

PULSES DAILY

May 30, 2006

URAD

FUNDAMENTALS

Sentiments weakened as buying slowed in physical markets following satisfactory advancement of monsoon. However, traders having some stocks still in possession do not feel any urgency to empty out stocks impulsively. There is no doubt that acreage under urad is going to increase this year, as farmers had good realization against last year crop. Some of the acreage under maize and cotton are likely to be switched under urad. But stockists seem in no mood to slash their quotes and argue that higher premiums are against immediate shortage as new crop will not be available before September.

Futures Market Commentary

Opening of urad June contract was fairly bearish. Futures opened in negative zone and this downside momentum was extended further during the day. Futures saw its bottom just before closing. Urad June contract ended the day off 116 points at Rs 2970 per qtl. Both front two months were equally and actively traded.

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 and progressing well. Karnataka and Maharashtra should see timely arrival of monsoon.

TECHNICALS

NCDEX -June Contract

Dark candlestick body with very small lower shadow reflects strong bearish pattern. Prices closed below both the 9-days and 18-days EMA. MACD though is trading above its signal line, still is in negative territory. Stochastic oscillator is curving downward in neutral zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2933	2896	2970	3040	3110
July	2841	2776	2905	3007	3108

TRADE RECOMMENDATION:

Sell June contract near 2970 with target towards 2950. Second target 2935. Put SL at 2985

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	29.05.06	27.05.06	Change
Burma Faq	Mumbai	3150	3225	-75
Burma Faq	Delhi	3300	3400	-100
Desi	Akola	NA	NA	-
Desi	Indore	3000-3300	Closed	-
Desi	Vijaywada	Closed	3600	-

CHANA

FUNDAMENTALS

Fundamentally, there was nothing fresh in the market. The only dynamic factor is satisfactory advancement of monsoon. Chana crop though will not be available before march next year, small stockists appeared nervous about likely increase in availability of other kharif pulses and its import from overseas markets. Preliminary reports from major exporting nations suggest likely increase in acreage under chickpea and pea therein. If prices remain good as in current, we might see good shipment later this year. Export to Pakistan is not helping much to small stockists, as exporters are biggies who are already covered against their requirement for export.

Futures Market Commentary

Chana June contract opened slightly higher versus yesterday closing, but set out moving downward soon after opening and fell into negative zone with in first 5 minutes. Steady downtrend persisted through the day and June contract saw its bottom near 1650 hrs. June contract finally concluded the day off 72 points at Rs 2449 per qtl.

Price Drivers

Bullish

Reserved selling by stockists

Bearish

Subdued demand from consumers' end

Early onset of Monsoon

Weather

Monsoon is progressing well in South. Chana itself is rabi crop, but good sowing of other pulses might have negative impact on it.

TECHNICALS

NCDEX -June Contract

Dark Candlestick body has formed 'long day' pattern. And price line remained below both the EMAs. MACD is in negative territory and further heading downward. Stochastic oscillator is still giving bearish signal, but is in oversold zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2414	2380	2443	2504	2560
July	2512	2471	2552	2620	2687

TRADE RECOMMENDATION:

Sell June contract near 2445 with target of 2420. Second target 2405. Put SL at 2460.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	29.05.06	27.05.06	Change
Rajasthan Desi	Delhi	2400-2425	2460-2465	-35
MP Desi	Delhi	2375-2380	2420-2425	-40
Kantewala	Indore	2300-2330	2350-2360	-20
Desi	Gulbarga	Closed	Closed	-
Gauran	Latur	2150	Closed	-
Annagiri	Latur	2300	Closed	-
G-12/Vijay	Latur	2175	Closed	-
Gauran	Jalna	NA	Closed	-
Pila	Jalna	NA	Closed	-
Mixed	Akola	2320-2325	2335-2340	-10
Chapa	Akola	2350	2375	-25
Desi	Kanpur	2400	2425-2430	-25

TUR

FUNDAMENTALS

Sentiments turned weak in tur markets, as buying remained sluggish in domestic markets. Also, satisfactory advancement of monsoon was taken as another bearish item. Tur is the only pulses, of which if see prices did not appreciate much on year basis like other pulses. Prices of lemon tur a year ago (as on May 30, 2005) in Mumbai was at Rs 1961 per qtl, up against Rs 1801 per qtl today. This was the only pulses crop during last kharif season, which was spared by any kind of weather troubles. Realization was just OK against this crop. So, in some areas of Maharashtra and Karnataka, few acreage under tur might go to urad and moong of which prices had abnormally been good last year.

