

PULSES DAILY

May 23, 2006

URAD

FUNDAMENTALS

Reports that couple of few more vessels due arriving from Myanmar caused nervousness in the markets. There was report in local media that finance ministry has sent some note to Cabinet Committee on Economic Affairs asking to check prices of essential commodities by facilitating import norms, Report suggested elimination of import duty on pulses, which is 10% at present. Slowed trading at higher prices has also been blamed for this ease in the urad markets. However, Burmese still are adamant quoting higher for their produce. CNF prices for Faq Burmese urad at Mumbai port was last quoted at \$660 per ton.

Futures Market Commentary

Urad June contract opened in a firm mood, but futures soon plunged into negative territory to never return back in the positive zone in remaining session. High deliveries posted against May month might be the reason for sharp fall in futures today. According to NCDEX report for delivery offered, total 3410 MT of urad has been offered against May 2006 contract. Heavy deliveries indicate weak off take in physical markets. June contract ended off 147 points at Rs 3014 per qtl.

Price Drivers

Bullish

Dwindling inventories in Southern States

Bearish

Arrival imported cargo from Myanmar

Hefty deliveries posted against May month

Weather

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

TECHNICALS

NCDEX -June Contract

Dark Candlestick body has formed 'long day' pattern. Closing 'Marubozu' with very small upper shadow validates strong bearish pattern. Both the EMAs are above price-line. MACD is in negative territory. %k line is running above %d line and heading upward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2955	2895	3014	3131	3247
July	2976	2923	3030	3137	3245

TRADE RECOMMENDATION:

Sell June contract near 3015 with target towards 2990. Second target 2975. Put SL at 3030

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	22.05.06	20.05.06	Change
Burma Faq	Mumbai	3225	3325	-100
Burma Faq	Delhi	3500	3525	-25
Desi	Akola	3250-3300	3425-3450	-125
Desi	Indore	3000-3400	3000-3400	-
Desi	Vijaywada	3550-3575	3600	-25

CHANA

FUNDAMENTALS

Chana markets also were easy on media reports mentioning possibilities of likely elimination of import duty on pulses. Traders squarely cornered the earlier claims by few exporters selling chana to Pakistan at USD 800 per ton. Crop undoubtedly is short in Pakistan, but importers there will not venture to buy chana from India at USD 800 (which will translate into PKR 47976 per ton as 1USD = 49.97 PKR). Average prices of chana in Pakistan, as informed by trade sources, are PKR 3000 per qtl.

Futures Market Commentary

Chana futures opened in negative territory and shed 58 points with in 15 minutes after opening of the session. But later futures got trapped in set range of Rs 2569 - 2604 for most of the day. June contract eventually ended the day off 41 points at Rs 2577 per qtl. Open Interest also has come down substantially in June month, which trader says due to limit restriction on immediate contract imposed a month ahead of its expiry. July was the most active contract.

Price Drivers

Bullish

Reports of export to Pakistan
Reserved selling by stockists

Bearish

Subdued demand from consumers' end

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

Dark candlestick body with opening 'marubozu' and small lower shadow indicates strong downside potential. Prices closed below 9-days EMA, but remained up from 18-days EMA. MACD is moving downward. Stochastic is indicating likely reversal in trend.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2551	2526	2577	2610	2644
July	2667	2641	2693	2725	2757

TRADE RECOMMENDATION:

Sell June contract near 2580 with target of 2550.
Second target 2535. Put SL at 2600.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	22.05.06	20.05.06	Change
Rajasthan Desi	Delhi	2475	2500	-25
MP Desi	Delhi	2430-2435	2450	-15
Kantewala	Indore	2380-2400	2435-2440	-35
Desi	Gulbarga	2250	2250	-
Gauran	Latur	2225	2200	+25
Annagiri	Latur	2325-2350	2300-2325	-
G-12/Vijay	Latur	2275	2250	+25
Gauran	Jalna	2200-2225	2250	-25
Pila	Jalna	2300-2325	2300	-
Mixed	Akola	2380-2390	2420-2425	-30
Chapa	Akola	2400-2425	2450	-25
Desi	Kanpur	2440-2450	2435-2440	-

TUR

FUNDAMENTALS

Nervousness was also seen in tur markets following reports of likely elimination of import duty, continuing arrivals from overseas markets and good stock of the same in domestic markets. According to traders in Karnataka, demand for the desi tur is improving both from local and outstation markets. According to traders, nervousness is mostly in retail investors in futures market, however, people in physical markets are optimistic about its perspectives ahead. Quality of imported cargos has not been satisfactory. Unless government intervenes, optimism stands for likely improvement in its prices.

