

***Highlights of the week:***

- Mixed trend featured in key pulse markets.
- Sporadic demand amid lackluster buying interest from traders leads to mixed response in urad.
- Buying interest from millers for good quality of moong has supported its prices.
- However, other key pulses prices eased on account of dull demand and less buying interest on retailers front.
- Imposition of revised pulses stock limit in Rajasthan has kept the pressure on market sentiments. The traders are liquidating their stocks, which is resulting in selling pressure. In Bikaner, chana was traded at Rs.2900-2975/Qtl.
- As per sources, commencement of chana sowing in Malwa region of MP has started while the sowing is expected to pick pace after Diwali.
- 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.

## Chickpeas (Chana)

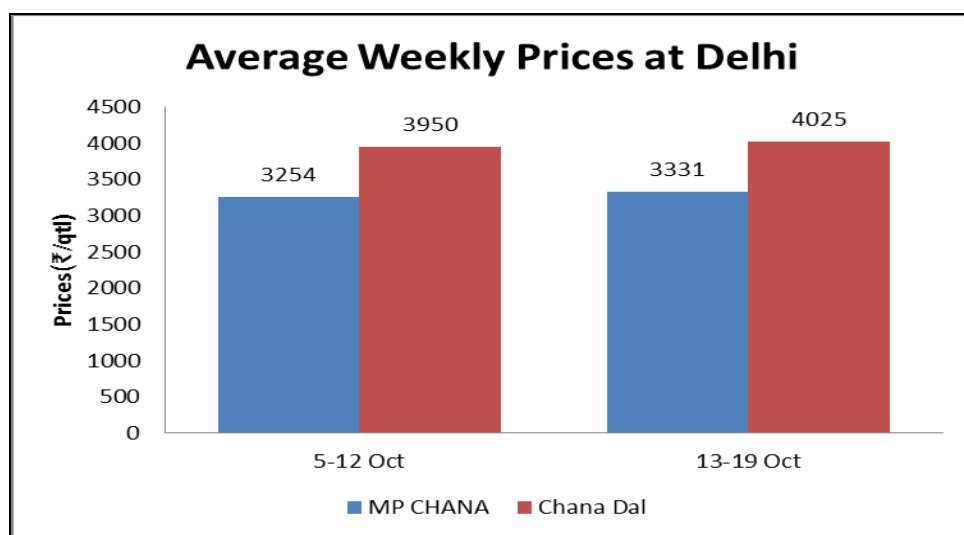
### Market Recap:

Mixed trend was witnessed in chana prices during the week ended on October 19<sup>th</sup>, 2011 as compared to the last week. Willingness of sellers to liquidate their stocks and the improved demand due to ongoing festivities are offsetting each other. However, some recovery featured in prices during this week on renewed demand at lower price levels.

### Current Market Dynamics & Outlook:

Chana prices in the benchmark market Delhi (Lawrence Road) show marginal improvement of Rs.70-100 per quintal. In Rajasthan markets (Jaipur and Bikaner) prices were almost steady due to the liquidation of stocks from seller's front and renewed demand for chana due to ongoing festival season. Other major markets also featured a similar trend during the period.

This week Chana future prices hit lower circuit on 14<sup>th</sup> Oct trading session owing to selling pressure from traders. The selling pressure is mainly due to the new revised stock limit, which is imposed in Rajasthan from 15<sup>th</sup> Oct, 2011. The Rajasthan government had reduced stock limits from 5,000 quintals to 2,500 quintals for chana and 3,000 quintals for other pulses. This 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 at Rs.2900-2975/Qtl. Weak tone for chana at exchanges (NCDEX) further extended weakness.



As above graph also depicts that Chana Dal prices this week rose up Rs. 77/Qtl as compared to the last week. The rise in the prices supports the MP chana prices during the week.

On rabi crop front, rains over the chana sowing southern states of the country particularly in AP and Karnataka favours the sowing activity. Currently chana sowing is in full pace in Kurnool and Anantapur districts of AP. The sowing in Malwa region of MP is expected to be in full pace after Diwali.

As per the latest report of the USDA, the extended monsoon this year and hence the favorable soil moisture conditions should lead to higher production this rabi. We also expect that the acreage under chana will increase in the key regions as farmers shift from the wheat, bajra and jowar to chana.

On the global front, the low acreage in Canada of chickpea this year led to a sharp downfall in production, which may cause a supply shortage in the global market.

