

Highlights of the week:

- Mixed trend featured in key pulses.
- Fresh buying support from miller's front supports rise in chana prices.
- Meanwhile, traders in Jaipur market are fetching discount on the high arrivals of moong.
- However, low demand for masoor and comfortable tur crop stocks is currently weighing on domestic masoor prices.
- Owing to the continuous rainfall in AP & Karnataka favours the chana sowing in states.
- As per sources, chana sowing commenced in Bareilly, Uttar Pradesh while sowing would be in full pace after festivities. Moreover, in Malwa region of Madhya Pradesh sowing of kabuli chickpeas (Dollar Gram) is expected to be higher this Rabi 2011-12.
- 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.

Rabi 2011-12 Pulses sowing progress:-

- As per the latest report of Andhra Pradesh Agriculture Department, sown area as on 19th Oct under Rabi 2011 pulses is down by 3.68% to 1.098 lakh hectares (LHa) from last year's 1.14 lakh hectares.
- Bengal gram has been sown in 0.985 LHa, green gram 0.098 LHa and black gram 0.011 LHa respectively as against 1.01, 0.02, and 0.09 lakh hectares sown corresponding period last year.
- As per latest data released by Rajasthan Agriculture Department as of October 21st sown area under gram reported at 4.22 LHa and the set target for the season is 17 LHa. Last season (2010-11) the total sown area was 17.83 LHa.
- In Maharashtra, sown area under gram as of October 21st is 18,000 hectares as against 2,225 hectares same period last year.

Chickpeas (Chana)

Market Recap:

Chana prices featured a firm tone during the week ended on October 26th, 2011 on improved demand from retailers/millers due to ongoing festivities despite slightly improved arrivals during the period in Delhi “Lawrence road”.

Current Market Dynamics & Outlook:

Chana prices in the benchmark markets (Delhi, Indore & Bikaner) improved by Rs. 80-100 per quintal to Rs on reportedly improved demand from processors following demand for processed chana (dal & besan) due to ongoing festivals.

Trade sources also revealed that continuing demand for chana in markets of MP (Indore) from Eastern and Southern part of the country further supported the sentiment besides reportedly lower chana stocks in MP (reportedly below 50,000 tonnes).

Meanwhile, on sowing front (Rabi 2011-12), sowing commenced in AP, Karnataka, Maharashtra, Rajasthan, MP and UP. Sources revealed that sowing of the commodity will be in full pace after “Diwali” festival and this season area under chana cultivation is expected to be higher on higher chana prices this season as well as favourable sowing conditions.

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

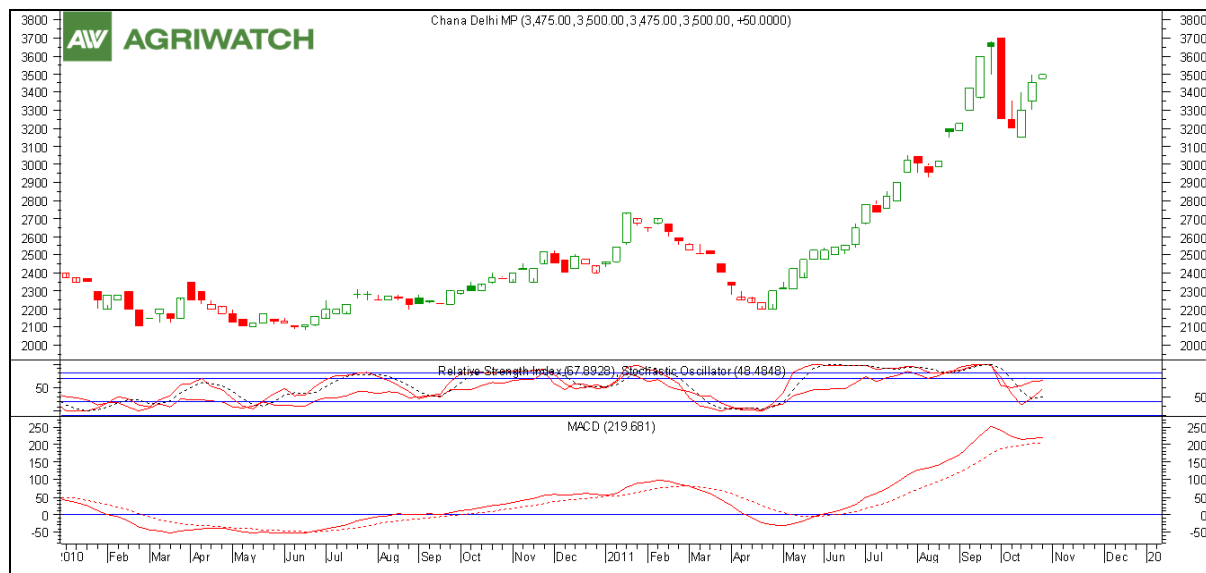
Meanwhile on import front depreciation in INR Vs USD making imports unviable at the moment and reportedly there were no forward contracts currently. During the week, Australian chana remained flat

