

### Highlights of the week:

- Steady to Weak tone witnessed in all the key pulse markets.
- Buying interest from millers for good quality of urad and moong supported the prices.
- However, sporadic demand amid lackluster buying interest from traders leads to decline tur and masoor prices.
- As per the trade source, excellent rainfall in Kurnool and Anantapur districts of Andhra Pradesh is reported in last 2-3 days which favors the chana sowing in the state. The rainfall also is much needed to respite the tur crop from moisture stress.
- As per the source, due to the revised pulses stock limit in Rajasthan, Bikaner traders are liquidating their chana stocks aiding pressure.
- Traders/stockists in Bikaner are selling their chana to Saurashtra, Gujarat Rs.20 below from the prevailing market price at Rs 230/Qtl loading/unloading and transportation charge.
- Depreciating rupee against dollar making imports unavailable at the moment.
- On international front, in Myanmar reportedly the sowing of tur is completed and the sown area is at par with last year's sown area and so far overall weather remains congenial for tur crop growth in Myanmar.
- Harvesting of peas and lentils are completed in the Saskatchewan province of Canada. Excess moisture and downgrading from ergot and frost is also reported in some areas. However, average to above-average crop yield is reported in most of the areas.

### 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%
<b>Total</b>	<b>9.94</b>	<b>6.25</b>	<b>59.04 %</b>

## **Chickpeas (Chana)**

### **Market Recap:**

In Chana, bearish sentiments witnessed during the week ended on October 12<sup>th</sup>, 2011 on increased selling pressure and subdued demand. However, some recovery featured in prices during the second half of the week on renewed demand at lower price levels.

### **Current Market Dynamics & Outlook:**

Chana prices in the benchmark market Delhi (Lawrence Road) eased by Rs 160-190 per quintal while in Rajasthan markets (Jaipur and Bikaner) prices declined by Rs 180-200 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.

Revised lower stock limit in Rajasthan also weighed on prices as traders in Bikaner started liquidating their stocks due to fears of stringent action from government on holding higher stocks. Sources revealed that traders/stockists in Bikaner are selling their stocks to Saurashtra in Gujarat at a discount of Rs.20/Qtl from the prevailing market price with additional Rs 230/Qtl loading/unloading and transportation charges. Weak tone for chana at exchanges (NCDEX) further extended weakness.

However, reportedly demand for chana in Karnataka (Gulbarga) for the Tamil Nadu and other Southern States of country restricted the fall in prices besides lower arrivals in bench mark market "Lawrence Road" New Delhi during the period. Also renewed demand at lower prices (near 3000-3050/Qtl level) further supported the prices.

Further, recent rains over the southern states of the country particularly in AP and Karnataka provided excellent soil moisture which favours sowing activity of Chana while in other major states (MP, Rajasthan & UP) extended monsoon rains provided good soil moisture which also favours chana cultivation. Meanwhile, given significant increase in chana prices this season further hints that farmers in the key regions may increase the area under chana cultivation. Also sources added that this Rabi 2011-12 season there are huge possibilities that farmers may shift their wheat area towards chana cultivation due to higher chana prices and good soil moisture, which may lead to higher chana production this Rabi 2011-12 season.

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 \$ 30 /MT to USD 660 / MT on depreciation in rupee vs dollar which making imports unviable besides recent weakness in chana prices.

### **Market Outlook:**

Chana prices are expected to remain range bound with slight firmness due to fresh buying support at lower prices as well as declining stocks particularly in Rajasthan on revised lower stock limit.

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


As evident from the chart, level 3119 is acting as a good support and prices are sustaining above the level which hints for some further upward movement in prices. Immediate good resistance can be seen at 3326 level. Thus, levels 3119 and 3326 are emerging as a new trading band. Breaching either side would give prices new direction.

