

PULSES DAILY

May 26, 2006

URAD

FUNDAMENTALS

Urad prices kept moving higher on increased speculative buying. Since, prices for the same are high in international markets, local stockists decline to ease their quotes irrespective of subdued demand at rising prices. Millers/buyers are also covering cautiously, as there have been clamours rising around for likely elimination of import duty by the government. Stockists still doubt that government will take any rash decision, when Ag ministry itself is projecting pulses production in the country up 7.6% on year basis. Sowing of urad will start in first fortnight of June with the start of monsoon rains.

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

Candlestick body with opening 'Marubozu' and very small upper shadow reflects strong bullish pattern. Prices closed above both the 9-days and 18-days EMA, which is a bullish sign in immediate term. MACD is moving further downward in negative territory. %k line is tipping with %d line giving no clear signal..



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	3079	3004	3153	3199	3244
July	3069	3004	3135	3172	3210

TRADE RECOMMENDATION:

Buy June contract near 3150 with target towards 3180.
Second target 3200. Put SL at 3130

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	25.05.06	24.05.06	Change
Burma Faq	Mumbai	3200	3150-3175	+25
Burma Faq	Delhi	3400	3425-3450	-25
Desi	Akola	NA	3250	-
Desi	Indore	Closed	3000-3400	-
Desi	Vijaywada	3600-3625	3575	+25

CHANA

FUNDAMENTALS

Chana markets saw range-bound trading in absence of fresh leads. Stock of chana is good. Now, bet is on weather factor alone. Good rains will boost production of other kharif pulses, which obviously would have some effect on chana markets as well. Chana itself is sown in rabi season. Production this year is also expected to rise in exporting nations. Since, prices are lucrative in Indian markets this year, we might good shipments of chickpea from September onward.

Futures Market Commentary

Day was fairly bullish for chana June contract at NCDEX today. Futures dipped in to negative territory for a very brief period in the opening, but regained momentum soon. Steady upside momentum took futures to day's high by last hour. Chana June contract concluded the session up 35 points at Rs 2557 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

White candlestick body has formed short day pattern. Small shadows reflect strength in existing pattern. Prices still remained below both the 9-days and 18-days EMA. MACD moving downward, but still in positive territory. Stochastic oscillator is still giving bearish signal.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2530	2503	2557	2575	2593
July	2647	2615	2679	2699	2719

TRADE RECOMMENDATION:

Sell June contract near 2560 with target of 2530.
Second target 2505. Put SL at 2575.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	25.05.06	24.05.06	Change
Rajasthan Desi	Delhi	2450-2455	2425-2450	-
MP Desi	Delhi	2420	2400-2420	-
Kantewala	Indore	2375	2375	-
Desi	Gulbarga	2250	2250	-
Gauran	Latur	2200	2200	-
Annagiri	Latur	2275-2300	2275-2300	-
G-12/Vijay	Latur	2250-2275	2250	-
Gauran	Jalna	2250	2250-2275	-
Pila	Jalna	2300	2300-2325	-
Mixed	Akola	2341	2350	-10
Chapa	Akola	2375	2400	-25
Desi	Kanpur	2440	2425-2430	+10

TUR

FUNDAMENTALS

Tur markets continued to see sluggish trend. Little hope is from some covering by government departments in June month. Government conventionally issues tender for purchase of tur in June. Otherwise, there seems little room for rise in its prices. Carry-forward stock of tur is good this year. Tur was the only kharif crop spared by any kind of weather trouble last year. Tur is the second largest crop after chana. Although quality of imported tur is not satisfactory, continuing import of the same has been effectively causing depression in domestic markets.

Futures Market Commentary

Lemon tur June contract opened red and set day's bottom in next 10 minutes. Futures set out moving higher as selling dried up near its bottom and sneaked into positive zone near 11.30 hrs for a very brief period. Futures fell back speedily in to negative zone again. Lemon tur June contract ended off 21 points at Rs 1870 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

'Spinning top' formation by candlestick body shows little price action. Prices closed far below both the 9-days and 18-days EMA. MACD is plunging downward in negative zone. %k line is running below %d line and is dipping further in negative zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1854	1837	1870	1893	1915
July	1902	1885	1919	1944	1969

TRADE RECOMMENDATION:

Sell June contract near 1870 with target towards 1845, second target 1830. Put SL at 1885.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	25.05.06	24.05.06	Change
Burmese Lemon	Mumbai	1800	1800	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2075	2075	-
Karnataka tur	Delhi	2175	2175	-
Red tur	Gulbarga	1950	1950	-
Fatka Dall	Gulbarga	2800	2800-2850	-
Red Tur	Latur	1990-2020	2020	-
White Tur	Latur	1950-2030	1980-2000	-
Red	Jalna	1850-1875	1900-1925	-25
White	Jalna	1900-1925	2000	-75
BDM	Jalna	2000	2025	-25
Marathwada	Akola	1960	1975	-15
Vidarbha	Akola	1950	1950	-
Local Tur	Vijaywada	1775	1775	-

Others

Moong

Moong markets continued to see steady trend. Demand for the same remained sluggish in domestic markets. Availability of though small, summer crop in many areas helped satisfying shortage of kharif crop. Also, cargos have been arriving intermittently from Burma.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	25.05.06	24.05.06
Shekhavati	Delhi	3400	3400
Kishangarh	Delhi	3450	3450
Medta/Bisao	Delhi	3450	3475
Desi	Indore	3000-3300	3000-3300
Muglai	Jalna	3300	3200-3300
Chamki	Akola	NA	3300-3350

PEAS

Peas markets featured steady trend. Demand for the same has slowed at higher prices. However, stockists seem in no mood to ease their quotes, as see promising perspectives in long term.

Spot Market Prices of Pea (Rs/qtl)

Center	25.05.06	24.05.06
Mumbai	1291-1301	1301
Kanpur	1325-1300	1330

Masoor

Masoor markets featured dull trend. Prices for the same are uncompetitive in the international markets. Demand for the same has been low from middle-eastern countries, where supply had been good from western nations.

Spot Market Prices of Masoor (Rs/qtl)

Center	25.05.06	24.05.06
Delhi-MP/kota Line	2075	2075
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	2000	2000
Kanpur new- Braeilly Delivery	2060-2070	2060-2070
Kanpur- new Malka Dal	2270-2300	2270-2300
Indore- Masra	Closed	1960
Indore- Masoor New	Closed	1950
Indore- Medium New	Closed	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	25.05.06
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 45.850

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