at last week's level of USD 660 / MT While, Tanzania chana improved slightly to USD 720 /MT from USD 715 /MT last week.

Market Outlook:

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

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



Prices sustaining above the key resistance level of 3326. 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
3250	3296	3500	3563	3584
Call	Entry	T1	T2	SL
BUY	3348-3401	3447	3505	3358

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	3221	3289	3453	3498	3554
Intraday Trade Call			Call	Entry	Call	Entry	T1
Chana	NCDEX	November	BUY	3324-3377	3422	3454	3277

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	Australian	-	-	-	2480
Delhi	Rajasthan	3425	3200	3625	2400
	Madhya Pradesh	3500	3300	3700	2400
Bikaner	Desi	3275	3075	3525	2350
Indore	Kantewala	-	3350	3625	2315
Kanpur	Desi	3600	3480	3850	2375

Latur	Gauran	-	3150	-	2300
	Annagiri	-	3700	-	2300
	G-12	-	3200	-	2200

Centre		Arrivals (in bags of 1 Quintal)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Delhi	Rajasthan	25	20	50	50
	Madhya Pradesh	25	20	50	50
Bikaner	Desi	-	-	-	-
Indore	Kantewala	-	800	1000	3000
Latur	Gauran	-	-	-	1000
	Annagiri	-	-	-	300
	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)			
	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Jalgaon	-	4400	4700	3000
Latur	-	-	-	2800
Kanpur	4100	4020	4500	2740
Bikaner	4050	3900	4550	2775
Indore	-	4300	4900	3100
Delhi	4150	4050	4550	2900
Gulbarga	-	4500	5000	-

Peas (Matar)
Market Recap:

A steady to slightly weak tone featured in peas prices during the week ended on October 26th, 2011 on sporadic demand and subdued trading activity in key markets.

Current Market Dynamics & Outlook:

Desi (local) peas prices in Kanpur market eased by Rs 15 per quintal to Rs 2455 per quintal as compared to last week on dull trade, while imported peas prices in Mumbai remained flat at last week's level on lower stocks and overall firm sentiment.