**Strategy:-** Buy on dips towards the support level.

S2	S1	PCP	R1	R2
3039	3122	3264	3326	3436
Call	Entry	T1	T2	SL
BUY	3119-3121	3263	3326	3049

**Futures Technical (NCDEX):**


As reflected in the chart, prices are moving range bound and sideways between 3048-3269 which is also acting as a key support and resistance currently. Breaching either side of the mentioned level will give prices new direction. Volume and Open Interest also hints for a range bound trade.

**Strategy: Buy on dips**

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	November	2954	3048	3209	3269	3333
Intraday Trade Call			Call	Entry	T1	T2	SL
Chana	NCDEX	November	BUY	3048	3269	-	2938

**Domestic Prices & Arrivals:**

Centre		Prices (Rs/Qtl)			
	Variety	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	Australian	-	-	3450	2360
Delhi	Rajasthan	3250	3300	3350	2300
	Madhya Pradesh	3375	3350	3375	2300
Bikaner	Desi	3025	3050	3250	2250
Indore	Kantewala	3400	3350	3375	2200
Kanpur	Desi	3420	3575	3570	2360
Latur	Gauran	-	Closed	3100	-
	Annagiri	-	Closed	3400	-
	G-12	-	Closed	-	-

Centre	Variety	Arivals (Bags per Quintal))			
		12-10-2011	05-10-2011	12-09-2011	12-10-2010
Delhi	Rajasthan	20	30	60	40
	Madhya Pradesh	20	30	60	40
Bikaner	Desi	-	-	-	-
Indore	Kantewala	1000	1000	10000	3000
Latur	Gauran	-	Closed	-	-
	Annagiri	-	Closed	-	-
	G-12	-	Closed	-	-

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

### Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Jalgaon	4400	4500	4300	3000
Latur	-	Closed	-	-
Kanpur	3980	4400	4050	2715
Bikaner	3850	4100	3950	2650
Indore	4425	3850	4375	3100
Delhi	4000	4450	4100	2800
Gulbarga	4400	4025	4400	-

### Peas (Matar)

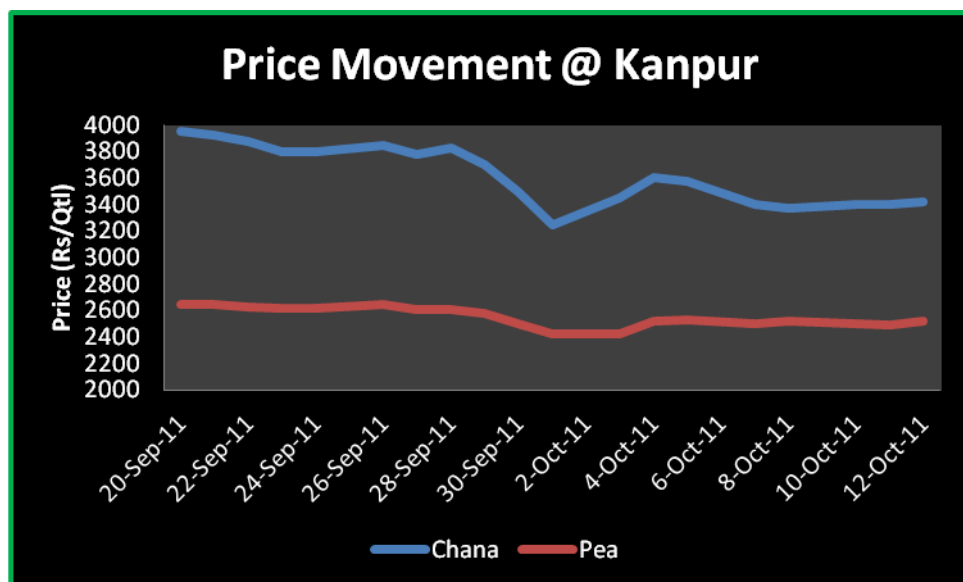
#### Market Recap:

Steady to weak tone is witnessed in peas prices during the week ended on October 12<sup>th</sup>, 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, the average prices for Canadian origin yellow peas during the week declined by Rs 70 per quintal to Rs 2105 per quintal while desi peas prices in Kanpur market eased marginally during the period as negligible stocks restricted the fall despite dull trade.

