

PULSES DAILY

May 24, 2006

URAD

FUNDAMENTALS

Fundamentally there was nothing fresh in the market. Trading, however, has slowed in current situation. There has not been any confirmation from govt official to back up report in local media mentioning likely elimination of import duty on pulses. So, stockists in south continued to snub this factor and quoted higher for their produce. According to traders, sowing of the same is round the corner and such decision by the government will obviously not be in interest of domestic growers. Farmers are highly inclined towards this crop in leading producing states like Karnataka, Maharashtra etc, where large acreage under maize and cotton is expected to be switched to pulses.

Futures Market Commentary

Urad June contract opened low but sneaked in positive zone for a brief moment at the opening. Futures fell to the bottom with in 30 minutes after opening of the session. Futures sprang up just after bottoming out, but this upside momentum slowed soon. Futures got stuck into negative territory and ended the day off 40 points at Rs 2981 per qtl.

Price Drivers

- Bullish
- Dwindling inventories in Southern States
- Bearish
- Arrival of imported cargo from Myanmar
- Timely onset of monsoon

Weather

Monsoon has already hit the Andaman Island. Karnataka and Maharashtra might see timely arrival of monsoon.

TECHNICALS

NCDEX -June Contract

Candlestick body formed short day pattern. Big lower shadow shows weakening downside potential. Close below 9-days EMA is negative signal for trend in short term. MACD is giving negative signal. Stochastic oscillator has just made bearish crossover with %d line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2913	2846	2981	3036	3092
July	2920	2864	2977	3024	3072

TRADE RECOMMENDATION:

Buy June contract near 2970 with target towards 3000. Second target 3015. Put SL at 2950

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	23.05.06	22.05.06	Change
Burma Faq	Mumbai	3190	3225	-35
Burma Faq	Delhi	3425-3450	3500	-50
Desi	Akola	3200-3250	3250-3300	-
Desi	Indore	3000-3300	3000-3400	-
Desi	Vijaywada	3575-3600	3550-3575	-

CHANA

FUNDAMENTALS

Sentiments remained weak in chana markets. Stock of chana still is good. According to traders, people having stocks are in no hurry and see long-term perspectives quite promising. Export to Pakistan (may or may not at \$800 per ton), involvement of biggies in stocking are few bullish factors keeping morale of even small stockists higher despite weak demand in physical markets. Timely onset of monsoon and continuing sluggish demand at current high prices continued putting cap on bullish dispositions.

Futures Market Commentary

Chana markets opened low gapping significantly versus yesterday closing. Steady downtrend persisted for most of the day. Futures saw its bottom in the final hour. By end of the session, futures regained some 32 points from the bottom. Chana June futures ended the day off 60 points at Rs 2524 per qtl.

Price Drivers

Bullish

Reports of export to Pakistan
Reserved selling by stockists

Bearish

Subdued demand from consumers' end
Early onset of Monsoon

Weather

Weather is not a factor until June for onset of monsoon. Chana itself is rabi crop, but good sowing of other pulses might cause negative impact on it.

TECHNICALS

NCDEX -June Contract

Relatively big lower shadow of candlestick body shows underlying strength in chana June contract. MACD is moving downward. Stochastic oscillator is running above %d line in neutral zone. RSI (40.0058) is giving bearish signal.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2486	2447	2524	2569	2613
July	2598	2555	2641	2689	2737

TRADE RECOMMENDATION:

Buy June contract near 2520 with target of 2550.
Second target 2565. Put SL at 2500.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	23.05.06	22.05.06	Change
Rajasthan Desi	Delhi	2450-2455	2475	-20
MP Desi	Delhi	2425-2430	2430-2435	-
Kantewala	Indore	2350-2380	2380-2400	-
Desi	Gulbarga	2280	2250-2275	+5
Gauran	Latur	2200	2225	-25
Annagiri	Latur	2300	2325-2350	-25
G-12/Vijay	Latur	2250-2275	2275	-
Gauran	Jalna	2250-2275	2200-2225	-25
Pila	Jalna	2300	2300-2325	-
Mixed	Akola	2325-2350	2380-2390	+30
Chapa	Akola	2375-2400	2400-2425	-
Desi	Kanpur	2425-2430	2440-2450	-10

TUR

FUNDAMENTALS

Tur markets continued to feature dull trend. Demand has slowed due to easing prices. Millers are in no mood to accumulate more than their immediate requirement amidst current sluggish situation. Differential between cost of imported and desi cargo seems narrowing again, despite the fact that quality of imported cargo is slightly inferior. Traders feel that prices of imported cargo is little high, which needs correction. Weather also is a crucial factor, as sowing of the same will start from the first fortnight of June. Good start of monsoon might trigger increased selling by stockists.

