

Highlights of the week:

- Weak tone witnessed in all the pulses.
- Dull demand and less buying support is reported in chana and peas at high price levels.
- Moreover, additional margin of 10% on long position in the entire running contract of chana at NCDEX and the new revised stock limits and holding period for pulses by Rajasthan Government results into the selling pressure and keep buyers on dominating position.
- Whereas, commencement of new crop arrival of moong & urad in all key trading centre weighed on the prices besides higher moisture in new crop arrivals.
- In Andhra Pradesh, tur crop is in vegetative stage and much needed rainfall in the coming week will respite the crop from moisture stress. Moreover, comfortable tur crop stock and dull demand restrict the rise in prices.
- Depreciating rupee against dollar making imports unavailable at the moment.
- Acreage under tur, urad and moong till September 30th, 2011 is reported at 38.75 lakh ha, 23.65 lakh ha & 24.1 lakh ha as compared to the previous year's area of 45.55 lakh ha, 25.22 lakh ha & 28.13 lakh ha respectively.
- In Myanmar, sowing of urad is started and weather is favorable for sowing.

Chickpeas (Chana)

Market Recap:

Chana prices featured a weak tone during the week ending October 5th, 2011. In this week chana hits lower circuit which is mainly due to subdued buying interest from millers/processors at all time higher price levels and also due to profit booking. But on contrary, prices show rise in later part of week.

Current Market Dynamics & Outlook:

Chana prices in the bench mark markets Delhi (Lawrence Road) eased by Rs 300-250 per quintal while the Indore market eased by Rs 175 per quintal on reportedly weak demand from millers/processors at higher price level. However prices in Bikaner fell by Rs 500-525 per quintal in anticipation of less buying support and profit booking by stockists/traders who liquidate their stocks to take advantage of high prices. Other major markets also featured a weak tone during the period on weak demand.

Meanwhile, NCDEX imposed additional margin of 10% on long position on the entire running contract of chana at NCDEX, exerted pressure on prices.

Moreover, the Rajasthan Government has release an notification dated September 29, 2011 in respect of pulses stock limits and holding period which shall be effective from October 14, 2011. The new Stock Limit and holding period on Pulses in Rajasthan is as follows:-

	Wholesaler	Retailer	Millers (for producing dal till 30th september,2011)		Millers (Start producing dal after 1st october,2011)	
			Whole pulse	Processed Pulses	Whole pulse	Processed Pulses
Chana & Chana dal	2500 quintals	25 quintals	stock raw pulses not more than the 60 days capacity of their units	stock Processed pulses not more than the 30 days of their processing capacity	stock raw pulses not more than the 60 days capacity of their units	stock Processed pulses not more than the 30 days of their processing capacity
Other Pulses	3000 quintals	30 quintals				
Holding period	75 days	45 days	45 days			

Both notifications results into the selling pressure and keep buyers on dominating position. However, renewed buying interest due to ongoing festival demand might cushion the fall of chana prices.

On global front, harvesting of chick peas in Canada is in last phase while some damage due to frost has also noticed. Moreover, exports of chickpeas are expected to start in November month. Moreover, lower sown area and production results into significant decline in exports as well as carry-out stocks. The supply crunch might support the prices.

Meanwhile, Australian chana prices are also eased up by \$ 30 /MT in anticipation of fall in domestic prices.

Market Outlook:

Chana prices are expected to remain range bound with slight weakness on profit restricted buying from millers/processors. Also stockists/traders are expected to gradually liquidate their stocks at these prices which may exert some pressure on prices. Price seasonality of chana also hints for further correction in prices.

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


The Candlesticks Chart shows selling interest in market. RSI and other indicators also supports for weakness in markets. Profit booking may be noticed at the level of 3000.

Strategy should be sell on rallies or towards resistance level.

S2	S1	PCP	R1	R2
2979	3024	3350	3500	3648
Call	Entry	T1	T2	SL
SELL	3243-3246	3126	3076	3606

Futures Technical (NCDEX):


As reflected in the chart, trend line breakout in the chart with supportive volume and other indicators at the breakout day as well as confirmation on the next two –three days suggests for a weak market ahead. The Chana hits lower circuit quite regularly in this week. The prices also tested the 3000 level at the closing on 5th Oct,2011. Other indicators like RSI and short term EMAs also hints for a weak market.