Meanwhile, despite significant fall (down by more than Rs500/Qtl in Kanpur) in chana prices, the decline in peas prices were nominal as negligible stocks restricted the fall in prices.



On import front, currently disparity in imports due to depreciation in rupee Vs dollar hindering the imports due to which international price quotes for both yellow and green peas remained stable during the period. On international front, peas production in the major producing country like Canada, US and Australia is likely to remain on lower side and exports are also expected to remain on lower side which remains supportive for peas prices moving forwards. In the US peas production is expected to decline by around 40% on reportedly almost 45-50% decline in sown area.

### Market Outlook:

Range bound movement is expected in peas prices on subdued trade depleting stocks in coming week. Lower imports due to disparity further support the peas prices.

**Price Outlook for Canadian Yellow Peas at Mumbai Market:**


As reflected, Candlesticks chart suggests weakness in prices. However prices may ease to the 2011 level and thereafter range bound movement could be witnessed. Some buying interest is expected at this level. Oscillators RSI is also moving down in neutral zone which further indicating the decline in prices.

Strategy: Sell on rallies.

S2	S1	PCP	R1	R2
1990	2011	2121	2181	2211
Call	Entry	T1	T2	SL
<b>SELL</b>	2081-2190	2049	2031	2110

**Domestic & International Prices:**

Centre	Variety	Price (Rs/Qtl)			
		12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	White American	2160	2200	2121	1600
	White Canadian	2121	2151	2021	1551
	Green American	2750	2750	2550	2400
	Green Canadian	2650	2650	2350	1900
Kanpur	Desi	2520	2530	2570	1885
International Prices at Chennai Port (\$/Ton)					
Chennai	Yellow Peas	410	415	475	-

## **Pigeon pea (Tur)**

### **Market Recap:**

Weak sentiment featured in tur prices during the week ending October 12<sup>th</sup>, 2011 due to lack of buying support and reportedly comfortable stocks.

### **Current Market Dynamics & Outlook:**

Dull demand for the commodity and reportedly comfortable stocks weighed on the domestic tur prices in major markets. Weak tone in other major pulses also extended weakness in tur prices.

On crop condition front, tur crop in vegetative stage and the much needed recent rains over Andhra Pradesh has provided respite to the tur crop from moisture stress. Moreover, weather over all key growing areas remains favourable for further growth of crop. No damage to the standing crop is reported so far in the key growing regions except in Karnataka where some damage is reported in the crop due to pest and sources conveyed that farmers may shift to the chana or jowar cultivation.