The table below shows the Canadian Chickpeas outlook:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks
	(000 ha)		(t/ha)	(000 tonnes)		
<b>2008-09</b>	53	51	1.30	67	53	62
<b>2009-10</b>	32	30	2.49	76	66	20
<b>2010-11</b>	83	77	1.67	128	86	22
<b>2011-12</b>	30	30	1.80	54	50	5

Meanwhile Australian chana remained steady at around USD 660 / MT.

### **Market Outlook:**

Chana prices may remain range bound with slight firmness in coming week 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):**


The level 3119 still acts as a good support and prices are sustaining above the level which hints for some further upward movement in prices.

Moreover, oscillator RSI is also moving in up in neutral zone, which indicate further movement in prices.

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

S2	S1	PCP	R1	R2
3039	3119	3350	3403	3423
Call	Entry	T1	T2	SL
<b>BUY</b>	3282-3319	3350	3375	3400

**Futures Technical (NCDEX):**


The above chart depicts that chana prices moves sideways with range bound movement 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. Other oscillators also hints for range bound movement.

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

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	November	2954	3048	3185	3269	3333
Intraday Trade Call			Call	Entry	Call	Entry	T1
Chana	NCDEX	November	BUY	3067-3098	3147	3187	2938

**Domestic Prices & Arrivals:**

Centre		Prices (Rs/Qtl)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	Australian	-	-	-	2425
Delhi	Rajasthan	3200	3250	3650	2350
	Madhya Pradesh	3300	3375	3675	2350
Bikaner	Desi	3075	3025	3500	2270
Indore	Kantewala	3350	3400	3725	2300
Kanpur	Desi	3480	3420	4000	2380
Latur	Gauran	3150	-	3500	2300
	Annagiri	3700	-	4000	2200
	G-12	3200	-	-	2250

Centre		Arrivals (Bags of 1 Quintal)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Delhi	Rajasthan	20	20	50	40
	Madhya Pradesh	20	20	50	40
Bikaner	Desi	-	-	-	-
Indore	Kantewala	800	1000	8000	3000
Latur	Gauran	-	-	-	1000
	Annagiri	-	-	-	200
	G-12	-	-	-	300

Arrivals at Delhi markets are in Motors, 1 motor = 9 or 15 Metric Tonnes.

#### Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Jalgaon	4400	4400	4800	3000
Latur	-	-	-	2800
Kanpur	4020	3980	4550	2740
Bikaner	3900	3850	4300	2750
Indore	4300	4425	5000	3250
Delhi	4050	4000	4700	2850
Gulbarga	4500	4400	5200	-

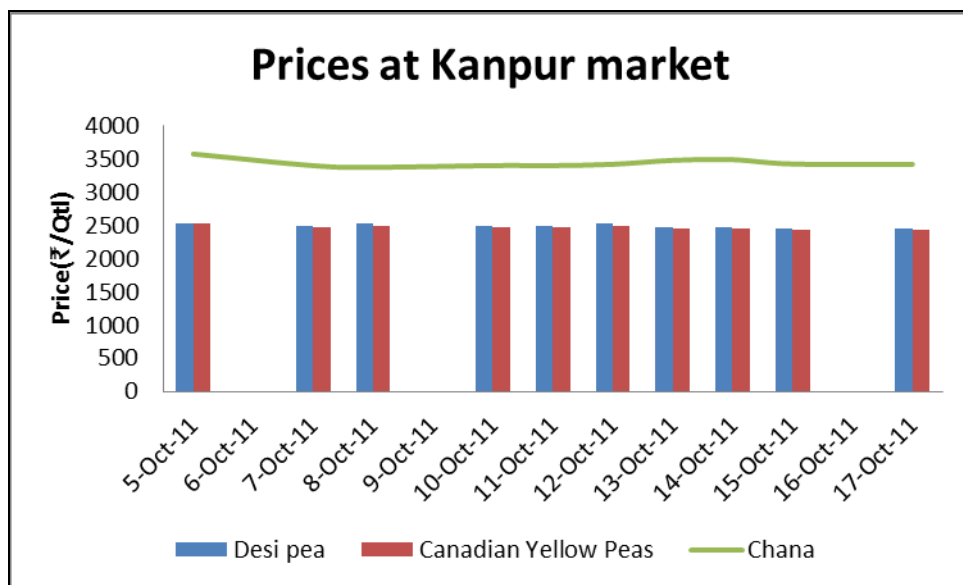
#### Peas (Matar)