Strategy: Sell on rallies

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	October	2913	2976	3030	3264	3340
Intraday Trade Call			Call	Entry	T1	T2	SL
Chana	NCDEX	October	SELL	>3075	3051	3039	3090

Domestic Prices & Arrivals:

Centre	Variety	Prices (Rs/Qtl)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	Australian	-	-	3250	3600
Delhi	Rajasthan	3300	3600	3275	2350
	Madhya Pradesh	3350	3600	3300	2350
Bikaner	Desi	3050	3525	3200	2280
Indore	Kantewala	3350	Closed	3300	2200
Kanpur	Desi	3575	3825	3450	2395
Latur	Gauran	Closed	Closed	Closed	2275
	Annagiri	Closed	Closed	Closed	2300
	G-12	Closed	-	Closed	2200

Centre		Arivals (Bags per Quintal))			
	Variety	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Delhi	Rajasthan	30	50	50	45
	Madhya Pradesh	30	50	50	45
Bikaner	Desi	-	-	-	-
Indore	Kantewala	1000	Closed	5000	3000
Latur	Gauran	Closed	-	Closed	1000
	Annagiri	Closed	-	Closed	100
	G-12	Closed	-	Closed	200

Arrivals at Delhi markets are in Motors, 1 motor = 15Tonnes

Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Jalgaon	4500	4700	3450	3000
Latur	Closed	-	Closed	2800
Kanpur	4400	4400	3940	2750
Bikaner	4100	4400	3800	2650
Indore	3850	Closed	4275	3100
Delhi	4450	4450	3925	2825
Gulbarga	4025	Closed	4300	-

Peas (Matar)

Market Recap:

A weak tone featured in peas prices during the week ending October 5th, 2011 on subdued trading activity at higher price level.

Current Market Dynamics & Outlook:

Both desi (local) and imported peas prices eased during the period on reportedly subdued trading activity. In Mumbai, Canadian origin yellow peas prices declined by Rs 50 per quintal to Rs 2000 per quintal while desi peas prices in Kanpur market eased by Rs 100-120 per quintal to Rs 2525 per quintal during the period. The weak tone of chana and its subdued demand exerted pressure on peas prices.

But on contrary, overall peas sentiment favors the uptrend due to supply crunch in both domestically and internationally front, though the depreciating rupee against dollar makes import unavailable at the moments. Meanwhile, on import front the fresh buying support due to ongoing festivities in Canadian origin green peas rose up by \$ 25-30 per quintal.

Meanwhile, disparity of around Rs. 50 per Qtl in imports following the rupee depreciation against dollar makes slow phase in imports due to which the peas offers during the period remain stable at around USD 475 per MT (C&F Mumbai).

On international front, harvesting of peas in key exporting country Canada is completed and the fresh pea export in full pace is been expected in October last weeks. In September month, 385,064 MT of peas are exported from the Vancouver, Canada which is slightly low as compared to last year.

But on contrary, Canadian peas prices are expected to remain at high levels in anticipation of supply crunch from Canada which is the leading exporter of peas to India. Moreover, Australian Dun peas (Kaspa) are also on lower side as compare to the last year.

Market Outlook:

Peas prices are expected to remain range bound with slight weakness in coming week on subdued trade activity at higher prices. Any weakness in chana may also exert pressure on peas prices. However, overall sentiment remains strong for peas so, no major weakness is expected.

Price Outlook for Canadian Yellow Peas at Mumbai Market:



As evident, Black Marubozu like formation in the chart suggests weakness in prices which depicts that the sellers controlled the price action from the first trade to the last trade. Oscillator RSI is moving down in positive which depicts the weakness in markets. Overall trend remain steady to weak. However the level 2293 is acting as a ultimate resistance

Strategy: Sell on rallies or towards resistance level.