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

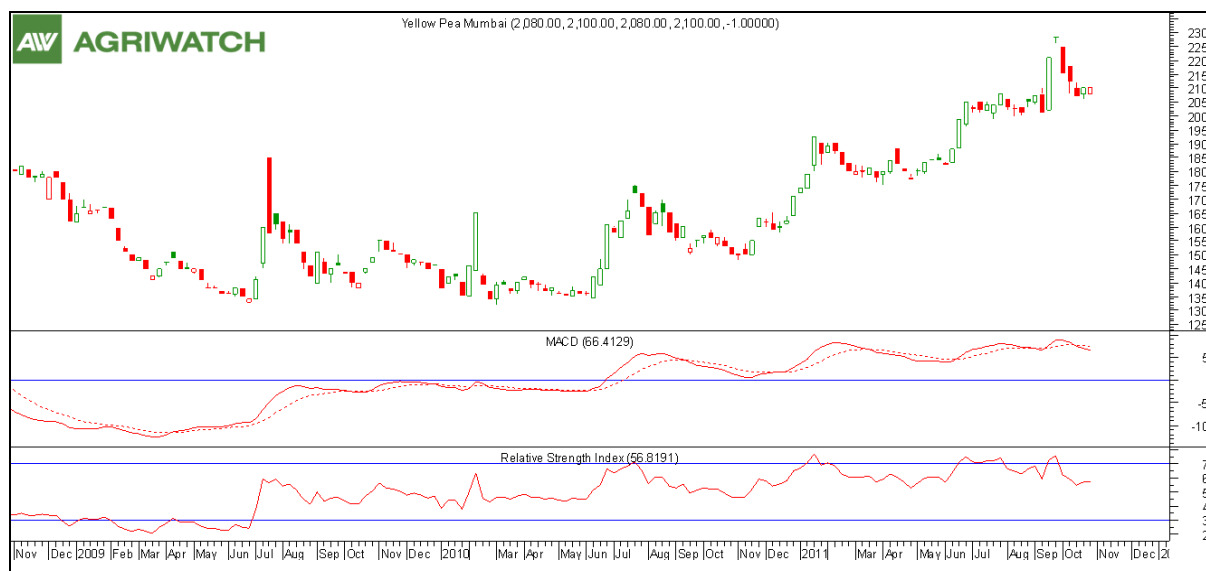
The table below shows the parity/disparity of Canadian origin yellow/green peas and Ukrainian origin yellow peas –

	Green Peas (Canadian)	Yellow Peas (Ukrainian)	Yellow Peas (Canadian)
C&F Prices (in \$/MT)	525	404	435
INR (1 USD= Rs.49)	25,725	19796	21315
Expenses (loading/unloading/clearing etc) at port	1,150	1150	1150
Total Landed Cost (Rs/MT)	26,875	20946	22465
Domestic Price at Mumbai (Rs/MT)	26000	20900	21000
Parity/Disparity (Rs/MT)	-875	-46	-1465

As evident from the above table, there is huge disparity in Canadian origin green and yellow peas (disparity of Rs875 and Rs1465 per MT) while the disparity in Ukrainian yellow peas is very narrow (Rs46/MT) when compared to Canadian yellow peas. 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.

Market Outlook:

Peas prices are expected to remain range bound with slight firmness in coming week on aforesaid reasons.

Price Outlook for Canadian Yellow Peas at Mumbai Market:


The above chart suggests weakness in prices. However, prices may ease to the Rs 2042 level. However, some buying interest is expected at this level. Oscillator's RSI and MACD are also moving down in neutral zone, which further indicates a decline in prices.

Strategy: Sell on rallies.

S2	S1	PCP	R1	R2
2021	2042	2070	2125	2161
Call	Entry	T1	T2	SL
SELL	2100-2096	2078	2069	2121

Domestic & International Prices:

Centre	Variety	Price (Rs/Qtl)			
		25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	White American	2140	2140	2300	1580
	White Canadian	2100	2070	2251	1531
	Green American	2675	2675	2700	2300
	Green Canadian	2600	2600	2600	1725
Kanpur	Desi	2460	2450	2650	1820
International Prices at Chennai Port (\$/Ton)					

Chennai	Yellow Peas	-	-	475	-
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Pigeon pea (Tur)

Market Recap:

A steady to slightly firm tone featured in tur prices during the week ending October 26th, 2011 on renewed demand and comfortable stocks.

Current Market Dynamics & Outlook:

Reportedly renewed demand ahead of “Diwali” festival supported the sentiment during the week. However, sources revealed that comfortable stocks (to cater the domestic demand till November end) currently are restricting any major upward movement in prices.