##### Market Recap:

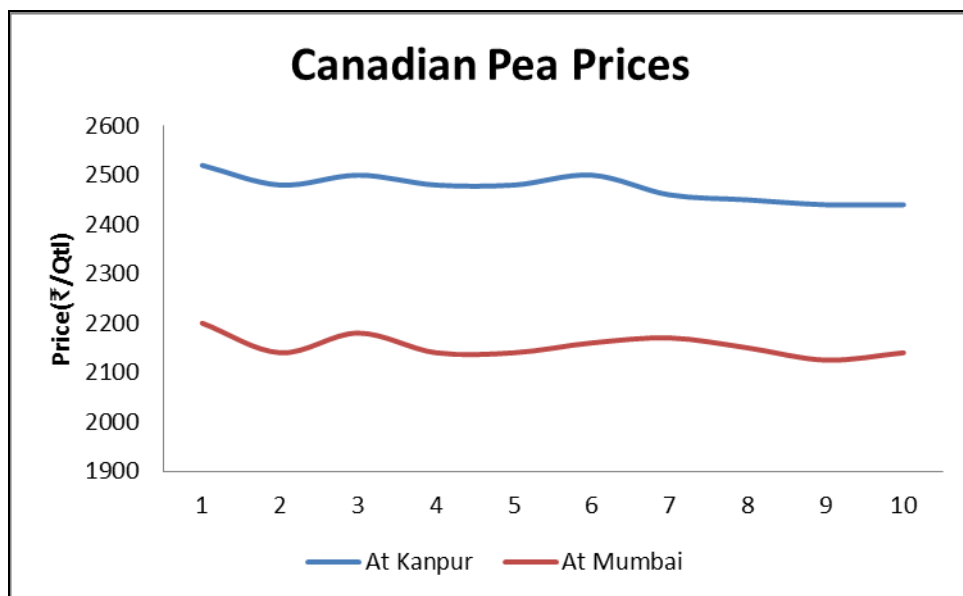
Steady to weak tone was witnessed in Peas during the week ended on October 19<sup>th</sup>, 2011 on sporadic demand and dull trading activity in key markets.

##### 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 remain steady at Rs 2600 per quintal. The prices in Kanpur were affected by low irregular demand and low stocks.



The graph above indicates that in Kanpur domestic market the pea prices of both Desi pea and Canadian origin yellow pea moved in tandem with chana.



Above graph shows that prices in Kanpur, market are higher than the prices in Mumbai market and this shows that the disparity in Kanpur market as transportation cost will further add to the costs to the trader.

As we mainly rely on imports to fulfill our domestic requirement, pea's prices movement in international markets would influence the domestic pea's prices moving forward. As per latest updates, in Canada dry

pea production this year is down by 33% as compared to the last year. The total harvested area and yield decreased by 32% and 2.25t/ha respectively.

Canadian Peas outlook:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks
	(000 ha)		(t/ha)		(000 tonnes)	
2008-09	1617	1582	2.26	3571	2826	445
2009-10	1522	1487	2.27	3379	3880	900
2010-11	1396	1322	2.28	3018	3012	535
2011-12	931	894	2.25	2009	2100	200

On import front, currently as per the latest price quotes of Canadian origin green peas (\$ 525/MT C&F Mumbai), the total landed cost works out to Rs 2692/Qtl while the prevailing prices in Mumbai is Rs. 2600/Qtl which shows a marginal disparity to Rs 92/Qtl. Thus, with the subdued domestic trading activity and the depreciation of rupee against dollar, imports are low and hence the international price quotes for green peas remained stable during the period.

### Market Outlook:

In pea prices, steady to range bound movement is expected in coming weeks on account of subdued trade despite depleting stocks. However, lower imports due to lower production in major exporting countries may support the peas prices.

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





The above chart suggests weakness in prices. However, prices may ease to the Rs 2011 level and thereafter range bound movement could be noticed. Some buying interest is expected at this level. The RSI oscillator is also moving down in neutral zone, which further indicates a decline in prices.

Strategy: Sell on rallies.

S2	S1	PCP	R1	R2
1990	2011	2070	2181	2211
Call	Entry	T1	T2	SL
<b>SELL</b>	2103-2097	2082	2069	2124

### Domestic & International Prices:

Centre	Variety	Price (Rs/Qtl)			
		18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	White American	2140	2160	2350	1600
	White Canadian	2070	2121	2281	1551
	Green American	2675	2750	2700	2325
	Green Canadian	2600	2650	2600	1725
Kanpur	Desi	2450	2520	2660	1880
<b>International Prices at Chennai Port (\$/Ton)</b>					
Chennai	Yellow Peas	400	410	475	345