S2	S1	PCP	R1	R2
2054	2078	2251/2281	2293	2333
Call	Entry	T1	T2	SL
SELL	2230-2235	2198	2176	2256

Domestic & International Prices:

Centre	Variety	Price (Rs/Qtl)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	White American	2200	2290	2121	1650
	White Canadian	2151	2241	2081	1581
	Green American	2750	2700	2500	2400
	Green Canadian	2650	2600	2300	1900
Kanpur	Desi	2530	2610	2490	1930
International Prices at Chennai Port (\$/Ton)					
Chennai	Yellow Peas	415	-	475	335

Pigeon pea (Tur)
Market Recap:

The weak sentiments are featured in tur prices during the week ending October 5th, 2011 due to dull demand and comfortable stock. However, this year sown area is down by 15% which restricts the major downfall in prices to some extent.

Current Market Dynamics & Outlook:

The dull domestic demand and comfortable stocks weigh on the domestic tur prices in major markets. As the sources revealed that lack of buyers support exert pressure on the tur price. The low demand of processed tur dal results into dull demand from millers/processors. While comfortable stocks domestic tur are available which is sufficient to cater the domestic demand till new crop arrivals and it may further exerted pressure on the price. Also the weak tone of major pulses weighs on the tur prices.

However lower sown area this year may lead to lower production which is restricting the fall in prices to some extent. Meanwhile, as per the latest crop progress data of ministry of Agriculture as of September 30th, total sown area under tur crop is down by 15% to 38.75 lakh hectares as compared to corresponding period last year.

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 (September 30)	1209114	1374130	-12
Andhra Pradesh (September 28)	436000	630000	-31
Uttar Pradesh (September 23)	341000	344000	-0.9
Karnataka (September 9)	751000	854000	-12.1
Madhya Pradesh (August 30)	490000	487000	0.6
Rajasthan (August 30)	20500	21000	-2.4

On crop condition front, overall sown crop is in vegetative stage and weather over all the key growing regions remains favorable for further growth of the crop. There is no major report in regard of crop damage due to rainfall in august this year. While in Andhra Pradesh, tur crop is in vegetative stage and much needed rainfall in the coming week will respite the crop from moisture stress.

On international front, tur lemon Burma also eased up by \$20-30 per MT to USD 650 per MT this week due to subdued trading activities. Moreover, even after the fall in prices the traders find the disparity of Rs 100-115 per qtl.

Meanwhile in Myanmar, the high sown area of tur this year as compared to the last year's sown area, overall good weather and comfortable tur stock might weigh on the prices.

Market Outlook:

In coming week steady to weak tone might be featured in tur prices due to dull demand and less buying interest. However, in anticipation of lower crop output on lower sown area may limit the major fall in prices.

Price Outlook for Tur at Gulbarga Market:



As Charts depicts selling interest in markets. We expect tur prices to remain range bound with slight weakness during the coming week. RSI oscillator also is moving down which hints for short term weakness in prices.

S2	S1	PCP	R1	R2
3104	3225	3600	4092	4205
Call	Entry	T1	T2	SL
SELL	3574-3579	3410	3325	3663

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
	Variety	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	Burmese Lemon	3100	3225	3100	3600
Delhi	Burmese Lemon	3375	3450	3200	3650
Chennai	Burmese Lemon	3125	3200	3050	3500
Gulbarga	Red	Closed	Closed	3515	3600
Latur	Red	Closed	Closed	Closed	3900
Jalna	Red	3000	3000	Closed	3400
Jalgaon	Red	3400	3600	3000-3300	4000
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur	650	660	660	780

Centre		Arrivals (Bags per Quintal)			
	Variety	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Gulbarga	Red	Closed	Closed	8000	4000
Latur	Red	Closed	-	Closed	1000
Jalna	Red	-	-		200
Jalgaon	Red	100	100	100	-