On crops front, overall the sown crop condition which is vegetative stage currently are normal except some minor reports of pest in Karnataka (Gulbarga) and recent rains over Andhra Pradesh and Karnataka remains favourable for further growth of the crop.

Meanwhile, on the import front, following dull demand from Indian importers due to disparity amid depreciation in INR Vs USD coupled with good stocks of tur in Myanmar, exporters lowered the price quotes/offers from last week by USD 20/MT to USD 610/MT to making imports viable for Indian importers so that the exporters in Myanmar can liquidate their old stocks. The following table shows the parity/disparity during current week as compared to last week –

	Burmese Lemon Tur (Last week's Offered Price)	Burmese Lemon Tur (Current Offer)
C&F Prices (in \$/MT)	630	610
INR (1 USD= Rs.49)	30870	29890
Expenses (loading/unloading/clearing etc) at port	1150	1150
Total Landed Cost (Rs/MT)	32020	31040
Domestic Price at Mumbai (Rs/MT)	30000	31750
Parity/Disparity (Rs/MT)	-2020	710

Market Outlook:

Tur prices are expected to remain range bound in coming week on subdued trading activity as well as reportedly comfortable stocks currently. However, expected lower crop output on lower sown area may support prices in medium term. International offers from Myanmar are also expected to remain range

bound at current price offers. Any increase in domestic tur prices as well as trade queries from Indian importers may provide support to International prices.

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 3599 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
3599	3651	3775	3851	3899
Call	Entry	T1	T2	SL
SELL	Below 3800	3758	3736	3841

Domestic Prices & Arrivals:

Centre	Variety	Prices (Rs/Qtl)			
		25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	Burmese Lemon	3175	3000	3250	3225
Delhi	Burmese Lemon	3375	3250	3550	3250
Chennai	Burmese Lemon	3100	3000	3250	3101
Gulbarga	Red	3775	3750	3956	3400
Latur	Red	-	3600	-	3400

Jalna	Red	-	3000	3000	3200
Jalgaon	Red	-	3300	3600	3500
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur	-	630	680	-

Centre		Arrivals (Bags of 1Quintal)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Gulbarga	Red	1000	2600	8900	3000
Latur	Red	-	-	-	2000
Jalna	Red	-	-	-	100
Jalgaon	Red	-	200	100	-

Black Matpe (Urad)

Market Recap:

Both desi and imported urad witnessed flat price movement during the week ended on October 26th, 2011. New crop arrivals with excess moisture in Latur and Jalgaon markets weighs on the domestic prices.

Current Market Dynamics & Outlook:

Urad prices in Indore and Vijayawada markets was traded at same level of previous week due to subdued buying interest from millers/processors. The prices were eased by Rs. 50-60/Qtl in Latur due to high arrivals in the market this week.

During this period, arrivals of 20000-25000 bags per day in Rajasthan and 10000-15000 bags per day in Maharashtra reported. However, as per sources revealed that traders are fetching discount on the arrivals of below average standard quality urad crop.

On the import front, in tandem with the domestic urad prices, C&F quotes for Burmese urad FAQ and urad SQ remained steady during the period.