### Pigeon pea (Tur)

#### Market Recap:

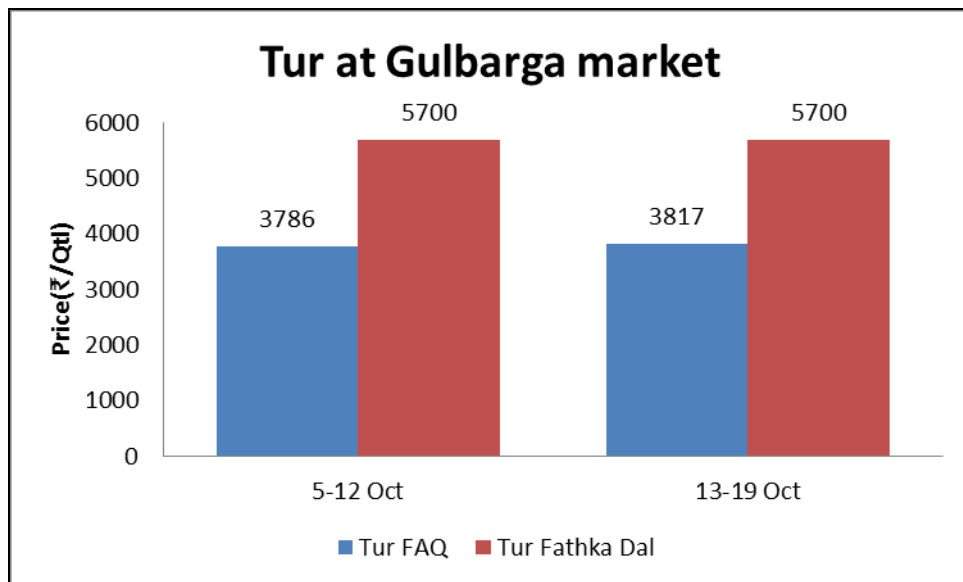
During the week ended on October 19<sup>th</sup>, 2011 steady to weak tone featured in most of the tur trading centers due to sluggish buying support and reportedly comfortable stocks. However, in Vijaywada (Andhra Pradesh) and Gulbarga (Karnataka) markets, firm sentiment featured in the commodity's prices.

#### Current Market Dynamics & Outlook:

Tur prices in the most of the trading centers have declined due to the comfortable stocks and subdued demand for the commodity along with the weak tone in other key pulses.

However, renewed demand and recent rains over AP and Karnataka support the tur prices in Vijaywada and Gulbarga markets. Rain was much needed in order relieve the tur crop of moisture stress. Weather

in all key growing areas remains favorable for further growth of crop. The crop is in vegetative stage and no damage to the standing crop has been reported so far in the key growing regions.

