Canadian chickpeas crop. Exports of Canadian chickpeas are also expected to remain on lower side due to lower production. Australian chickpeas crop is said to be on slightly higher (slightly over 400000 tonnes). There were no reports of any crop damage or disease in the chickpeas crop and quality of the crop is expected to be good.

Meanwhile, Australian chana price offers eased by \$ 48 /MT to USD 670 / MT on depreciation in rupee vs dollar which making imports unviable besides recent weakness in chana prices. Meanwhile, Tanzanian chana remained flat at USD 729-735 /MT.

Market Outlook:

Chana prices during the coming month are expected to remain range bound with slight weakness. Moreover, increasing pace of sowing as well as expectation of higher chana acreage may weigh on prices in medium term.

Spot Market Price Outlook at Delhi (Chana MP):



- Candlesticks pattern shows selling interest in markets.
- 3700 likely act as immediate resistance on higher side.
- 3245 level seems immediate support and breaching the level likely lead to a fall up to 3196 level in medium term.
- Positioning of RSI in chart depicts downtrend in short term.
- Considering above indicators discussed, prices likely remain range bound with weak bias during the month of Nov.

S2	S1	PCP	R1	R2
3196	3245	3600	3700	3757
Call	Entry	T1	T2	SL
SELL	<3670	3404	3350	3752

Futures Technical (NCDEX):



- Candlestick pattern shows prices selling interest in the market.
- RSI is moving down in neutral region hints weakness in the market.
- Profit booking at higher level would notice in market.
- Chana prices are likely to face stiff resistance at higher levels.
- We expect, Chana prices are likely to remain weak bias. However, one should take cautious approach at higher levels for short term.

Strategy: Sell On rallies.

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	December	3251	3319	3530	3604	3681
Intraday Trade Call			Call	Entry	T1	T2	SL
Chana	NCDEX	December	Sell	<3537	3406	3356	3600

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		31-10-2011	30-09-2011	30-10-2010
Mumbai	Australian	3375	-	2470
	Rajasthan	3500	3300	2365
	Madhya Pradesh	3600	3350	2365



Bikaner	Desi	3375	3200	2350
Indore	Kantewala	3500	3400	2260
Kanpur	Desi	3650	3500	2365
Latur	Gauran	3500	-	2315
	Annagiri	3650	-	2315
	G-12	3600	-	2180

Centre		Arrivals (in bags of 1 Quintal)		
		31-10-2011	30-09-2011	30-10-2010
Delhi*	Rajasthan	25	50	40
	Madhya Pradesh	25	50	40
Indore	Kantewala	1000	1000	3000
Latur	Gauran	-	-	2000
	Annagiri	-	-	600
	G-12	-	-	700

*Arrivals in Delhi market in Motors, 1 Motor = 16 Tonnes

Processed Chana Rates (Dall):

Centre	Prices (Rs/Qtl)		
	31-10-2011	30-09-2011	30-10-2010
Jalgaon	4500	4500	2900
Latur	4550	-	2700
Akola	-	4500	2900
Kanpur	4200	4000	2715
Bikaner	4100	4200	2700
Indore	4525	4600	3150
Delhi	4200	-	2800
Gulbarga	-	4600	-

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