

## PULSES DAILY

May 25, 2006

### URAD

#### FUNDAMENTALS

Urad now is finally being voiced in Rajya Sabha, as opposition leaders question government silence over escalating urad prices. Opposition leaders expressed their resentment over discrimination by the central government among north versus south, while dealing with rising cost of essential commodities. Urad is kind of staple in Southern India. This issue off course is drawing nationwide attention. There was report in local media in recent that finance ministry had sent some note to cabinet committee on economic affairs suggesting elimination of import duty on pulses. Now, apart from Burmese quotes and sluggish demand in domestic markets, traders are getting equally concerned about likely intervention by the government.

#### Futures Market Commentary

Urad June contract opened in fairly bullish mood, but upside movements further remained timid till noon. From then on, futures set out moving higher steadily till late in the session. Futures saw its peak at 3071 by 14.50 hrs, but subsequently shed 30 points by closing. NCDEX June contract finished the day up Rs 62 at Rs 3041 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

White candlestick body has formed 'short day' pattern, and prices closed below both the 9-days and 18-days EMA. MACD is in negative territory and still slanting southward. Stochastic oscillator is giving bearish signal. RSI shows regaining momentum.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2990	2939	3041	3082	3123
July	2987	2923	3050	3097	3143

#### TRADE RECOMMENDATION:

Sell June contract near 3050 with target towards 3015. Second target 3000. Put SL at 3075

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	24.05.06	23.05.06	Change
Burma Faq	Mumbai	3150-3175	3190	-15
Burma Faq	Delhi	3425-3450	3425-3450	-
Desi	Akola	3250	3200-3250	-
Desi	Indore	3000-3400	3000-3300	
Desi	Vijaywada	3575	3575-3600	-

## CHANA

### FUNDAMENTALS

Chana markets featured range-bound trading. According to traders, fundamentals ahead are not very supportive, but stockists are single mindedly quoting higher for their produce as produce originally was bought at higher prices from the farmers. Preliminary reports from exporting nation suggest likely increase in acreage under chickpea in the coming season. In Canada, production of Kabuli chickpea is likely to increase significantly in 2006-07, as kabuli chickpea was one of major agriculture commodity, of which prices there remained above historical lows during 2005-06.

#### Futures Market Commentary

Chana June contract at NCDEX opened weak, but soon cross the threshold getting into positive zone. Futures went zigzag during the session, but managed to hold levels in to positive territory for most of the day. Futures peaked by 11.10 hrs and bottomed out near 16.25 hrs. Contract eventually ended the day up Rs 1 at Rs 2526 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

Candlestick body has formed 'doji star', which depicts little price-action. Prices for the second consecutive session closed below both the 9-days and 18-days EMA. MACD is dipping down and very close to make centerline crossover. Stochastic oscillator is giving bearish signal.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2507	2489	2526	2547	2569
July	2623	2602	2643	2667	2690

#### TRADE RECOMMENDATION:

Buy June contract near 2530 with target of 2500.  
Second target 2490. Put SL at 2547.

### Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	24.05.06	23.05.06	Change
Rajasthan Desi	Delhi	2425-2450	2450-2455	-
MP Desi	Delhi	2400-2420	2425-2430	-5
Kantewala	Indore	2375	2350-2380	-
Desi	Gulbarga	2250	2280	-30
Gauran	Latur	2200	2200	-
Annagiri	Latur	2275-2300	2300	-
G-12/Vijay	Latur	2250	2250-2275	-
Gauran	Jalna	2250-2275	2250-2275	-
Pila	Jalna	2300-2325	2300	-
Mixed	Akola	2350	2325-2350	-
Chapa	Akola	2400	2375-2400	-
Desi	Kanpur	2425-2430	2425-2430	-

## TUR

### FUNDAMENTALS

There was no oomph in tur markets. People are little nervous about imported consignments. Demand for tur has been low in domestic markets, which traders blame to the seasonality. Arrivals are shortening in major markets of Maharashtra like Latur, as farmers mostly are involved in marriage season. Farmers further will get involved in sowing with the onset of monsoon. Traders are expecting good sowing, if weather remains supportive ahead. Prices though were relatively low compared to other pulses, but realization to farmers has not been bad on year basis.

### Futures Market Commentary

Starting of Lemon tur June contract was weak, but managed to recover from the bearish mode soon. Futures floated in positive territory for most of the time during mid-hours. Futures moved both side of unchanged levels during the day and eventually ended the day off in negative zone. Lemon tur June contract ended off 3 points at Rs 1886 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

Candlestick body with big upper shadow shows underlying weakness in the market. Closing below both the 9-days and 18-days EMA validate freshly emanating bearish trend for short term. MACD is further plunging down into negative territory. Stochastic is in oversold zone with out any signal for confirmation of reversal in trend.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1875	1864	1886	1903	1920
July	1926	1917	1935	1953	1971

#### TRADE RECOMMENDATION:

Sell June contract near 1885 with target towards 1865, second target 1850. Put SL at 1905.

### Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	24.05.06	23.05.06	Change
Burmese Lemon	Mumbai	1800	1825	-25
Burmese Lemon	Delhi	NA	NA	
Maharashtra tur	Delhi	2075	2075	-
Karnataka tur	Delhi	2175	2175	-
Red tur	Gulbarga	1950	1950-1960	-
Fatka Dall	Gulbarga	2800-2850	2850	-
Red Tur	Latur	2020	2020-2040	-
White Tur	Latur	1980-2000	2000-2040	-
Red	Jalna	1900-1925	1900-1925	-
White	Jalna	2000	1950-2000	-
BDM	Jalna	2025	2025	-
Marathwada	Akola	1975	1980-1985	-5
Vidarbha	Akola	1950	1950-1960	-
Local Tur	Vijaywada	1775	1775-1800	-

## Others

### Moong

Moong markets observed steady to weak trend. Availability of summer crop harvest has helped placating the kharif crop shortage. According to trade sources, arrival of a small crop has started in Chindwara region of Rajasthan. Also, moong consignments have been coming from Burma intermittently.

#### Spot Market Prices of Moong (Rs/qttl)

Origin/Grade	Center	24.05.06	23.05.06
Shekhavati	Delhi	3400	3400
Kishangarh	Delhi	3450	3450
Medta/Bisao	Delhi	3475	3475
Desi	Indore	3000-3300	3000-3300
Muglai	Jalna	3200-3300	3300-3400
Chamki	Akola	3300-3350	3100-3200

### PEAS

Peas markets continued to see steady trend. Import of the same has been continuing from the EU. Import for the same has been slow from Canada this year due to its less competitive prices this year. People having stock here, however, are confident about its promising perspectives in long term.

#### Spot Market Prices of Pea (Rs/qttl)

Center	24.05.06	23.05.06
Mumbai	1301	1290-1301
Kanpur	1330	1325-1330

### Masoor

Masoor markets continued to see dull trend. Demand for the same remained subdued both in domestic and international markets. Prices for the same are not competitive in the international markets.

#### Spot Market Prices of Masoor (Rs/qttl)

Center	24.05.06	23.05.06
Delhi-MP/kota Line	2075	2075
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	2000	1980
Kanpur new- Braeilly Delivery	2060-2070	2040
Kanpur- new Malka Dal	2270-2300	2275-2300
Indore- Masra	1960	1970
Indore- Masoor New	1950	1960
Indore- Medium New	1850	1850
Bahraich-Masoor	2700	2700
Bahraich-Export Chanti	3100	3100
Kolkata (Truck delivery)	3475	3475
Masur Dal	3000-3200	3000-3200

#### 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 45.730

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