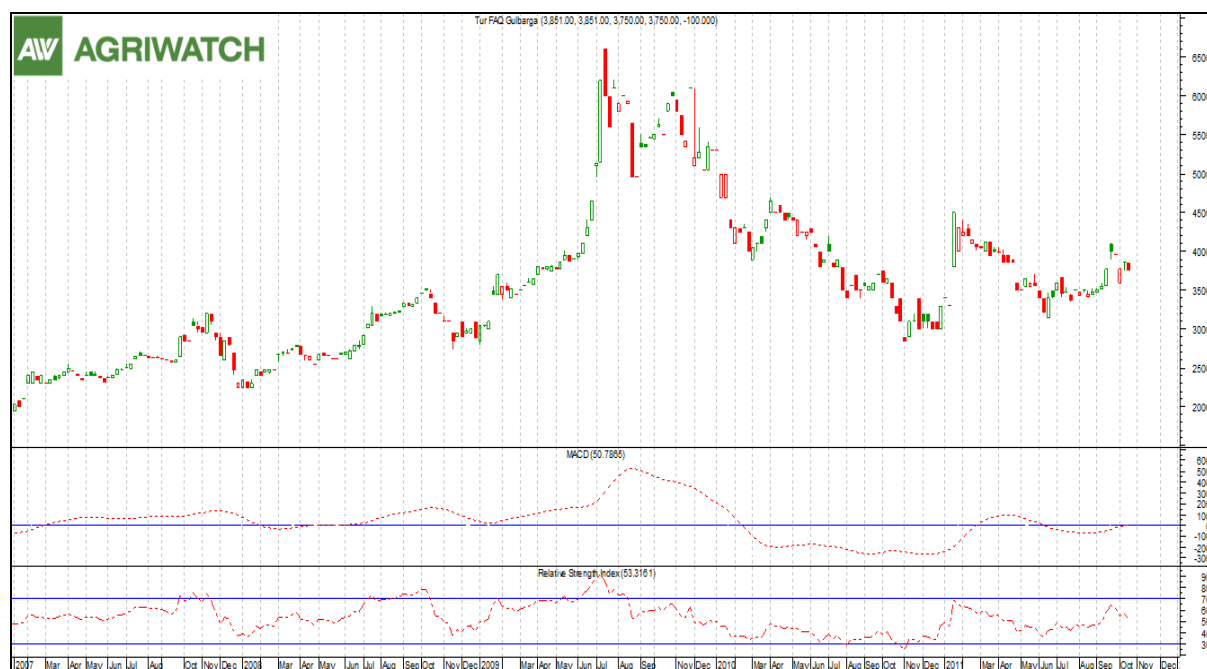


As seen in the above chart, the continuous demand of tur fathka dal from retailer's/ processor front has supported the tur prices in Gulbarga market. Due to the local processed tur dal demand the average prices rose to Rs 3817/Qtl.

On the import front, at the latest price quotes of lemon tur -Burma origin (\$ 635/MT C&F Chennai), the total landed cost works out to Rs 3231/Qtl while the prevailing prices in Chennai is Rs 3000-3015/Qtl which shows a disparity to Rs 216/Qtl. Thus, further rise in tur prices cannot be ruled out in days to come. However, the declining domestic prices and appreciation of USD against rupee is likely to make imports unviable. Also the reports of higher tur sown area in Myanmar this year might keep the prices on softer side.

### Market Outlook:

In coming weeks, tur prices will remain steady and range bound due to subdued trading activity as well as comfortable stocks currently.

**Price Outlook for Tur at Gulbarga Market:**


The chart above indicates selling interest in tur markets. We expect tur prices to remain range bound with slight weakness during the coming week.

However, the 3503 level 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	3850	3858	3958
Call	Entry	T1	T2	SL
<b>SELL</b>	3808-3826	3777	3750	3988

**Domestic Prices & Arrivals:**

Centre	Variety	Prices (Rs/Qtl)			
		18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	Burmese Lemon	3000	3025	3500	3250
Delhi	Burmese Lemon	3250	3200	3700	3275
Chennai	Burmese Lemon	3000	3000	3100	3400
Gulbarga	Red	3750	3751	4100	3300

Latur	Red	3600	-	4000	3600
Jalna	Red	3000	3000	3300	3200
Jalgaon	Red	3300	3400	3700	3700
<b>International Prices at Chennai Market (\$/Ton)</b>					
Chennai	Burmese Tur	630	630	690	835

Centre		Arrivals ( Bags of 1Quintal)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Gulbarga	Red	2600	3600	8000	5000
Latur	Red	-	-	-	1000
Jalna	Red	-	-	-	100
Jalgaon	Red	200	100	200	-

## Black Matpe (Urad)

### Market Recap:

Mixed trend witnessed in all key trading centers during the week ended on October 19<sup>th</sup>, 2011. There is 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:

Urad prices surged due to the buying support of good quality crop while it also eased in some markets due to sub-standard quality and higher arrivals. 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 new crop arrivals this week in Maharashtra are reportedly at around 10,000-15,000 bags/day while in Rajasthan arrivals have reduced to 4000-8000bags/day.

Thanks to the high arrivals in Kanpur market the urad prices declined to Rs.3050 /Qtl. Meanwhile, sub-standard quality arrivals in Jaipur eased the prices by Rs150-200/Qtl to Rs.3350/Qtl.

The commodity prices showed a marginal decline in Mumbai center while the arrivals of bold quality crop helped in a surge in the prices in Latur by Rs.400/Qtl to Rs.3900-4150/Qtl. In Akola, urad prices remain steady as compared to last week prices.