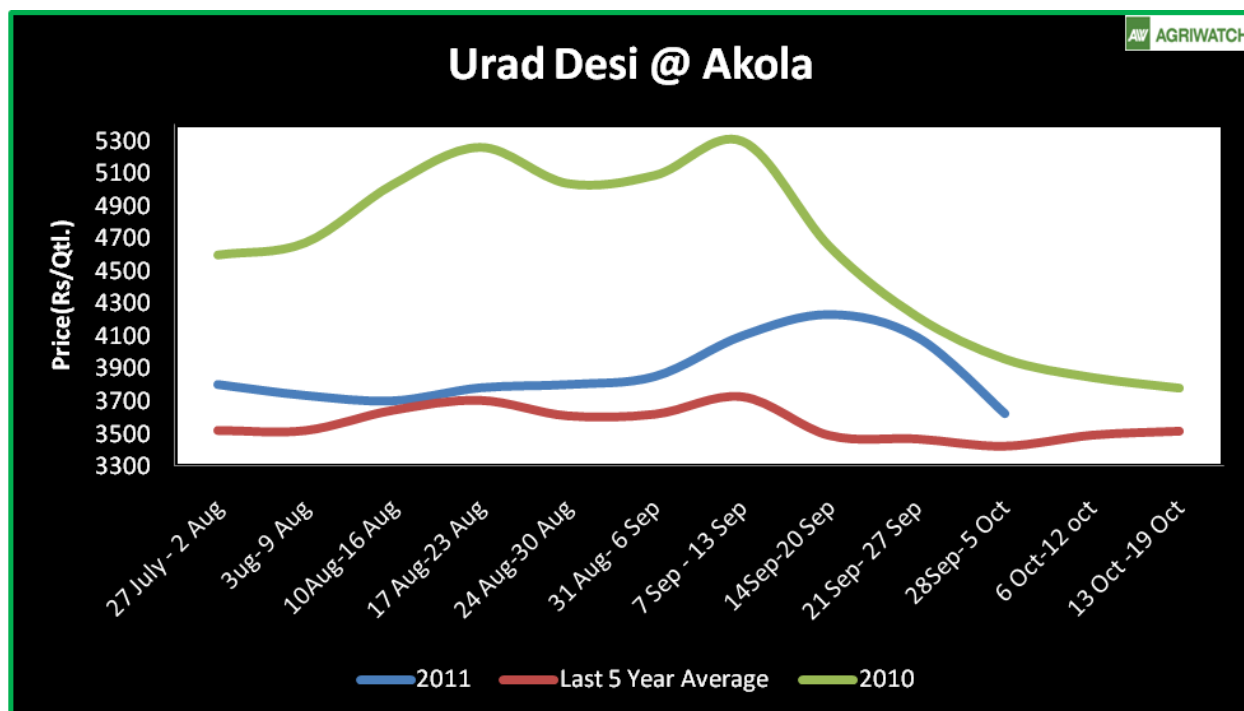
Black Matpe (Urad)
Market Recap:

During the week ending October 5th, 2011 weak sentiments are witnessed in both desi and imported urad. New crop arrival with excess moisture weighs on the domestic prices.

Current Market Dynamics & Outlook:

Commodity prices eased down due to new crop arrivals in key markets during the period, though the arrivals are slightly lower side this week in Maharashtra, UP, MP due to festivities while in Rajasthan arrivals are rose to 15000-20000 bags/days which exerted pressure on prices. Whereas, new crop arrivals are expected to increase in coming days which may further exert pressure on prices. Moreover, buyers fetches discount due to high moisture in new crop which aids further weakness in prices.

However, demand from the processors, millers and stockiest due to ongoing festival season may support prices besides estimates of lower urad output (10-11 lakh tonnes) this Kharif 2011.



As the above graph depicts that desi urad prices in Akola, Maharashtra may witness steady to weak with range bound movement in near term. As this year the news of crop damage due to rainfall support the sudden rise in price during 7th sep, 2011 to 13th sep, 2011 but now on account of new crop arrivals at full pace the prices eased down. The weak trend is expected in coming weeks.

Meanwhile, in tandem with the declining urad prices domestically, C& F quotes for Burmese urad FAQ also declined during the period by USD 100-110/MT to USD 800/MT .Whereas, Burmese urad (SQ) also eased down by USD 20-30/MT to USD 295 /MT .And it is further expected to remain lower reportedly due to less buying activities and weakening of rupees against the dollar.