	Urad (FAQ) Burmese this week
C&F Prices (in \$/MT)	795
INR (1 USD= Rs.49)	38955

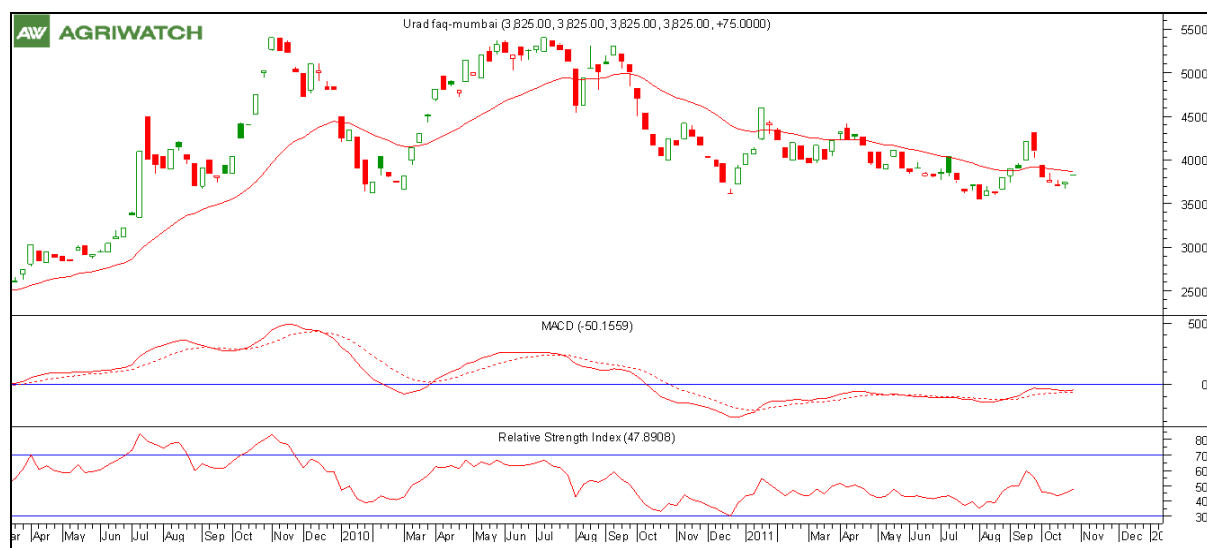
Expenses (loading/unloading/clearing etc) at port	1150
Total Landed Cost (Rs/MT)	40105
Domestic Price at Mumbai (Rs/MT)	40500
Parity/Disparity (Rs/MT)	395

Currently as per the latest price quotes of Burmese urad FAQ (\$ 795/MT C&F Chennai), the total landed cost works out to Rs 40105/MT while the prevailing prices in Chennai is Rs. 40500/MT which shows a parity of Rs.395/Qtl. Thus, further fall in urad prices cannot be ruled out in the medium. Meanwhile, appreciation in USD Vs INR is making imports unviable at the moment. Moreover, 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 are expected to remain weak in during the coming week increasing new crop supply and higher moisture in new crop arrivals.

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.

Moreover, 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
3653	3696	3825	3905	3975

Call	Entry	T1	T2	SL
SELL	3749-3775	3831	3857	3699

Domestic & International Prices:

Centre		Prices (Rs/Qtl)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	Burmese FAQ	3825	3700	4000	4000
Delhi	Burmese FAQ	3750	3750	4250	4000
Chennai	Burmese FAQ	4050	4075	4250	4250
	Burmese SQ	4200	4225	4650	4950
Indore	Desi	-	3400	4100	3800
Vijayawada	Polished	-	-	4900	5200
Jalgaon	Desi	-	3900	4200	3500
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese FAQ	-	795	825	-
	Burmese SQ	-	880	925	-

Urad Arrival

Centre		Arrivals (In 1 Quintal bags)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Indore	MH	-	1500	500	1000
Latur	Local	-	4000	-	5000
Akola	Local	-	1000	2000	700
Ashok Nagar	Local	-	5000	7000	5000

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Jalgaon	-	5700	5800	5500
Bikaner (Split)	4600	4800	5400	4800

Indore	-	6200	6500	6400
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Lentils (Masoor)

Market Recap:

The commodity featured a weak tone in most of the key trading markets during the week ended on October 26th, 2011 due to subdued trade at higher prices levels (above Rs 3000/Qtl). However, masoor in Delhi market remained steady. On contrary, depleting stocks domestically restricts major fall in prices.

