

Highlights of the week:

- Steady to firm tone featured in week ended on Dec 18th, 2011.
- Improved demand for pulses amid lower Khariff output this year support the rise in prices.
- As per the latest report of Agriculture and Agri-Food Canada (AAFC), 2011-12 dry peas production fell by 30% to 2.1 MMT as compared to last year and overall dry peas supply is projected to fall by 32% to 2.7 MMT. It also lowered the lentil production estimate by 21% to 1.5 MMT. However, overall lentil supply is expected to increase by 14% to a record 2.3 MMT on higher carry-in stocks.
- AAFC also projected US dry peas and lentil production on the lower side. Dry peas production expected at 0.25 MMT down by 60% as compared to last year and lentil production is estimated at 0.2 MMT down by 46% from last year.

All India Rabi Pulses Crop Situation as on 09-12-2011

Crop Name	Normal Area	Area sown reported (In lakh hectares)		% Change
		09.12.2011	09.12.2010	
Gram	76.05	79.40	79.68	-0.35
Lentil	14.27	13.61	13.82	-1.52
Peas	7.25	7.52	6.52	15.34
Kulthi (Horse Gram)	2.46	4.50	4.45	1.12
Urad	7.28	5.29	4.59	15.25
Moong	6.29	2.08	2.22	-6.31
Lathyrus	5.67	3.73	3.69	1.08
Others	3.43	4.46	4.23	5.44
Total Pulses	122.71	120.60	119.21	1.17

Chickpeas (Chana)
Market Recap:

Chana prices witnessed steady to firm tone during the week ended on December 18th, 2011 on improved demand at current level.

Current Market Dynamics & Outlook:

Chana prices in all the markets mostly featured a steady to firm tone as on improved demand and lower rabi acreage. However, in benchmark market Delhi "Lawrence Road", the average chana prices were Rs 3357 per quintal during the week, a rise of 60-80 per quintal in comparison to last week's Rs.3279 per quintal.

On crop progress front, earlier buoyancy in chana area in country has now changed to lagging in comparison of last year corresponding period due to lower sown area in AP, Karnataka and Maharashtra while sown area under chana is up in Rajasthan, Gujarat, MP and UP.

Meanwhile on Kabuli chickpeas front, this year 6 lakh MT of crop production is estimated whereas last year 3.5-4 lakh MT was produced. As per trade sources, Indore and surrounding area of MP is expected to yield 3.5-4 lakh MT while in Jalgaon and Akola (Maharashtra) 1.5 lakh MT was expected. Another 0.5-1 lakh MT of Kabuli chickpea is estimated will be produced in AP and Karnataka.

Currently market has imported kabuli chana of Burma origin and Bulgarian origin as very little of the domestic stock is available. At present, all imported kabuli chana are imported at higher rates in comparison to the current prices, as a result stockist are holding high priced stocks.

On the international front, firm tone was witnessed in major International chickpea markets. Meanwhile, as per the latest report of Statistics Canada, chickpeas production in Canada fell by 28.91% to 90800 MT in comparison to last year's 128,000 tonnes. On lower production, estimated total chana exports would fall of 41.86% to 50,000 tonnes.

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks	% Change to last year in exports
	(000 ha)		(t/ha)	(000 tonnes)			
2008-09	53	51	1.30	67	53	62	
2009-10	32	30	2.49	76	66	20	24.53
2010-11	83	77	1.67	128	86	22	30.30
2011-12f	51	50	1.83	91	50	20	-41.86

Market Outlook:

Excepted buying support at current level may support the chana prices in coming week.

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


The candlestick formation in chart depicts buying interest in market.

The oscillators RSI also indicate towards strong market.

We except chana prices to remain firm in coming weeks.

S2	S1	PCP	R1	R2
3223	3350	3422	3599	3706
Call	Entry	T1	T2	SL
BUY	Above 3436	3511	3570	3389

Futures Technical (NCDEX):


The candlestick chart depicts indecision in the market.

However, bullish Harami candlesticks formation in charts also hints toward the improvement in prices.

Moreover, Oscillator RSI also moving up in neutral zone hints further improvement in prices.

We expect chana prices to remain firm in the coming weeks.