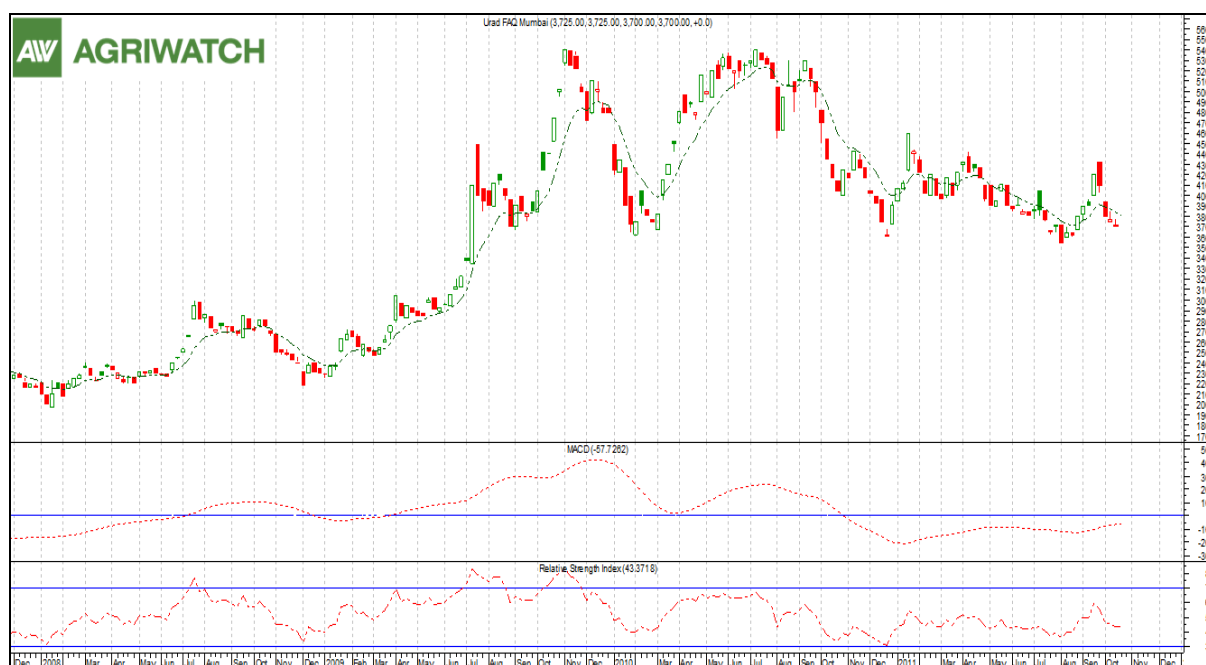
On the import front, in tandem with the domestic urad prices, C&F quotes for Burmese urad FAQ and urad SQ also remained range bound during the period. Currently as per the latest price quotes of Burmese urad FAQ (\$ 800/MT C&F Mumbai), the total landed cost works out to Rs 4040/Qtl while the prevailing prices in Mumbai is Rs. 3725/Qtl which shows a disparity of Rs 315/Qtl. Thus, further rise in

urad prices cannot be ruled out in the medium term as domestic urad stocks gradually start reducing. Meanwhile, appreciation in USD Vs INR is making imports unviable at the moment. Burmese urad prices have been depressed due to the large stocks of approximately 1 lakh tonnes that cannot be moved in Myanmar.

### Market Outlook:

Urad prices may be remaining range bound with slightly weak tone on more sub-standard crop arrivals. However, demand from millers/processors and stockists due to ongoing festivities is likely to remain in the markets for good quality urad, which may support the prices.

### Price Outlook for Burmese Urad at Mumbai Market:



The candlestick formation in chart hints at selling interest in the market.

However, the 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.

Moreover, 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	3725	3852	3898
Call	Entry	T1	T2	SL
<b>SELL</b>	3748-3776	3702	3680	3822

**Domestic & International Prices:**

Centre		Prices (Rs/Qtl)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	Burmese FAQ	3700	3675	4325	4150
Delhi	Burmese FAQ	3750	3800	4500	4200
Chennai	Burmese FAQ	4075	4000	4400	4400
	Burmese SQ	4225	4275	4800	5100
Indore	Desi	3400	3400	4000	3700
Vijayawada	Polished	-	4400	4900	5500
Jalgaon	Desi	3900	3900	4400	4000
<b>International Prices at Chennai Market (\$/Ton)</b>					
Chennai	Burmese FAQ	795	775	900	-
	Burmese SQ	880	870	1000	-

**Urad Arrival**

Centre		Arrivals (In 1 Quintal bags)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Indore	MH	1500	800	700	2000
Latur	Local	4000	-	1500	6000
Akola	Local	1000	1000	300	700
Ashok Nagar	Local	5000	6000	2500	3000

**Processed Urad Rates:**

Centre	Prices (Rs/Qtl)			
	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Jalgaon	5700	5700	5900	6300
Bikaner (Split)	4800	4700	5600	6100
Indore	6200	6200	6700	7200

## Lentils (Masoor)

### Market Recap:

Lentil prices featured a steady to weak tone during the week ended on October 19<sup>th</sup>, 2011 due to lack luster trading activities and dull demand on buyer's front. On the other hand, exhausting stocks in domestic markets and 18% fall in Canadian lentils production restricts major fall in prices.

### Current Market Dynamics & Outlook:

During the period, desi (local) masoor at Kanpur marginally eased by Rs.15-20/Qtl to Rs 2960/Qtl due to sluggish buying interest in market from the retailer and processors front. Masoor prices are expected to follow the price trend of Tur prices as yellow lentils substitutes for tur or is blended with tur.

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 .