Futures Market Commentary

Starting of Lemon tur June contract was weak. Futures opened in negative territory and could not even touch unchanged level during the day. Futures fell steadily all through the day and bottomed out just before closing. June contract set its bottom today at 1833 near 1645hrs. Lemon tur June contract ended off 69 points at Rs 1841 per qtl.

Price Drivers

Bullish

Emerging demand for desi tur

Bearish

Arrival of imported cargo from Myanmar

Early onset of monsoon

Weather

Monsoon is advancing well in south. Early arrivals will facilitate early sowing. All eyes are on the monsoon now.

TECHNICALS

NCDEX -June Contract

Tur Candlestick body with opening 'Marubozu' and small lower shadow depicts strong bearish trend. Prices closed below both the 9-days and 18-days EMA. MACD is in negative territory and further dipping downward. Stochastic oscillator is in oversold zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1814	1787	1841	1887	1933
July	1870	1840	1901	1957	2014

TRADE RECOMMENDATION:

Buy June contract near 1840 with target towards 1865, second target 1880. Put SL at 1825.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	29.05.06	27.05.06	Change
Burmese Lemon	Mumbai	1801	1800-1825	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	1975	2050	-75
Karnataka tur	Delhi	2050-75	2150	-75
Red tur	Gulbarga	Closed	Closed	-
Fatka Dall	Gulbarga	Closed	Closed	-
Red Tur	Latur	1975	Closed	-
White Tur	Latur	1975	Closed	-
Red	Jalna	1900-1925	Closed	-
White	Jalna	1950	Closed	-
BDM	Jalna	2000	Closed	-
Marathwada	Akola	1940-1950	1960-1965	-10
Vidarbha	Akola	1920-1925	1930-1935	-5
Local Tur	Vijaywada	1760-1770	1775	-5

Others

Moong

Moong markets continued to see dull trend,. Harvest of small summer crop is continuing in Chindwara and some areas of Madhya Pradesh. Monsoon is advancing well. Traders are expecting increase in acreage under moong in south as well this year.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	29.05.06	27.05.06
Shekhavati	Delhi	3350	3350
Kishangarh	Delhi	3400	3400
Medta/Bisao	Delhi	3400	3400
Desi	Indore	3000-3300	Closed
Muglai	Jalna	NA	Closed
Chamki	Akola	NA	3100-3200

PEAS

Peas markets observed weak trend. Ease in chana markets had negative impact in peas markets as well. Stock of the same is good. Since prices of peas have also been lucrative this year and perspectives further are promising, import of the same might remain good in coming months.

Spot Market Prices of Pea (Rs/qtl)

Center	29.05.06	27.05.06
Mumbai	1281	1281
Kanpur	1310	1330

Masoor

Masoor markets continued to see weak trend. Demand for the same remained subdued both in domestic and international markets. Small improvement was seen in few northern markets of MP on good demand from local stockists.

Spot Market Prices of Masoor (Rs/qtl)

Center	29.05.06	27.05.06
Delhi-MP/kota Line	1825-1900	2075
Delhi- UP/Sikari	2475	2500
Kanpur local mill delivery	1960-1970	1970
Kanpur new- Braeilly Delivery	2030	2020
Kanpur- new Malka Dal	2225-2250	2250-2275
Indore- Masra	1930	Closed
Indore- Masoor New	1910	Closed
Indore- Medium New	1800	Closed
Bahraich-Masoor	2675	2675
Bahraich-Export Chanti	3075	3075
Kolkata (Truck delivery)	3400	3400
Masur Dal	3050	3050

International Prices (\$/ton)

Quality	29.05.06
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 45.970

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