Strategy: Buy on dips

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Chana	NCDEX	December	3310	3364	3415	3684	3720
Intraday Trade Call			Call	Entry	T1	T2	SL
Chana	NCDEX	December	BUY	Above 3446	3507	3565	3365

Domestic Prices & Arrivals:

Centre	Variety	Prices (Rs/Qtl)			
		17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	Australian	3275	3275	-	2525
Delhi	Rajasthan	3350	3250	3550	2465
	Madhya Pradesh	3425	3350	3650	2490
Bikaner	Desi	3200	3025	3400	2450
Indore	Kantewala	3400	3300	3450	2325
Kanpur	Desi	3620	3575	3740	2470
Latur	Gauran	3300	Closed	3700	2300
	Annagiri	3600	Closed	3600	2300

	G-12	3300	Closed	3600	2200
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Centre		Arrivals (in bags of 1 Quintal)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Delhi	Rajasthan	15	20	25	35
	Madhya Pradesh	15	20	25	35
Indore	Kantewala	1000	1200	1300	3000
Latur	Gauran	-	-	-	300
	Annagiri	-	-	-	100
	G-12	-	-	-	100

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

Processed Chana Rates (Dal):

Centre	Prices (Rs/Qtl)			
	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Jalgaon	4300	4300	4400	3000
Latur	4300	Closed	4450	2700
Kanpur	4100	4150	4400	2800
Bikaner	4050	4000	4250	2800
Indore	3900	3700	4200	2875
Delhi	4400	4325	4500	3300
Gulbarga	3925	3875	4200	2900

Peas (Matar)
Market Recap:

Steady to firm tone witnessed in pea prices during the week ended on December 18th, 2011 on fresh buying activity in domestic markets.

Current Market Dynamics & Outlook:

Desi (local) peas prices in Kanpur market increased marginally by Rs 15-30 per quintal to Rs 2428 per quintal as compared to last week. Moreover, imported peas prices at Mumbai also surged by Rs.20-30 per quintal to Rs.2110 per quintal in comparison to Rs.2080/Qtl in last week.

On crop progress front, the sown area under peas is up in all leading growing states (MP, UP and Bihar).

As India mostly depends on imports to fulfill the gap between demand-supply so, the strong international fundamentals like lower crop output in key exporting country Canada and lower exportable surplus may

further support the Indian peas prices due to higher parity. The projected dry peas production has reduced to 21.16 lakh tonnes during current year compared to the last year's output of 30.18 lakh tonnes.

The following table shows the Area and Production of peas in Canada:

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks	% Change to last year in exports
	(000 ha)		(t/ha)	(000 tonnes)			
2008-09	1,617	1,582	2.26	3,571	2,826	445	
2009-10	1,522	1,487	2.27	3,379	2,178	900	-22.93
2010-11	1,396	1,322	2.28	3,018	3,012	535	38.29
2011-12f	942	914	2.31	2,116	2,100	200	-30.28

On the import front, as per the latest report of Canadian Grain Commission (CGC), 22,600 MT of peas are being exported during the week ending on 11th December, 2011. While, Steady tone witnessed in Canadian field pea markets before the Christmas and New Year's holiday period.

Market Outlook:

Peas prices are expected to remain firm with range bound movement in coming week on strong fundamentals.

Price Outlook for Canadian Yellow Peas at Mumbai Market:



Candlestick formation in chart depicts range bound movement in prices. Oscillator RSI also supports sideways movement. While, momentum indicator MACD shows negative divergence with price line. Prices are likely to moves in 2100-2200 range.

We except prices to remain firm in coming weeks.

S2	S1	PCP	R1	R2
2082	2092	2111	2181	2214
Call	Entry	T1	T2	SL
BUY	Above 2113	2131	2146	2099

Domestic & International Prices:

Centre		Price (Rs/Qtl)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	White American	2175	2170	2130	1580
	White Canadian	2111	2111	2081	1521
	Green American	2750	2725	2675	2450
	Green Canadian	2600	2625	2600	1900
Kanpur	Desi	2410	2420	2480	1870
International Prices at Chennai Port (\$/Ton)					
Chennai	Yellow Peas	450	-	-	-

Pigeon pea (Tur)
Market Recap:

Desi tur witnessed firm during the week ended on 18th December, 2011 on fresh buying support for new crop arrivals in domestic markets.