Market Outlook:

Urad prices are expected to remain weak in during the coming week in anticipation of increasing new crop supply and higher moisture in new crop arrivals.

Price Outlook for Burmese Urad at Mumbai Market:


As reflected in the above chart, prices are sustaining just over the key support level of 3663. Profit booking may be expected if prices breach the above support level. Oscillator RSI is moving in positive zone while MACD moves in negative zone which favors for weakness in prices. Closing price below EMAs (9 days) also supports weakness in markets.

We expect prices to remain range bound with slight weakness during the coming week.

S2	S1	PCP	R1	R2
3336	3663	3850	4098	4148
Call	Entry	T1	T2	SL
SELL	3728-3732	3608	3558	3898

Domestic & International Prices:

Centre	Variety	Prices (Rs/Qtl)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	Burmese FAQ	3850	3925	3950	4500
Delhi	Burmese FAQ	4000	4200	4100	4500
Chennai	Burmese FAQ	4100	4150	3975	4425
	Burmese SQ	4400	4500	4470	5225
Indore	Desi	3400	Closed	3800	3500
Vijayawada	Polished	Closed	Closed	4300	5450
Jalgaon	Desi	4000	4000	Closed	4000
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese FAQ	800	800	825	980
	Burmese SQ	895	895	920	1170

Urad Arrival

Centre	Variety	Arrivals (Bags per Quintal)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Indore	MH	500	Closed	200	1500
Latur	Local	-	Closed	-	12000
Akola	Local	1000	2000	-	2000
Ashok Nagar	Local	Closed	Closed	100	

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Jalgaon	5700	5700	5950	7000
Bikaner (Split)	5000	5200	5250	6300
Indore	6300	Closed	6400	7500

Lentils (Masoor)

Market Recap:

Lentils witnessed weak tone during the week ending October 5th, 2011 due to less buying interest and dull demand. On contrary, depleting stocks domestically and festivities restricts major fall in prices.

Current Market Dynamics & Outlook:

During this period desi (local) masoor at Kanpur recorded month low price of Rs 2910/ Qtl due to sluggish buying interest in market and dull demand from the retailer and processors front. Also weak tone in other pulses further supports the weakness in masoor prices. While, market participants expect that no major fall is expected in prices due to depleting stocks in the markets.

Moreover, Red lentil (crimson) ready prices are also eased up by \$ 20-35 /MT this week due to dull demand of the commodity in market.

On the global front, lentil crop harvesting is almost completed in Canada and there were no reports of damage to the crop due to frost. However, low sown area as well as harvested area results into the lower production but despite of this, huge carry-in stocks from last year may keep the total supply at higher side which in turn lead to higher lentil exports from Canada. Moreover, commencement of lentil export from the Thunder Bay, Canada is reported. During this period 20,819 MT of lentils is been exported which is slightly low as compared to last year.

Meanwhile in Australia, despite of lower yields the production (303000 tonnes) is significantly higher from the last five years average (135327 tonnes).

Market Outlook:

Subdued trading activity and low buying interest may keep desi masoor prices are expected to remain range bound with slight weakness in the coming weeks. Moreover, weak tone in other pulse might weigh on the prices. However, depleting stocks may restrict major fall in prices. Internationally masoor prices are expected to remain steady to slightly weak due to stiff competition with Canada, US and Australia.

Price Outlook of Desi Masoor at Kanpur Market:


As evident, prices breached the key support level at 2960 and currently prices are around the level of 3000. RSI is moving down which hints for weakness in prices. We expect prices to remain range bound with slight weakness during the coming week.