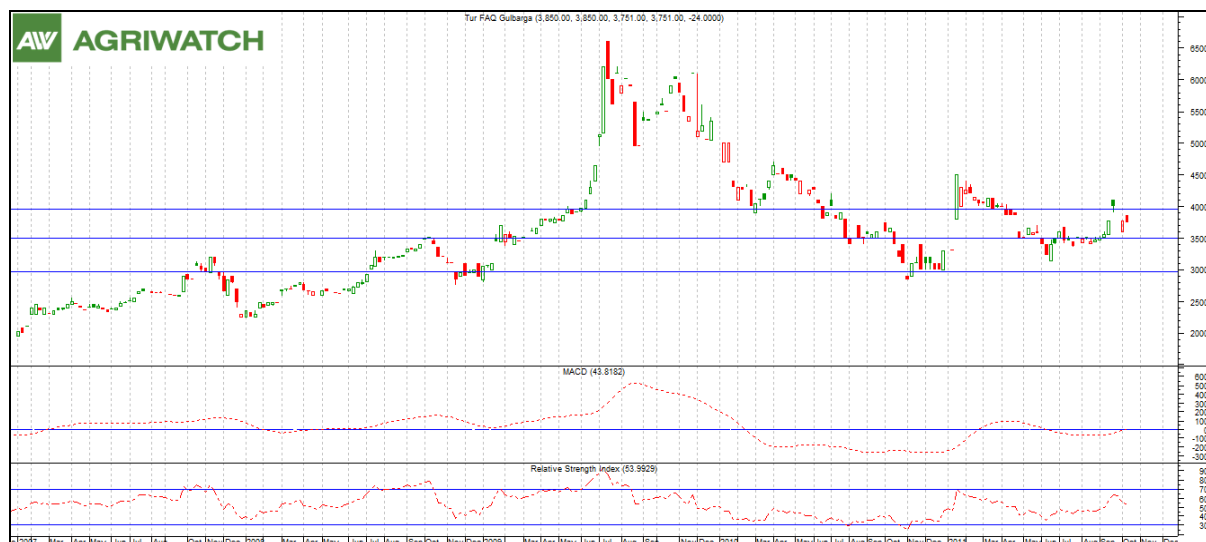
In tandem with the declining domestic prices, Burmese lemon Tur prices in Mumbai declined during the period. The average Burmese lemon tur prices declined by \$40-45 per MT to USD 620 per MT during the period on subdued trading activity. Appreciation in USD Vs INR, making imports unviable at the moment which is keeping importers in the sidelines, aiding weakness. . Meanwhile, tur cultivation in Myanmar is almost completed and area is said to be at par with the last year. Weather remains congenial for crops growth. Sources, also revealed that around 1 lakh tonnes tur stocks are lying in Myanmar which may keep prices on softer note.

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.

### **Market Outlook:**

Tur prices are expected to remain steady and range bound during the coming on subdued trading activity as well as comfortable stocks currently. However, in long 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.



**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.

However, level 3503 is acting as a good support and breaching the same may take the prices to 3000 mark.

RSI oscillator also is moving down which hints for short term weakness in prices.

S2	S1	PCP	R1	R2
3503	3544	3751	3858	3958
Call	Entry	T1	T2	SL
<b>SELL</b>	3787	3704	3639	3921

**Domestic Prices & Arrivals:**

Centre		Prices (Rs/Qtl)			
	Variety	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	Burmese Lemon	3025	3100	3200	3375
Delhi	Burmese Lemon	3200	3375	3375	3400
Chennai	Burmese Lemon	3000	3125	3100	3550
Gulbarga	Red	3751	Closed	3565	3500
Latur	Red	-	Closed	3700	-
Jalna	Red	3000	3000	2800	3300
Jalgaon	Red	3400	3400	3500	3800
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur	630	650	660	-

Centre	Variety	Arrivals (Bags per Quintal)			
		12-10-2011	05-10-2011	12-09-2011	12-10-2010
Gulbarga	Red	3600	Closed	6000	4000
Latur	Red	-	Closed	-	-
Jalna	Red	-	-	-	100
Jalgaon	Red	100	100	200	200