Current Market Dynamics & Outlook:

Tur prices in most of the domestic markets surged on fresh buying support. The average prices in Jalgaon market rose by Rs.50-60 per quintal to Rs.3555/Qtl from last week's while it also surged by Rs.80-120 per quintal to Rs 4150 in Latur and to Rs. 2688 in Jalna markets. Expectation of lower tur output in current year supports the further improvement in prices.

With the rise in domestic tur prices, imported tur prices also surged in the key markets and remained well above the last week's level. The average imported Tur Arusha prices rose to Rs.3152 per quintal from last week Rs. 3108 per quintal. Moreover, Mozambique origin tur prices also scale up to Rs.2755 per quintal in comparison of last week Rs. 2654per quintal.

Further, the total 50000-60000 bags are reported in Gulbarga market during this period.

The following table shows the parity/disparity during current week as compared to last week –

	Burmese Lemon Tur (Current Offer)	Burmese Lemon Tur (Last week's Price)
C&F Prices (in \$/MT)	608	583
INR (1 USD= Rs.52)	31616	30316
Expenses (loading/unloading/clearing etc) at port	1500	1500
Total Landed Cost (Rs/MT)	33116	31816
Domestic Price at Chennai (Rs/MT)	31270	30450
Parity/Disparity (Rs/MT)	-1846	-1366

As evident from the above table there is huge disparity in imports of Burmese Tur at Chennai markets as high exchange rate makes imports unviable at the moment.

Market Outlook:

Firm tone in tur prices are expected in coming week on fresh buying interest as well as expectation of lower crop output and quality issue in fresh crop arrivals.

Price Outlook for Tur at Gulbarga Market:


The chart above indicates buying interest in markets.

In candlestick chart, formation of symmetrical triangle is seen in chart and level 3778 acts as a strong support to the prices while level of 3995 mark acts as a strong resistance. Breaching the level of 3995 might take market to new direction.

Momentum indicator MACD also supports the sideways movement in prices. Whereas, negative divergence of price line with oscillator RSI caution bullish sentiments in markets.

We expect tur prices to remain firm during the coming week.

S2	S1	PCP	R1	R2
3778	3880	3950	4116	4147
Call	Entry	T1	T2	SL
BUY	Above 3886	3993	4055	3798

Domestic Prices & Arrivals:

Centre		Price (Rs/Qtl)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	Burmese Lemon	3325	3221	3250	3150
	Arusha	3125	3100	3050	2900
Delhi	Burmese Lemon	3550	3425	3375	2850
Chennai	Burmese Lemon	3200	3100	3050	3025
Gulbarga	Red	3950	4025	3850	3000
Latur	Red	4150	Closed	4000	3450

Jalna	Red	2700	2700	3000	3150
Jalgaon	Red	3600	3500	3700	3500
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese Tur	605	595	595	-

Centre		Arrivals (in bags of 1 Quintal)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Gulbarga	Red	8000	5000	5000	5000
Latur	Red	4000	Closed	5000	1000
Jalna	Red	-	-	-	-
Jalgaon	Red	100	50	100	-

Black Matpe (Urad)

Market Recap:

Both desi and imported urad mostly featured a firm tone during the week ended on December 18th, 2011 on expected lower crop output this year amid limited stock availability in domestic markets.

Current Market Dynamics & Outlook:

During the period average prices of desi urad in Indore and Jaipur market surged by Rs.80-100 per quintal to Rs.3150 and Rs.3645 per quintal respectively. While average prices reached Rs.3400, Rs.3771 and Rs.3538 per quintal in Jalna, Latur and Akola markets respectively in comparison to previous week's Rs.3325, Rs.3733 and Rs.3380 per quintal respectively

Meanwhile, imported urad also climb by Rs.120 to Rs.3310 per quintal as compared to previous week Rs.3170 per quintal.

This year, huge arrivals of below average quality crop kept pressure on price rise. On Rabi crop progress front, the standing crop is in satisfactory condition in all the key growing regions (AP, Orissa and Karnataka).

On import front, C&F (Chennai) quotes for Urad FAQ, which were US \$ 618/MT last week has improved to US \$ 640-644/MT amid fresh trade enquiries as importers, are currently finding parity in imports. While, Sharp rise of USD 30-40/MT also reported in urad SQ during this period.