S2	S1	PCP	R1	R2
2713	2834	3075	3250	3350
Call	Entry	T1	T2	SL
SELL	Below 3050	3000	-	3118

Domestic & International Prices:

Centre	Variety	Prices (Rs/Qtl)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	Red Lentils	2700	2750	2700	3400
Delhi	Chanti Export	4300	4400	4100	4750
	MP/ Kota Line	3050	3200	2950	3200
	UP/ Sikri Line	3100	3300	3100	3550
Kanpur	Mill Delivery	3075	3150	2960	3300
	Bareilly Delivery	3150	3190	3010	3340

Indore	Masra	2975	Closed	2950	3425
International Prices at Chennai Port (\$/Ton)					
Chennai	Laird Lentils	620	-	600	1100

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Kanpur (Malka)	3570	3670	3380	3800
Indore	3700	Closed	3550	3950
Delhi (Badi Masoor)	3700	3800	3650	3800
Delhi (Choti Masoor)	4250	4300	4050	4750
Katni	Closed	Closed	3400	-

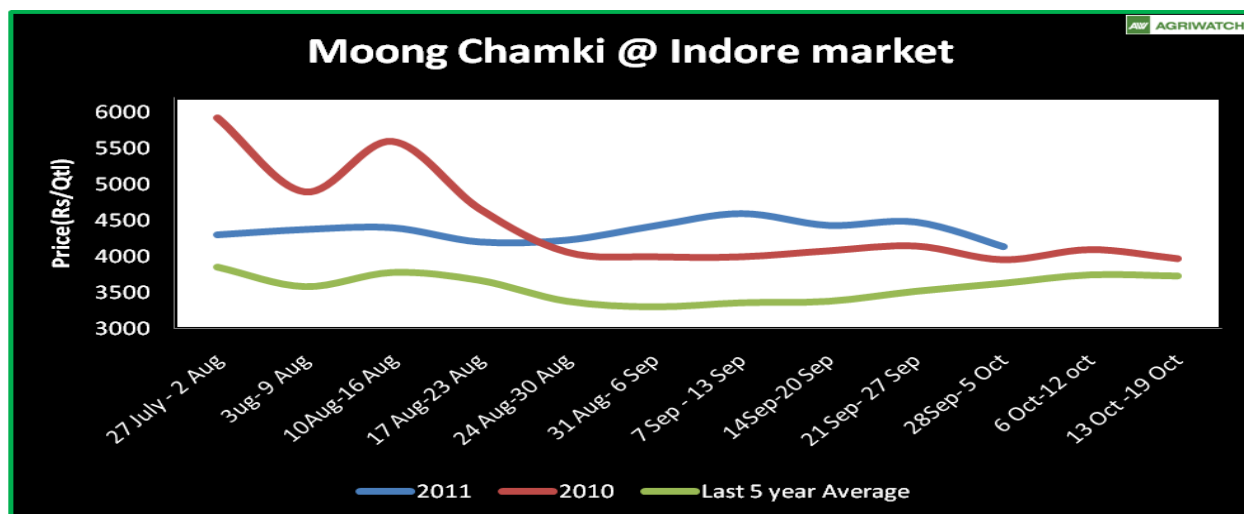
Green Gram (Moong)
Market Recap:

Steady to weak sentiments are noticed in anticipation of the new crop arrival in full pace in most of the markets during the week ending October 5th, 2011.

Current Market Dynamics & Outlook:

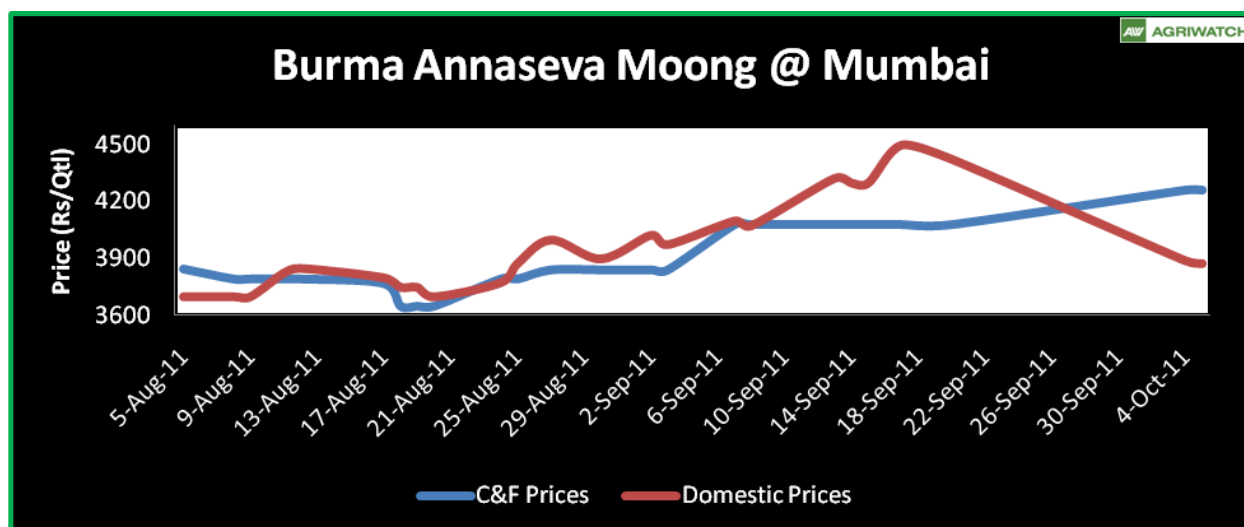
Full pace arrivals of new arrivals in all major markets of Rajasthan, Maharashtra, Madhya Pradesh and Uttar Pradesh exerts pressure on prices. Despite of excess moisture, crop quality is on better side.