## Black Matpe (Urad)

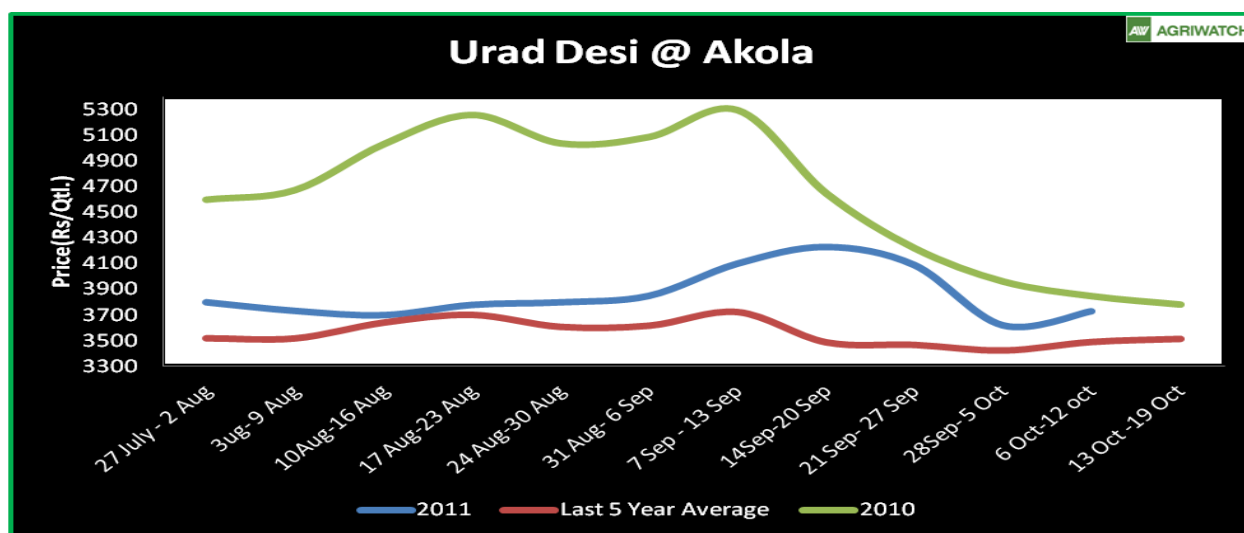
### Market Recap:

Weak sentiment witnessed in urad prices during the week ending on October 12<sup>th</sup>, 2011 in both desi and imported urad as increasing new crop arrivals weighing on prices.

### Current Market Dynamics & Outlook:

Urad prices eased in all the markets on increasing new crop arrivals. New crop arrivals in Maharashtra are reportedly at around 10,000-15,000 bags/day while in Rajasthan arrivals are 30,000-40,000 bags/days. Sources revealed that the arrivals in Maharashtra are expected to increase in near term which may further exert pressure on prices.

Meanwhile, new crop arrivals consists of higher moisture which further weighing on prices as it is fetching at a discount. However, demand remains in the market for good quality produce at current price levels. Demand from millers/processors and stockists are further expected to remain in the markets for good quality produce which may support the prices.