. However, carry-out stock is estimated to be reasonable and exportable surplus higher as compared to last year, so there will be no availability issues. Meanwhile, the bulging demand for Canadian lentils set new records of exports in both July and August this year. Almost 200,000 MT was exported from Canada during that two-month period.

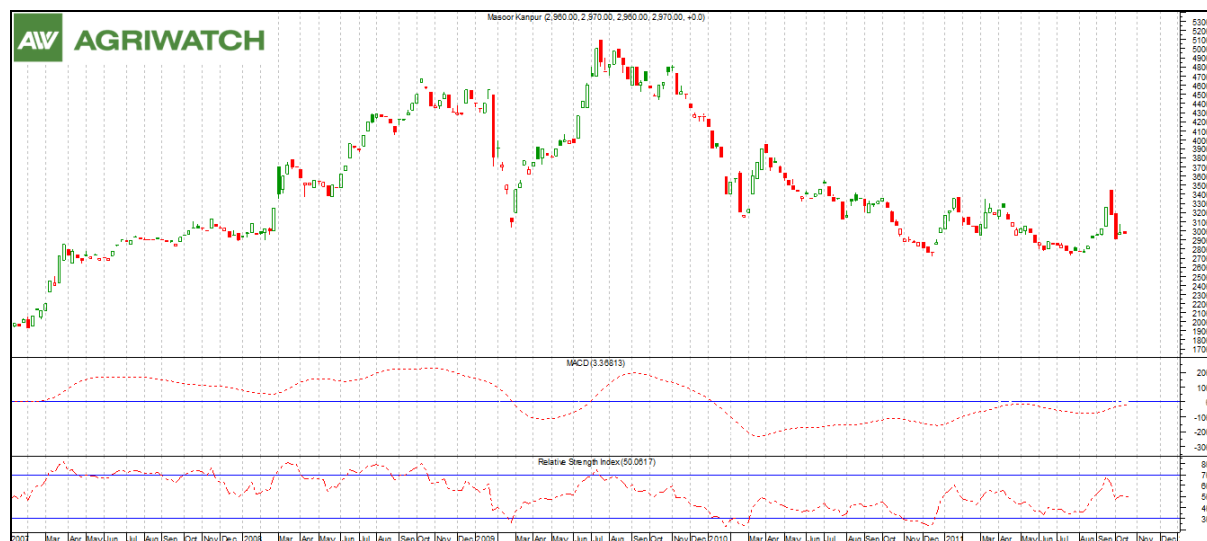
Below mention table represents Canadian lentils outlook:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks
	(000 ha)		(t/ha)	(000 tonnes)		
<b>2008-09</b>	706	700	1.49	1043	973	32
<b>2009-10</b>	971	963	1.57	1510	1387	44
<b>2010-11</b>	1408	1336	1.46	1947	1105	750
<b>2011-12</b>	1072	1032	1.55	1596	1200	850

Internationally, lentils prices are expected to follow the price trend of domestic masoor prices. As evident, sluggish trade activity in domestic market has led to flat price movement in Red lentil (crimson) this week.

### Market Outlook:

In coming weeks, slight weakness with 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 prices.

**Price Outlook of Desi Masoor at Kanpur Market:**


S2	S1	PCP	R1	R2
2750	2827	2970	3052	3085
Call	Entry	T1	T2	SL
<b>SELL</b>	2993-3014	2956	2936	3028

**Domestic & International Prices:**

Centre		Prices (Rs/Qtl)			
	Variety	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	Red Lentils	2650	2650	3000	3175
Delhi	Chanti Export	4200	4200	4500	4600
	MP/ Kota Line	3000	3000	3400	3100
	UP/ Sikri Line	3250	3250	3500	3750
Kanpur	Mill Delivery	2970	2970	3450	3100
	Bareilly Delivery	3010	3020	3525	3145
Indore	Masra	2950	2950	3300	3225
International Prices at Chennai Port (\$/Ton)					
Chennai	Laird Lentils	-	410	600	-



**Processed Masoor Rates:**

Centre	Prices (Rs/Qtl)			
	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Kanpur (Malka)	3450	3425	3740	3625
Indore	3800	3800	4000	3750
Delhi (Badi Masoor)	3700	3700	4000	3750
Delhi (Choti Masoor)	4100	4100	4450	4500
Katni	3525	3575	4200	3900

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

Moong prices featured steady to firm trend during the week ended October 19<sup>th</sup>, 2011 as compared to last week amid demand for good quality moong in the markets.