In Rajasthan overall moong arrivals are reported at around 65000-78000 bags/day currently which is likely to increase further in coming days (after Navratras) which may exert pressure on prices. However, lesser arrivals (20000-25000 Bags/day) in Maharashtra are reported in this week as compared to last week (30000-50000 bags/day), this is mainly due to the lesser trading activities in Navratras. While, higher arrivals are expected after the festivities which may further aid weakness.



As above graph also indicates, that the prices of the commodity are rose up in the period of 24th Aug, 2011 to 13th September, 2011 due to in anticipation of crop damage news because of heavy rainfall at harvesting stage. But after the heavy arrivals of new crop, the moong prices fall down and following its 5 year average trend. It also depicts that moong prices would be steady to weak with range bound movement in near term.

However, market participants feel that in coming days there would be the arrivals of bad quality moong in markets particularly in Maharashtra and MP due to heavy rainfall at harvesting stage of crop (Second haf of August) while the demand is expected to remain in the market for good quality moong which may support prices besides expected lower crop output this Kharif 2011 season on lower sown area as well as crop damage in few regions on heavy rains.



As above graph depicts that the C&F quotes for Moong Annaseva featured uptrend while the domestic prices is showing a downfall in anticipation of weak tone featured in other pulses and less buying interest. However, the international quotes for Burrma Annaseva Moong rose up by USD 30-40/ MT to USD 888/MT and it may remain range bound while the domestic prices of the Burma Annaseva Moong

continue to decline during this period to Rs. 3875 per qtl. The decline in domestic price leads to disparity of Rs.492-507 per qtl.

Market Outlook:

Steady to weak sentiments may expected in coming weeks on account of new crop arrivals in full pace. Meanwhile, lower output and processors/millers demand due to ongoing festivities may provide some support to the reducing prices.

Price Outlook for Desi Moong at Jaipur Market:



As evident prices are moving ranges bound and sideways between 4000-4400 level and same are acting as a key support and resistance. Breaching either side of the mentioned level would give prices new direction. However oscillator RSI hints weakness in markets.

S2	S1	PCP	R1	R2
3800	4000	4000	4400	4450
Call	Entry	T1	T2	SL
WAIT				

Domestic Prices:

Centre	Variety	Prices (Rs/Qtl)			
		05-10-2011	27-09-2011	05-09-2011	05-10-2010
Mumbai	Annaseva	3875	3950	4000	5000
Chennai	Pedishwa	-	Closed	5150	4550
Delhi	Karntka	4500	5100	-	4600
	Merta city Mogar	4500	5000	-	4600

Indore	Chamki	4000	Closed	4500	4000
Kanpur	Desi	3925	3950	-	3500
Jaipur	Desi	4000	4100	4200	4000

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	05-10-2011	27-09-2011	05-09-2011	05-10-2010
Jalgaon	5800	6100	5800	6000
Bikaner (Split)	5100	5300	5100	5200
Indore	5800	Closed	5800	5800

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