Futures Market Commentary

Lemon tur futures opened low gapping significantly versus yesterday closing. Futures could not even come close to the unchanged level during the day. June futures bottomed out with in first half. June futures ended the day off 51 points at Rs 1943 per qtl. According to NCDEX report, total 310 MT of Lemon tur was posted against May month

Price Drivers

Bullish

Emerging demand for desi tur

Bearish

Arrival of imported cargo from Myanmar

Reports on possibility of removal of import duty

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

Dark candlestick body with small lower shadow confirms emanating weakness in the market. Prices closed far below both the EMAs. MACD is in negative territory and further heading downward. %k line is running skin parallel with %d line and still is in oversold zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1922	1900	1943	1973	2002
July	1965	1935	1995	2035	2075

TRADE RECOMMENDATION:

Buy June contract near 1945 with target towards 1965, second target 1975. Put SL at 1930.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	22.05.06	20.05.06	Change
Burmese Lemon	Mumbai	1825	1825	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2075-2100	2100	-
Karnataka tur	Delhi	2175-2200	2200	-
Red tur	Gulbarga	1950	1925	+25
Fatka Dall	Gulbarga	2850	2800	+50
Red Tur	Latur	2025-2050	2030-2070	-
White Tur	Latur	2000-2050	1950-2000	-
Red	Jalna	1900-1925	1900-1925	-
White	Jalna	1950	1950	-
BDM	Jalna	2000	2000	-
Marathwada	Akola	1950-1970	1975-2000	-5
Vidarbha	Akola	1980-1990	2015-2020	-25
Local Tur	Vijaywada	1790	1800	-10

Others

Moong

In absence of fresh leads, moong market continued to feature steady trend. Arrivals of imported cargos had not much impact in the markets, as stocks of desi moong have already been exhausted in most of the markets. According to trade sources, one vessel carrying some 2925 MT of moong has just arrived from Myanmar.

Spot Market Prices of Moong (Rs/qttl)

Origin/Grade	Center	22.05.06	20.05.06
Shekhavati	Delhi	3400	3400
Kishangarh	Delhi	3450	3450
Medta/Bisao	Delhi	3500	3500
Desi	Indore	3000-3400	3200-3500
Muglai	Jalna	3400-3500	3400
Chamki	Akola	3200-3300	3200-3400

PEAS

Peas markets continued to feature steady trend. Though stock of peas has been little high, demand is equally good for the same. Traders see friendly outlook for peas in near to medium term.

Spot Market Prices of Pea (Rs/qttl)

Center	22.05.06	20.05.06
Mumbai	1301	1301
Kanpur	1320-1330	1330

Masoor

Masoor prices eased further. With increased availability of other alternatives, buyers are losing interest at higher prices. Demand for the same has also been reported low on export front, Stokists appeared little nervous due to easing prices.

Spot Market Prices of Masoor (Rs/qttl)

Center	22.05.06	20.05.06
Delhi-MP/kota Line	2100	2100
Delhi- UP/Sikari	2500	2500
Kanpur local mill delivery	1990-2000	1980-2000
Kanpur new- Braeilly Delivery	2070	2060-2070
Kanpur- new Malka Dal	2275-2300	2280-2300
Indore- Masra	1960	1970
Indore- Masoor New	1950	1960
Indore- Medium New	1850	1850
Bahraich-Masoor	2700	2675
Bahraich-Export Chanti	3100	3100
Kolkata (Truck delivery)	3475	3500
Masur Dal	3000-3100	3100

International Prices (\$/ton)

Quality	22.05.06
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 45.680

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