Futures Market Commentary

Lemon tur June contract though opened high gapping substantially against yesterday closing, but fell sharply soon after opening. Futures shed 53 points with in 20 minutes after opening and plunged into negative zone. From then on futures set out falling steadily till last minute of the session. Lemon tur June contract ended off 58 points at Rs 1881 per qtl.

Price Drivers

Bullish

Emerging demand for desi tur

Bearish

Arrival of imported cargo from Myanmar

Early onset of monsoon

Weather

Weather is not a factor until June when new crop sowings will take place. All eyes will be on the monsoon then.

TECHNICALS

NCDEX -June Contract

Formation of 'Marubozu' by dark candlestick body shows strong bearish pattern Prices closed below both the 9-days and 18-days EMA. MACD is in negative territory. Stochastic oscillator has made bearish crossover with %d line in oversold zone. RSI is giving in negative signal, but also is in oversold zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1846	1812	1881	1950	2020
July	1920	1899	1940	1980	2019

TRADE RECOMMENDATION:

Sell June contract near 1885 with target towards 1850, second target 1835. Put SL at 1900.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	23.05.06	22.05.06	Change
Burmese Lemon	Mumbai	1825	1825	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2075	2075-2100	-
Karnataka tur	Delhi	2175	2175-2200	-
Red tur	Gulbarga	1950-1960	1950	-
Fatka Dall	Gulbarga	2850	2850	-
Red Tur	Latur	2020-2040	2025-2050	-
White Tur	Latur	2000-2040	2000-2050	-
Red	Jalna	1900-1925	1900-1925	-
White	Jalna	1950-2000	1950	-
BDM	Jalna	2025	2000	-25
Marathwada	Akola	1980-1985	1980-1990	-
Vidarbha	Akola	1950-1960	1950-1970	-
Local Tur	Vijaywada	1775-1800	1790	-

Others

Moong

Sentiments remained weak in moong markets, as demand for the same has been curtailed at current high prices. Millers/Retailers are awaiting for correction in its prices with start of its sowing after arrival of monsoon. Weather is the key factor in moong markets.

Spot Market Prices of Moong (Rs/qttl)

Origin/Grade	Center	23.05.06	22.05.06
Shekhavati	Delhi	3400	3400
Kishangarh	Delhi	3450	3450
Medta/Bisao	Delhi	3475	3500
Desi	Indore	3000-3300	3000-3400
Muglai	Jalna	3300-3400	3400-3500
Chamki	Akola	3100-3200	3200-3300

PEAS

Continuous downtrend in chana markets created little nervousness among peas stockists. Preliminary reports from the overseas markets suggest likely increase in its availability in major exporting nations in coming months, as farmers there are highly inclined towards this crop.

Spot Market Prices of Pea (Rs/qttl)

Center	23.05.06	22.05.06
Mumbai	1290-1301	1301
Kanpur	1325-1330	1320-1330

Masoor

Masoor markets also observed steady to weak trend. Increased availability of other cheaper alternatives like mango etc in its major consuming belt (UP) has led to decline in its offtake. Prices of masoor eased further on increased selling interest of stockists.

Spot Market Prices of Masoor (Rs/qttl)

Center	23.05.06	22.05.06
Delhi-MP/kota Line	2075	2100
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	1980	1990-2000
Kanpur new- Braeilly Delivery	2040	2070
Kanpur- new Malka Dal	2275-2300	2275-2300
Indore- Masra	1970	1960
Indore- Masoor New	1960	1950
Indore- Medium New	1850	1850
Bahraich-Masoor	2700	2700
Bahraich-Export Chanti	3100	3100
Kolkata (Truck delivery)	3475	3475
Masur Dal	3000-3200	3000-3100

International Prices (\$/ton)

Quality	23.05.06
Burmese new Lemon Tur Mumbai Chennai	365
Burmese FAQ new Tur Mumbai/Chennai	355
Burmese Shwebo Tur Mumbai/Chennai	328
Burmese FAQ Urad Mumbai/Chennai	660
Burmese SQ Urad Mumbai/Chennai	690
Burmese Pedishwa Mung Chennai/Mumbai	665
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Burmese Kabuli Chickpea Chennai/Mumbai	645

Port watch

Mumbai Port is receiving 14,500 MT of pulses from the vessel 'Yaad E Mostafa'. The cargo was loaded from Yangon. Able Marine agents is handling the vessel. The port is expecting 'Dragonis' and 'Bounty 7' to deliver 14,800 MT and 8,500 MT of pulses respectively. The cargo was loaded from Yangon. Able Marine agents will be handling these vessels.

Forex- 1 US\$ - INR 45.520

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