

PULSES DAILY

May 27, 2006

URAD

FUNDAMENTALS

Urad markets observed weak trend. Reports that monsoon has entered India five days before the earlier expectation triggered panic selling at commodity exchanges. Weather is very crucial factor. Early advancement of monsoon will facilitate early sowing. Urad is a three-month crop. Stockists would not have much time to take chance on weather factor ahead. Appreciation of dollar versus Rupee though has made import little costly, traders will be expecting slight ease in Burmese quotes as well.

Futures Market Commentary

Urad June contract opened firm, but could not hold higher levels for long. First target of 3180 was achieved with in first 10 minutes. But futures took reverse direction soon after hitting this level and fell into negative zone soon. Futures kept falling steadily downward all through the remaining session. June contract ended off 105 points at Rs 3047 per qtl..

Price Drivers

Bullish

Dwindling inventories in Southern States

Bearish

Arrival of imported cargo from Myanmar
Timely onset of monsoon

Weather

Monsoon has reached Kerala 7-days ahead of its schedule. Karnataka and Maharashtra might see timely arrival of monsoon.

TECHNICALS

NCDEX -June Contract

Candlestick body has formed bearish engulfing pattern. Prices closed below both the 9-days and 18-days EMA. MACD is in negative territory and tilting downward. Stochastic, however, still is giving bullish signal, while RSI confirmed losing momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2998	2948	3047	3139	3230
July	2967	2918	3016	3110	3204

TRADE RECOMMENDATION:

Sell June contract near 3050 with target towards 3025. Second target 3000. Put SL at 3065

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	26.05.06	25.05.06	Change
Burma Faq	Mumbai	3250	3200	-50
Burma Faq	Delhi	3400	3400	-
Desi	Akola	NA	NA	-
Desi	Indore	3200	Closed	-
Desi	Vijaywada	3575-3600	3600-3625	-

CHANA

FUNDAMENTALS

Chana markets also appeared nervous on weather reports. Trading in chana markets has gone down at current high prices. Only supportive factor is impression, which majority is carrying that most of the stock is hands of biggies in this industry. Otherwise demand is sluggish and other fundamental features do not seem promising for chana ahead. Preliminary reports from exporting nations suggest likely increase in acreage under chana in these countries this year.

Futures Market Commentary

Chana June contract opened firm gapping higher versus yesterday closing. There was strong resistance at 2590, which futures could infringe for a while in the early session setting day's high at 2593. Profit booking at these levels pulled future down. Later after noon, reports of monsoon hitting Kerala pushed futures down in negative zone. June Chana contract eventually ended the day off 43 points at Rs 2516 per qtl.

Price Drivers

Bullish

Reserved selling by stockists

Bearish

Subdued demand from consumers' end
Early onset of Monsoon

Weather

Monsoon has reached Kerala. Chana itself is rabi crop, but good sowing of other pulses might have negative impact on it.

TECHNICALS

NCDEX -June Contract

Candlestick body has formed 'bearish engulfing' pattern. Prices closed below both the EMAs. MACD is in positive territory and tilting downward. %k line is running below %d line and further have downward slant.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2490	2465	2516	2567	2619
July	2601	2571	2631	2687	2743

TRADE RECOMMENDATION:

Sell June contract near 2520 with target of 2500.
Second target 2485. Put SL at 2530.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	26.05.06	25.05.06	Change
Rajasthan Desi	Delhi	2450-2470	2450-2455	-
MP Desi	Delhi	2420-2440	2420	-
Kantewala	Indore	2350-2375	2375	-
Desi	Gulbarga	2250	2250	-
Gauran	Latur	2200	2200	-
Annagiri	Latur	2275	2275-2300	-
G-12/Vijay	Latur	2250	2250-2275	-
Gauran	Jalna	2250	2250	-
Pila	Jalna	2300	2300	-
Mixed	Akola	2350	2341	+10
Chapa	Akola	2400	2375	+25
Desi	Kanpur	2450	2440	+10

TUR

FUNDAMENTALS

Traders in tur markets appeared at ease in spite of bearish weather reports. According to traders, farmers have left little in their stocks. Many are engaged in Maharashtra in marriage season. Later, they will be engaged in fieldwork, as monsoon is advancing before time. Tur is six-month crop, so fresh crop will unlikely to be available before December. Stockists seem in no hurry to empty out their stocks. Quality of imported tur is not satisfactory, so demand for the domestic tur is likely to remain good.