The table below shows the parity/disparity in imported urad and comparison with last week -

	Burmese Urad FAQ (Current Offer)	Burmese Urad FAQ (Last week's Price)	Burmese Urad SQ (Current Offer)	Burmese Urad SQ (Last week's Price)
C&F Prices (in \$/MT)	644	618	697	663
INR (1 USD= Rs.52)	33488	31365	33813	33813
Expenses	1500	1500	1500	1500

(loading/unloading/clearing etc) at port				
Total Landed Cost (Rs/MT)	34988	32865	35313	35313
Domestic Price at Chennai (Rs/MT)	35150	34540	3877	37370
Parity/Disparity (Rs/MT)	162	3465	2057	2057

Market Outlook:

We expect commodity prices to remain firm on improved demand amid lower crop output this year.

Price Outlook for Burmese Urad at Mumbai Market:


The candlestick formation in chart hints buying interest in market.

Oscillators RSI is now moving upward in positive zone. However, negative divergence is been seen between price line and MACD as momentum indicator moves in sideways direction.

We expect prices to remain firm in coming week.

S2	S1	PCP	R1	R2
3128	3252	3300	3609	3656
Call	Entry	T1	T2	SL
BUY	Above 3330	3454	3501	3270

Domestic & International Prices:

Centre		Prices (Rs/Qtl)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	Burmese FAQ	3325	3275	3225	4325
Delhi	Burmese FAQ	3500	3250	3650	3700
Chennai	Burmese FAQ	3500	3525	3650	4000
	Burmese SQ	3900	3900	4025	5050
Indore	Desi	3100	3100	3200	3700
	MH	3500	3500	3500	4100
Vijayawada	Polished	4100	3950	4150	4650

Latur	Local	-	-	3900	4200
Akola	Local	3500	3500	3600	3500
Jalgaon	Desi	3700	3500	3600	3500
Ashok Nagar	Local	3100	2950	3000	3200
International Prices at Chennai Market (\$/Ton)					
Chennai	Burmese FAQ	630	660	700	860
	Burmese SQ	680	710	755	1050

Urad Arrival

Centre		Arrivals (in bags of 1 Quintal)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Jalgaon	Desi	100	100	50	200
Latur	Local	3000	Closed	Closed	2000
Akola	Local	1000	1000	2000	2000
Ashok Nagar	Local	1500	2000	3000	5000
Indore	MH	500	500	500	500

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Jalgaon	5500	5300	5600	5300
Bikaner (Split)	4500	4300	4400	4750
Indore	6200	5800	6100	6400

Lentils (Masoor)
Market Recap:

Firm tone witnessed in lentil prices during the week ended on December 18th, 2011 as on improved buying interest at lower levels.

Current Market Dynamics & Outlook:

During the period, average desi (local) masoor prices in Kanpur surged by Rs. 125-180 per qtl to Rs.2959 per qtl from last week's Rs. 2790 per qtl on fresh buying interest at lower levels. Moreover, prices for UP and MP origin masoor at Delhi market also rise by Rs 150-180/Qtl.

On sowing front, masoor sowing under rabi pulses is well ahead in Orissa and Madhya Pradesh while there is a lower sown area under masoor in UP due to some area shifting from massor to chana.