**Current Market Dynamics & Outlook:**

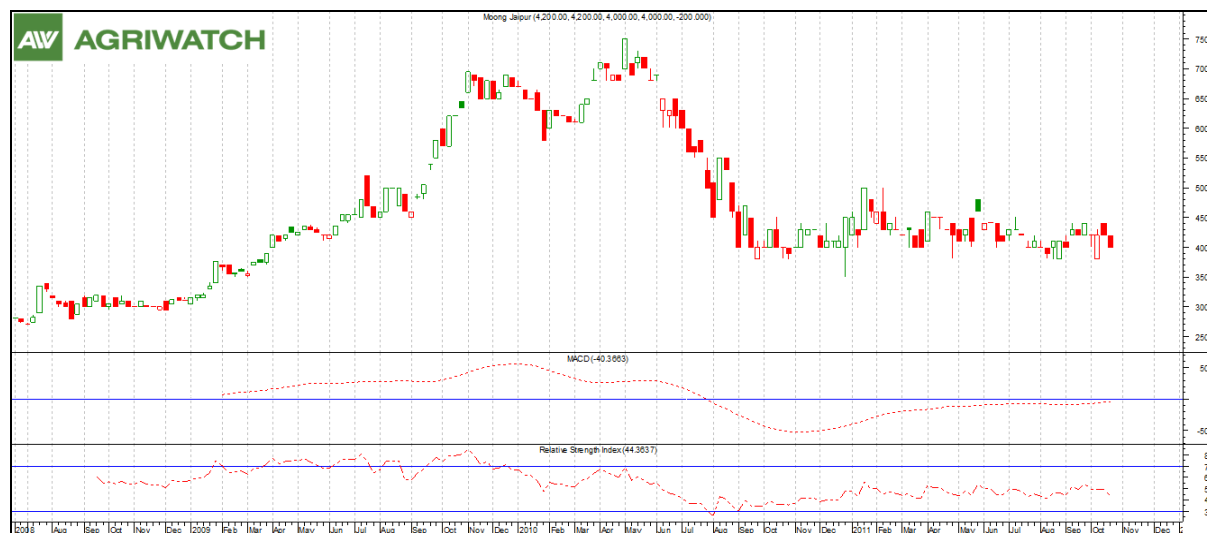
The arrivals of good quality moong in the market is fetching a premium at all key trading centres, which has provided support to the falling prices besides good demand for quality produce in the markets. The bold quality moong fetched a premium and was traded at around Rs. 4400-4500/qtl while the below average quality crop is traded at Rs.2000-2500/Qtl in Jaipur and Indore markets.

In Rajasthan 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 this week as compared to last week (20000 bags/day), which will pick pace after the festivities.

On the import front, the latest price quotes of moong Annaseva Burmese (\$ 838/MT C&F Mumbai), the total landed cost works out to Rs 4226/Qtl while the prevailing prices in Mumbai is Rs 3725/Qtl which shows a disparity of Rs 501/Qtl. Thus, further rise in tur prices cannot be ruled out in days to come.

**Market Outlook:**

Steady to firm sentiment in moong prices is expected in the coming week. Meanwhile, buying interest for good quality moong crop and lower crop output this season might support the prices in coming weeks. However, a huge arrival of sub-standard quality in markets is restricting upside in prices.

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


Sideways movement between level 4498-4000 in chart suggests that and they are acting as a key support and resistance. Breaching either side of the mentioned level would give prices new direction. However, range bound movement is expected in near term.

S2	S1	PCP	R1	R2
3942	4000	4200	4498	4594
Call	Entry	T1	T2	SL
BUY	4023-4088	4156	4200	3960

**Domestic Prices:**

Centre	Variety	Prices (Rs/Qtl)			
		18-10-2011	12-10-2011	19-09-2011	18-10-2010
Mumbai	Annaseva	3725	3775	4400	-
Chennai	Pedishwa	-	-	5100	4700
Delhi	Karntka	4800	4800	-	4100
	Merta city Mogar	4400	4800	-	4600
Indore	Chamki	4400	4400	4400	4000
Kanpur	Desi	3800	3950	4250	3700
Jaipur	Desi	4000	4200	-	4000

**Processed Moong Rates:**

Centre	Prices (Rs/Qtl)			
	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Jalgaon	5800	6000	6200	5700
Bikaner (Split)	5200	5100	5600	5300
Indore	5800	5800	5900	5700

**Moong Arrival**

Centre	Arrivals (In 1 Quintal bags)			
	18-10-2011	12-10-2011	19-09-2011	18-10-2010
Kanpur	500	4000	1000	-
Indore(MH)	1200	1300	700	1000
Jaipur	50000	70000	-	30000
Jalna	500	700	3500	1200
Akola	1000	1000	6000	1200

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