Futures Market Commentary

Lemon tur futures featured roller-coaster trend through the day. Futures moved both side of unchanged levels. Volatility was high in the early session. Contrary to earlier expectations futures rose sharply peaking within the first 10 minutes, but fell sharply before noon. Movement thereafter remained restricted in relatively narrow range. June contract ended up 1 point at Rs 1873 per qtl.

Price Drivers

Bullish

Emerging demand for desi tur

Bearish

Arrival of imported cargo from Myanmar

Early onset of monsoon

Weather

Monsoon has reached Kerala. Early arrivals will facilitate early sowing. All eyes are on the monsoon now.

TECHNICALS

NCDEX -June Contract

Candlestick body has formed 'short day' pattern. Prices closed below both the 9-days and 18-days EMA. Long upper shadow reflects bearish pattern. MACD is dipping downward in negative territory. Stochastic Oscillator is giving bearish signal.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1860	1846	1873	1893	1912
July	1902	1871	1933	1957	1981

TRADE RECOMMENDATION:

Buy June contract near 1870 with target towards 1885, second target 1900. Put SL at 1860.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	26.05.06	25.05.06	Change
Burmese Lemon	Mumbai	1800	1800	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2050-2075	2075	-
Karnataka tur	Delhi	2150-2175	2175	-
Red tur	Gulbarga	1925	1950	-25
Fatka Dall	Gulbarga	2750	2800	-50
Red Tur	Latur	1965-2000	1990-2020	-
White Tur	Latur	1950-1980	1950-2030	-
Red	Jalna	1850-1875	1850-1875	-
White	Jalna	1900-1925	1900-1925	-
BDM	Jalna	2000	2000	-
Marathwada	Akola	1975	1960	+15
Vidarbha	Akola	1950	1950	-
Local Tur	Vijaywada	1770-1775	1775	-

Others

Moong

Trading in moong markets also have slowed due to increased volatility and rising availability of the same. Sporadic small summer harvest has helped placating the shortage of last year kharif crop. Sowing of kharif moong in South and Maharashtra will start early next month, while in Rajasthan sowing will be done in early July.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	26.05.06	25.05.06
Shekhavati	Delhi	3350	3400
Kishangarh	Delhi	3400	3450
Medta/Bisao	Delhi	3400	3450
Desi	Indore	3000-3300	3000-3300
Muglai	Jalna	3300	3300
Chamki	Akola	3300	NA

PEAS

Peas prices also eased on weather reports. Easing chana markets also had negative impact on pea. Further, overseas reports suggest that acreage under peas will likely to increase in major exporting nations.

Spot Market Prices of Pea (Rs/qtl)

Center	26.05.06	25.05.06
Mumbai	1271-1281	1291-1301
Kanpur	1330	1325-1300

Masoor

There was no oomph in masoor markets. According to traders, production of lentil last year was good in western nations. So, demand for our masoor of which prices remained uncompetitive through the season, could not fetch many deals from EU or middle-eastern countries.

Spot Market Prices of Masoor (Rs/qtl)

Center	26.05.06	25.05.06
Delhi-MP/kota Line	2075	2075
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	1980	2000
Kanpur new- Braeilly Delivery	2035-2040	2060-2070
Kanpur- new Malka Dal	2250-2270	2270-2300
Indore- Masra	1970	Closed
Indore- Masoor New	1960	Closed
Indore- Medium New	1850	Closed
Bahraich-Masoor	2675-2680	2700
Bahraich-Export Chanti	3075	3100
Kolkata (Truck delivery)	3400	3475
Masur Dal	3050	3000-3200

International Prices (\$/ton)

Quality	26.05.06
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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