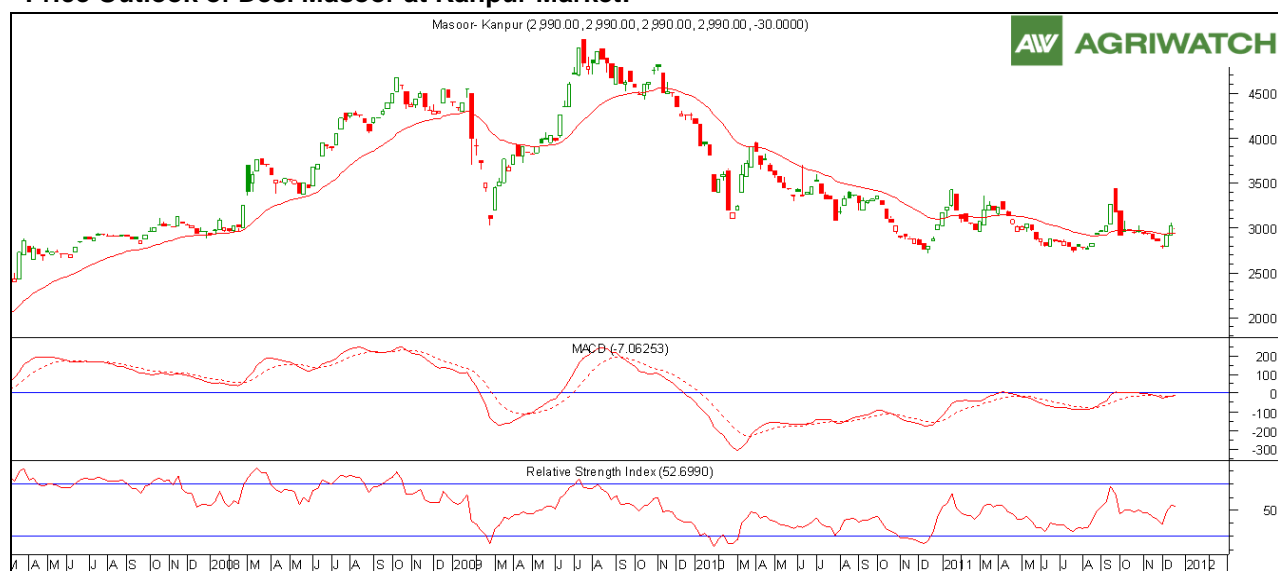
On the global front, due to the lower sown as well as harvested area, lentils output in Canada is expected to decline to 15.32 lakh tonnes compared to last year's output of 19.47 lakh tonnes but despite this, huge

carry-in stocks from previous year may keep the total supply at a higher side which in turn could lead to higher lentil exports from Canada at around 12 lakh tonnes.

	Area Seeded	Area Harvested	Yield	Production	Exports	Carry-Out Stocks	% Change to last year in exports
	(000 ha)		(t/ha)	(000 tonnes)			
2008-09	706	700	1.49	1,043	973	32	
2009-10	971	963	1.57	1,510	1,387	44	42.55
2010-11	1,408	1,336	1.46	1,947	1,105	750	-20.33
2011-12f	1,040	998	1.53	1,532	1,200	850	8.60

Outlook:

We expect prices to be range bound with slight firmness on improved buying interest at lower levels.

Price Outlook of Desi Masoor at Kanpur Market:


Candlesticks chart indicates buying interest in market.

However, positive divergence in prices and MACD also witnessed. Meanwhile, RSI further hints towards possible uptrend in market.

We expect prices to remain firm in coming week.

S2	S1	PCP	R1	R2
2892	2940	2990	3152	3188
Call	Entry	T1	T2	SL
BUY	Above 3010	3058	3117	

Domestic & International Prices:

Centre	Prices (Rs/Qtl)			
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	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	Red Lentils	2750	2650	-	3125
Delhi	Chanti Export	4200	4100	4050	4400
	MP/ Kota Line	3000	2900	2850	2750
	UP/ Sikri Line	3150	3100	3050	3200
Kanpur	Mill Delivery	3020	2920	2880	2790
	Bareilly Delivery	3100	2980	2920	2860
Indore	Mota Masra	3025	2950	2850	3200
International Prices at Chennai Port (\$/Ton)					
Chennai	Laird Lentils	-	-	-	-

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Kanpur (Malka)	3400	3300	3280	3300
Indore	3550	3500	3450	3750
Delhi (Badi Masoor)	3650	3550	3700	3500
Delhi (Choti Masoor)	4100	3975	3950	4350
Katni	3500	3450	3450	3425

Green Gram (Moong)
Market Recap:

Firm tone featured in desi moong prices during the week ended December 18th, 2011. While flat tone featured in imported moong at Mumbai market.

Current Market Dynamics & Outlook:

During this period, desi moong prices in Jaipur market surged by 100-150 per quintal to Rs.3890 per quintal in comparison to last week's Rs.3716 per quintal. This week's moong prices in most of the trading centers rose by Rs.100 per quintal.