Current Market Dynamics & Outlook:

During the period desi (local) masoor prices at Kanpur eased by Rs.25-30/Qtl to Rs 2940/Qtl due to sluggish demand from the retailer and processors. Weak tone in processed masoor (dal) prices further exerted pressure on masoor prices. However, reportedly depleting domestic stocks as well as slight improvement in tur prices domestically, restricting the major fall in prices. 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.

Meanwhile on import front, Red lentil (crimson) price surged by \$10/MT to \$620/MT during the period on overall tight supply situation globally.

Outlook:

Desi masoor prices are expected to remain range bound in the coming week on aforesaid reasons.

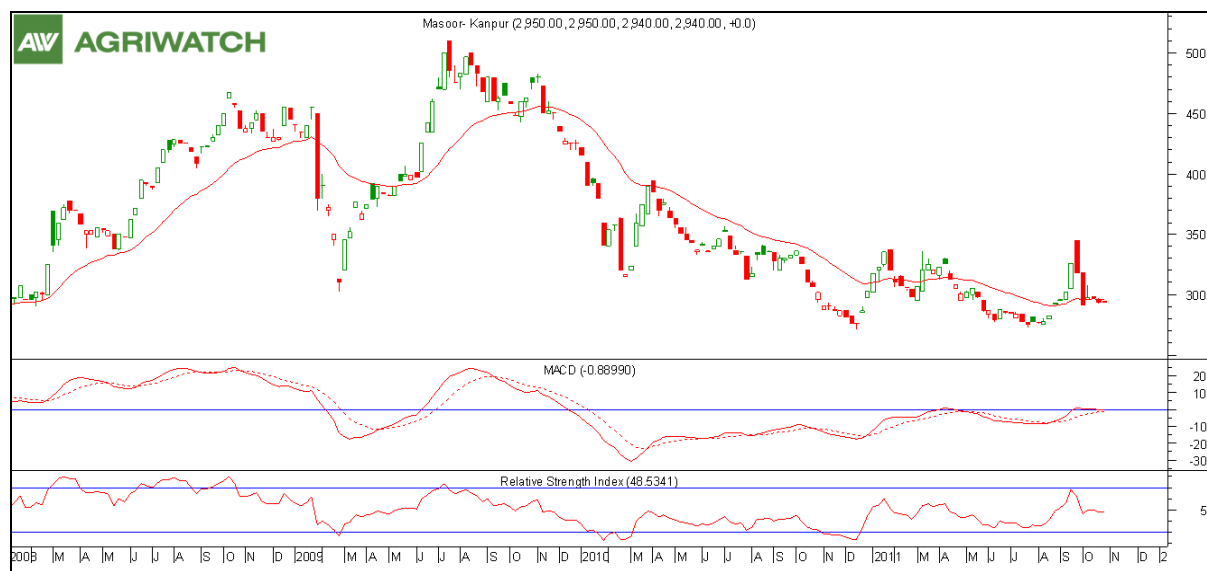
Price Outlook of Desi Masoor at Kanpur Market:


Chart indicates the sideways movements.

Moreover, RSI is moving up which hints further firmness in prices.

We expect prices to remain range bound with slight firmness in coming week.

S2	S1	PCP	R1	R2
2711	2871	2940	3095	3111
Call	Entry	T1	T2	SL
BUY	2941-2961	2991	3018	2898

Domestic & International Prices:

Centre		Prices (Rs/Qtl)			
	Variety	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	Red Lentils	2700	2650	2750	3180
Delhi	Chanti Export	4125	4200	4400	4600
	MP/ Kota Line	2950	3000	3200	3100
	UP/ Sikri Line	3125	3250	3300	3750
Kanpur	Mill Delivery	2940	2970	3190	2960
	Bareilly Delivery	3000	3010	3270	3000
Indore	Masra	-	2950	3250	3275
International Prices at Chennai Port (\$/Ton)					