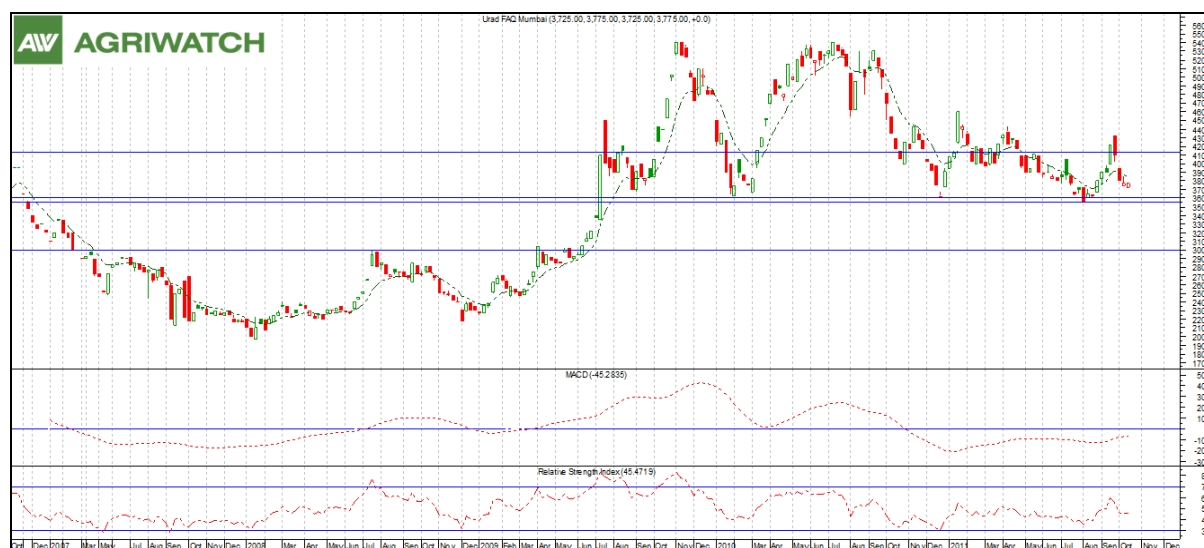


Internationally in tandem with the declining urad prices domestically, C&F quotes for Burmese urad FAQ also declined during the period by USD 15-20/MT to USD 790/MT. Whereas, Burmese urad (SQ) also eased by USD 20-25/MT to USD 876 /MT. Also appreciation in USD Vs INR further making imports unavailable at the moment which keeping importers in the sidelines further weighed on Burmese urad prices besides reportedly approx 1 lakh tonnes stocks in Myanmar. However, prices in international market are likely to closely follow the price trend in domestic market.

### Market Outlook:

Urad prices are expected to remain range bound with slightly weak tone on new crop arrivals and 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:



The charts hint for selling interest in market.

However, 3552 level is a good support from where some buying is expected to emerge in the market. Breaching the same below would take the prices towards 3000 level.

Oscillator RSI is moving down 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
3552	3601	3775	3852	3898
Call	Entry	T1	T2	SL
<b>SELL</b>	3697-3675	3651	3529	3720

**Domestic & International Prices:**

Centre		Prices (Rs/Qtl)			
	Variety	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	Burmese FAQ	3675	3850	4000	4250
Delhi	Burmese FAQ	3800	4000	4150	4375
Chennai	Burmese FAQ	4000	4100	4000	4450
	Burmese SQ	4275	4400	4550	5150
Indore	Desi	3400	3400	-	3800
Vijayawada	Polished	4400	Closed	4700	5500
Jalgaon	Desi	3900	4000	4200	4000
<b>International Prices at Chennai Market (\$/Ton)</b>					
Chennai	Burmese FAQ	775	800	845	-
	Burmese SQ	870	895	940	-

**Urad Arrival**

Centre		Arrivals (Bags per Quintal)			
	Variety	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Indore	MH	800	500	400	1000
Latur	Local	-	-	-	-
Akola	Local	1000	1000	-	1500
Ashok Nagar	Local	6000	Closed	50	6000

**Processed Urad Rates:**

Centre	Prices (Rs/Qtl)			
	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Jalgaon	5700	5700	5800	6500
Bikaner (Split)	4700	5000	5300	6000
Indore	6200	6300	6600	7500

**Lentils (Masoor)**
**Market Recap:**

Lentil prices featured a weak tone during the week ending October 12<sup>th</sup>, 2011 due to lower buying interest and dull demand. On contrary, depleting stocks domestically and festivities restricts major fall in prices.

**Current Market Dynamics & Outlook:**

During the period desi (local) masoor at Kanpur traded at an average price of Rs 2970/ Qtl due to sluggish buying interest in market from the retailer and processors front. Also weak tone in other pulses

further extended 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 by \$ 30-40 /MT to USD 610/MT during the period due to sluggish trade activity following appreciation in USD Vs INR which marking imports costlier.

On international front, the 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. Meanwhile, lentil crop harvesting is finished in Canada but despite of expected lower production on lower sown area overall supply is expected to remain comfortable on higher carry-in stocks.

## Market Outlook:

Range bound movement with slight weakness is expected in both desi and imported masoor on account of subdued trading activity. Moreover, weak tone in other pulse might weigh on the 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. Internationally, lentils prices are expected to follow the price trend of domestic masoor prices.