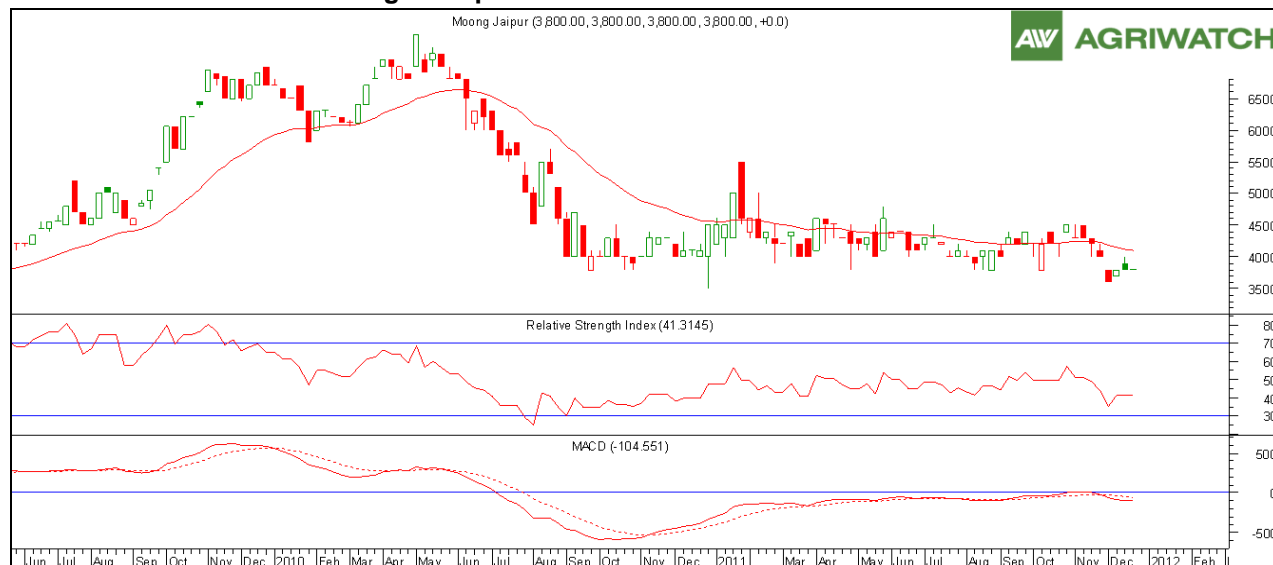
Meanwhile, Tanzanian origin moong remained flat at Rs.4050-4060 per quintal in Mumbai market while moong pedishewa also remained flat at Rs.4425-4435 per quintal. Moreover, C&F quotes for the moong pedishewa at Chennai also remain USD 1000/MT.

On crop sowing front, unsupportive weather condition for standing crop in southern part of country might lead to lower yields this year. The much needed rainfall will respite the soil moisture level in AP and Karnataka.

However, the planted crop is in satisfactory condition but a rainfall in coming days would lead to better yields.

Market Outlook:

We expect range bound movement with slight firmness in moong prices during next weeks.

Price Outlook for Desi Moong at Jaipur Market:


The candlestick formation in chart depicts buying in market.

Prices are likely to move in between 3800-4000 levels.

However, Oscillator RSI hints for further correction in market.

We expect, moong prices to remain weak in near weeks.

S2	S1	PCP	R1	R2
3626	3689	3800	4118	4216
Call	Entry	T1	T2	SL
BUY	Above 3811	3907	4007	3799

Domestic Prices:

Centre		Prices (Rs/Qtl)			
	Variety	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Mumbai	Annaseva	3425	3300	3700	3600
Chennai	Pedishwa	-	-	-	4600
Delhi	Karnataka	5000	4800	4800	-
	Merta city Mogar	4500	4400	4300	4500
Indore	Chamki	4500	4400	4300	4200
Kanpur	Desi	3700	3600	3700	-
Jaipur	Desi	3800	3800	4000	4200
Jalna	Chamki	4400	4400	4500	3800
Akola	Local	4100	4100	4300	4000

Moong arrival

Centre	Arrivals (in bags of 1 Quintal)			
	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Indore	800	800	1000	1000
Jaipur	40000	40000	80000	15000
Kanpur	150	150	200	-
Jalna	50	100	100	500
Akola	1000	500	800	2000

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	17-12-2011	10-12-2011	17-11-2011	18-12-2010
Jalgaon	5700	5700	5800	5500
Bikaner (Split)	5100	5050	5200	5200
Indore	5600	5700	5750	5400

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