Chennai	Laird Lentils	-	-	-	-
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Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Kanpur (Malka)	3400	3450	3700	3450
Indore	-	3500	3850	3800
Delhi (Badi Masoor)	3700	3700	3800	3750
Delhi (Choti Masoor)	4050	4100	4300	4500
Katni	-	3525	3800	3850

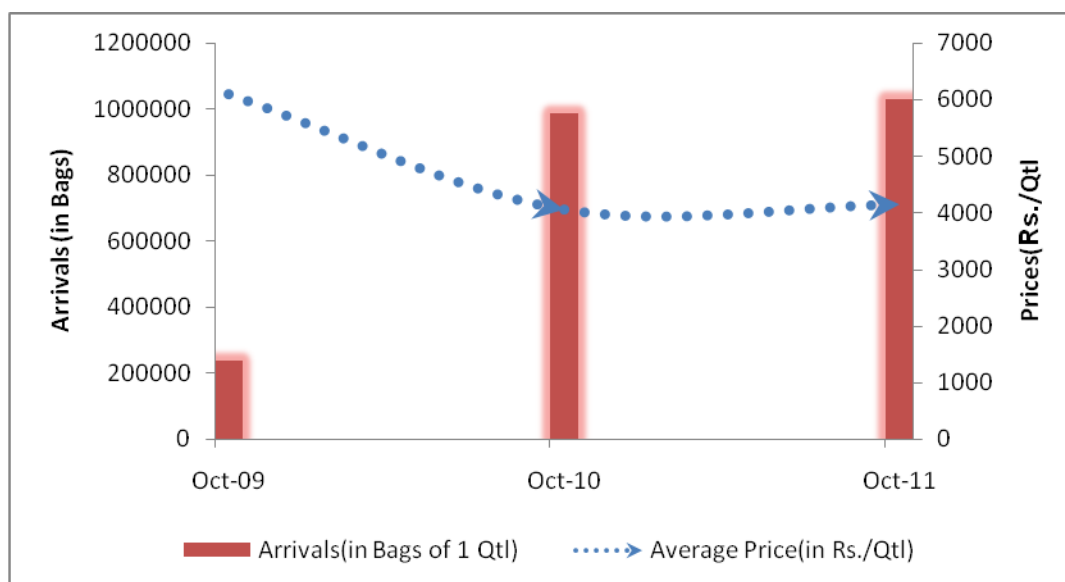
Green Gram (Moong)
Market Recap:

Mixed trend featured in moong prices during the week ended October 26th, 2011. At key domestic centres (Indore, Kanpur & Jaipur) weak tone was featured due to high arrivals. While at Delhi and Mumbai centres, moong prices surge in anticipation of fresh demand from retailer's front.

Current Market Dynamics & Outlook:

New domestic crop arrivals in all key trading centre of country weighing on prices. While the excess moisture content in the new crop arrival in Maharashtra and MP keeping buyers in the sidelines, exerting pressure on prices. However, high arrivals in Jaipur market weighs on the prices. During the period 50000-60000 bags per day in Rajasthan and 20000 bags per day in Maharashtra are reported.

Meanwhile, 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.1900-2500/Qtl in Jaipur and Indore markets.



As above graph shows the arrivals and prices of moong in Jaipur market. However, this year arrivals are on higher side than the previous year but due to quality issue seller fetches premium for the bold quality moong. Meanwhile, the buying interest of below average quality of moong from the miller's/processor's for processing papad remained supportive to the moong prices which restrict the major downfall of prices.