## Price Outlook of Desi Masoor at Kanpur Market:



Candlestick chart formation depicts the sideways movements. However, the level 2750 acts as strong support and breaching the same below will take the prices upto 2400-2500 level. Moreover, 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
2750	2827	2970	3052	3085
Call	Entry	T1	T2	SL
<b>SELL</b>	2944-2920	2895	2876	2970

**Domestic & International Prices:**

Centre	Variety	Prices (Rs/Qtl)			
		12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	Red Lentils	2650	2700	2750	3250
Delhi	Chanti Export	4200	4300	4125	4750
	MP/ Kota Line	3000	3050	3000	3200
	UP/ Sikri Line	3250	3100	3050	3500
Kanpur	Mill Delivery	2970	3075	3050	3210
	Bareilly Delivery	3020	3150	3100	3245
Indore	Masra	2950	2975	3000	3300
<b>International Prices at Chennai Port (\$/Ton)</b>					
Chennai	Laird Lentils	410	620	-	-

**Processed Masoor Rates:**

Centre	Prices (Rs/Qtl)			
	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Kanpur (Malka)	3425	3570	3500	3725
Indore	3800	3700	3525	-
Delhi (Badi Masoor)	3700	3700	3700	3900
Delhi (Choti Masoor)	4100	4250	4050	4800
Katni	3575	Closed	3450	3900

**Green Gram (Moong)**
**Market Recap:**

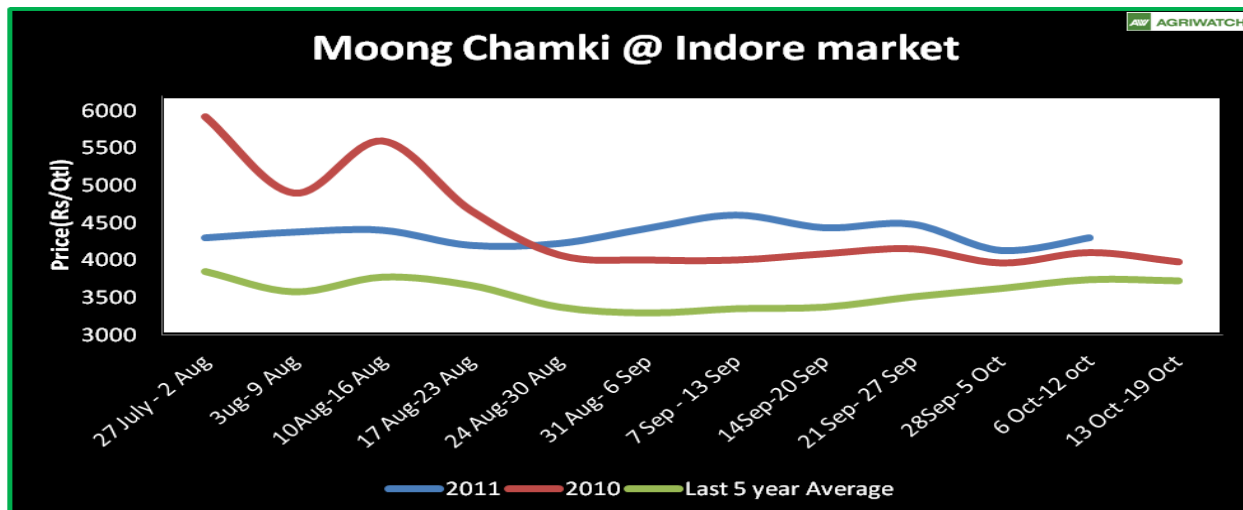
Mostly steady to firm trend witnessed in moong prices during the week ended October 12<sup>th</sup>, 2011 as compared to last week amid demand for good quality moong in the markets.

**Current Market Dynamics & Outlook:**

This week bold (good) quality moong arrivals are in full pace in all major markets of Rajasthan, Maharashtra, Madhya Pradesh and Uttar Pradesh and demand also remained in the markets for good quality moong which supported the sentiment. The 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.2000-2500/Qtl in Jaipur and Indore markets.

In Rajasthan overall moong arrivals are reported at around 70000-75000 bags/day currently which is likely to increase further in coming days. However, lesser arrivals (15000-20000 Bags/day) in Maharashtra are reported in this week as compared to last week (20000-25000 bags/day), this is mainly

due to the lesser trading activities during the festivities. While, higher arrivals are expected after the festivities in the states.