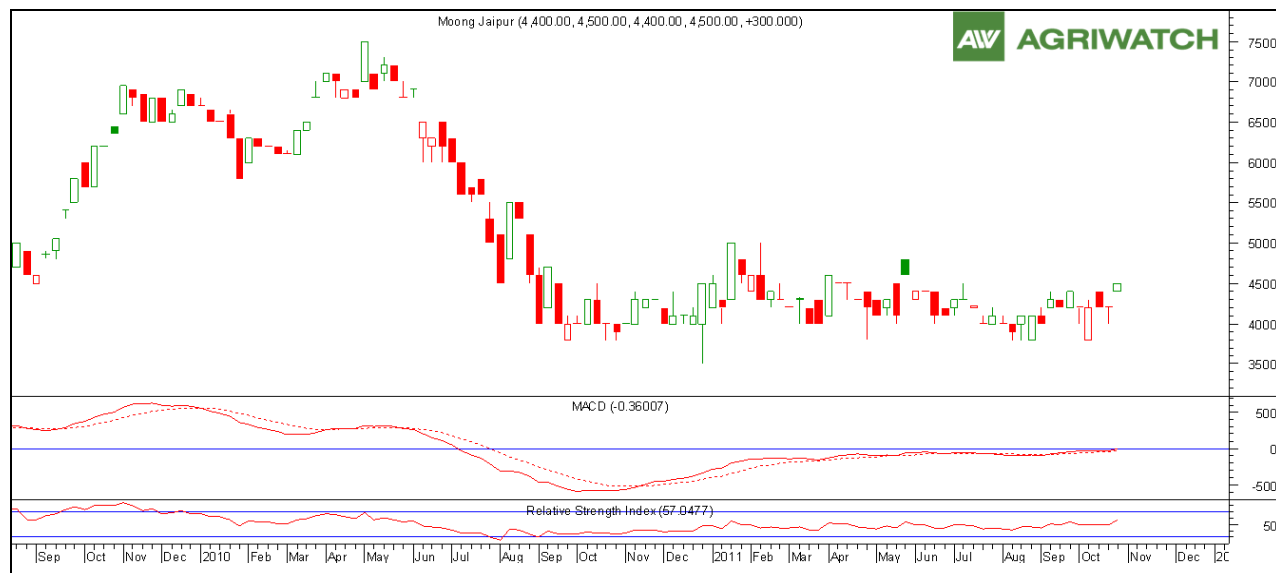
The table below shows the parity/disparity of Canadian origin yellow/green peas and Ukrainian origin yellow peas –

	Moong Annaseva - Burma Origin
C&F Prices (in \$/MT)	820
INR (1 USD= Rs.49)	40180
Expenses (loading/unloading/clearing etc) at port	1150
Total Landed Cost (Rs/MT)	41330
Domestic Price at Mumbai (Rs/MT)	38000
Parity/Disparity (Rs/MT)	-2105

As evident from the above table, there is huge disparity Moong Annaseva -Burma Origin at Mumbai (disparity of Rs2105 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:

Moong pries might feature steady to firm sentiment in the coming week. Meanwhile, quality issue with majority of arrivals may restrict the further upside in prices.

Price Outlook for Desi Moong at Jaipur Market:


Sideways movement between level 4500-4000 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	4500	4594	4600
Call	Entry	T1	T2	SL
-	-	-	-	-

Domestic Prices:

Centre	Variety	Prices (Rs/Qtl)			
		25-10-2011	18-10-2011	26-09-2011	25-10-2010
Mumbai	Annaseva	3800	3725	4000	-
Chennai	Pedishwa	-	-	-	4650
Delhi	Karnataka	4800	4800	5300	4100
	Merta city Mogar	4500	4400	-	4300
Indore	Chamki	-	4400	4400	4000

Kanpur	Desi	-	3800	4025	3700
Jaipur	Desi	-	4000	4200	4000

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Jalgaon	-	5800	6100	5600
Bikaner (Split)	5200	5200	5500	4800
Indore	-	5800	5900	5200

Moong Arrival

Centre	Arrivals (In 1 Quintal bags)			
	25-10-2011	18-10-2011	26-09-2011	25-10-2010
Kanpur	-	500	1000	-
Indore(MH)	-	1200	1200	500
Jaipur	4500	50000	50000	35000
Jalna	-	500	3000	1000
Akola	-	1000	4000	1000

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