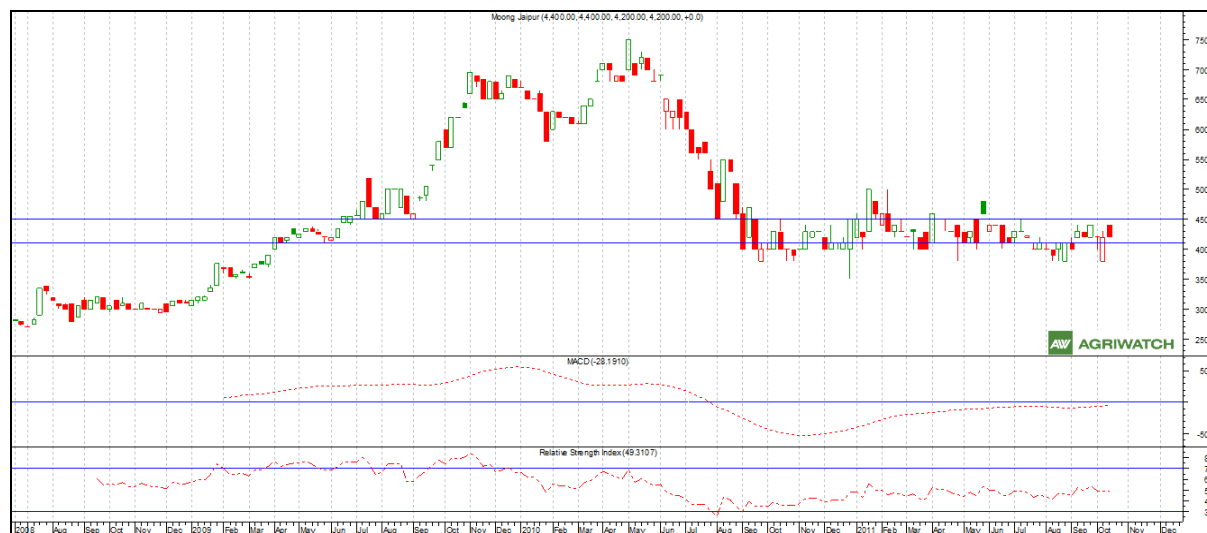


As above graph depicts that prices of the commodity are rose up in the period (24<sup>th</sup> Aug, 2011 to 13<sup>th</sup> September, 2011) due to crop damage news because of heavy rainfall at harvesting stage. But after the arrivals of new crop, the moong prices fall down from last week of September and now the arrivals of good quality moong in market fetching premium at trading centre which again provided support to the falling prices besides good demand for quality produce in the markets.

On international front the C&F quotes for Moong Annaseva featured downtrend on account of less buying interest due to weakening of rupees against dollar. The international quotes for Burma Annaseva Moong eased by USD 25-30/ MT to USD 857/MT from last week's USD 888/MT.

### Market Outlook:

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 of below average quality produce in the markets which is restricting upside in prices to some extent.

**Price Outlook for Desi Moong at Jaipur Market:**


As evident prices are moving ranges bound and sideways between 4498-4099 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
4001	4099	4200	4498	4594
Call	Entry	T1	T2	SL
<b>Sell</b>	4267-4308	4168	4129	4328

**Domestic Prices:**

Centre	Variety	Prices (Rs/Qtl)			
		12-10-2011	05-10-2011	12-09-2011	12-10-2010
Mumbai	Annaseva	3775	3875	4425	5000
Chennai	Pedishwa	-	-	-	4700
Delhi	Karntka	4800	4500	-	4500
	Merta city Mogar	4800	4500	-	4500
Indore	Chamki	4400	4000	-	4000
Kanpur	Desi	3950	3925	4100	3800
Jaipur	Desi	4200	4000	4300	4500



**Processed Moong Rates:**

Centre	Prices (Rs/Qtl)			
	12-10-2011	05-10-2011	12-09-2011	12-10-2010
Jalgaon	6000	5800	6100	5700
Bikaner (Split)	5100	5100	5400	5400
Indore	5800	5800	5800	5800

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