

## PULSES DAILY

June 29, 2006

### URAD

#### FUNDAMENTALS

Urad markets were highly volatile today. Trading however slowed due to increased uncertainty in the markets. Demand remained confined from the retail end/millers in immediate need. On the other hand, importers already have lost interest after recent government action. Sowing of the same is in progress and weather is favourable for the crop. Since, urad is a short-duration crop, importers are in no mood to take chance, ahead. Burmese kept quoting higher prices for their produce due to Nafed tender.

#### Futures Market Commentary

Urad July contract opened firm gapping substantially against yesterday's closing. Futures peaked near 11 am. There was strong resistance at 2830, which futures could not breach, today. Failing to infringe this level, futures set out falling downward and dipped deep in negative territory by 12.10 pm. Futures started moving upward just soon after and steady uptrend took futures again to the positive territory before closing. Urad July futures ended the day up Rs 1 at 2803 per qtl.

#### Price Drivers

##### Bullish

High prices in International markets  
Low stocks in domestic markets

##### Bearish

Likely import by Nafed

#### Weather

Rainfall activity over Gangetic West Bengal, Jharkhand, Orissa and Coastal Andhra Pradesh is likely to increase around 29<sup>th</sup> and 30<sup>th</sup> of June. This activity is likely to extend into Chhattisgarh, East Madhya Pradesh, Vidarbha, East Uttar Pradesh and Telangana subsequently.

#### TECHNICALS

##### NCDEX -July Contract

Candlestick body has formed 'doji star'. Big lower shadow depicts underlying strength in the market. Prices closed below both the 9-days and 18-days EMA. %k line is running above %d line. MACD still is dipping downward.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2765	2728	2803	2835	2868
August	2600	2575	2626	2661	2697

#### TRADE RECOMMENDATION:

Buy July contract near 2800 with target towards 2820. Second target at 2835. Put SL at 2785.

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	28.06.06	27.06.06	Change
Burma Faq	Mumbai	3061	3075	-15
Burma Faq	Delhi	3250	3250	-
Desi	Akola	3200	3200-3300	-
Desi	Indore	2800-3200	2800-3200	-
Desi	Vijaywada	3550	3550-3575	-

## CHANA

### FUNDAMENTALS

Sentiments are improving in chana markets following a recent notification issued by Director General of Foreign Trade (DGFT, Ministry of commerce and Industry) dated June 27, 2006. In this notification, all the pulses are enlisted, which are not permitted to be exported for a period of six months from the date of its issue. However, this ban is not applicable on imports already effected against Advance Licences /Authorisations issued prior to this notification.

### Futures Market Commentary

Starting of chana July contract was bullish, but this zeal did not last for long. Futures peaked near 11 am. This rally was followed by hefty long-liquidation, which took futures deep down into negative territory. Futures spent the whole remaining session in the negative zone. July contract eventually ended the day off Rs 62 at Rs 2170 per qtl.

### Price Drivers

#### Bullish

Good demand for chana from Pakistan

#### Bearish

Ban on Pulses Export

Recent notification by DGFT

### Weather

Rainfall activity over Gangetic West Bengal, Jharkhand, Orissa and Coastal Andhra Pradesh is likely to increase around 29<sup>th</sup> and 30<sup>th</sup> of June. This activity is likely to extend into Chhattisgarh, East Madhya Pradesh, Vidarbha, East Uttar Pradesh and Telangana subsequently.

### TECHNICALS

#### NCDEX -July Contract

Dark candlestick body has formed 'short day' pattern. Both the 9-days and 18-days EMA remained above the price-line. %K line is running below %d line and both are in oversold zone. MACD is dipping down into negative territory.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2114	2057	2170	2251	2331
August	2170	2116	2225	2302	2380

#### TRADE RECOMMENDATION:

Buy July contract near 2170 with target of 2190. Second target 2305. Put SL at 2155.

### Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	28.06.06	27.06.06	Change
Rajasthan Desi	Delhi	2150-2200	2200-2225	-
MP Desi	Delhi	2130-2150	2200	-50
Kantewala	Indore	2165-2170	2170-2200	-
Desi	Gulbarga	2100	2100	-
Gauran	Latur	2000-2050	2120-2150	-70
Annagiri	Latur	2150	2250	-50
G-12/Vijay	Latur	2150	2200	-50
Gauran	Jalna	2200	2200	-
Pila	Jalna	NA	2250	-
Mixed	Akola	2225	2250-2260	-25
Chapa	Akola	2270-2275	2290-2300	-15
Desi	Kanpur	2300	2250	+50

## TUR

### FUNDAMENTALS

Tur markets observed weak trend. Demand for the same remained sluggish. Stockists on the other hand are reserved seller, as majority carries optimistic outlook for long term. Weather is satisfactory in leading producing areas, but traders are expecting some acreage under tur to go to urad crop. Tur is a long duration crop.

### Futures Market Commentary

Lemon tur futures opened firm and peaked with in 25 minutes after opening of the session. Futures lost momentum thereafter and gradual fall took futures down into negative territory. Though futures managed to come out bearish zone couple of times later in the remaining session, but contract eventually ended the day in negative mode.

### Price Drivers

#### Bullish

Likely fall in acreage this year

#### Bearish

Good stock of domestic produce

### Weather

Rainfall activity over Gangetic West Bengal, Jharkhand, Orissa and Coastal Andhra Pradesh is likely to increase around 29<sup>th</sup> and 30<sup>th</sup> of June. This activity is likely to extend into Chhattisgarh, East Madhya Pradesh, Vidarbha, East Uttar Pradesh and Telangana subsequently.

### TECHNICALS

#### NCDEX -July Contract

There was little price action today. Candlestick body has formed 'short day' pattern. Prices for the same closed below both the 9-days and 18-days EMA. Stochastic oscillator is curving downward and is in neutral zone. MACD is falling further into negative territory.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1574	1558	1589	1610	1630
August	1586	1867	1606	1626	1647

#### TRADE RECOMMENDATION:

Buy July contract near 1590 with target towards 1610, second target 1625. Put SL at 1575.

### Spot Market Prices of Tur

Origin/Grade	Center	28.06.06	27.06.06	Change
Burmese Lemon	Mumbai	1550	1575-1580	-25
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	1950	1950	-
Karnataka tur	Delhi	2000	2000	-
Red tur	Gulbarga	1775	1775	-
Fatka Dall	Gulbarga	2650	2650	-
Red Tur	Latur	1800-1820	1800	-
White Tur	Latur	1750-1830	1850-1880	-20
Red	Jalna	NA	NA	-
White	Jalna	1800-1825	NA	-
BDM	Jalna	NA	NA	-
Marathwada	Akola	1820-1825	1850	-25
Vidarbha	Akola	1790-1795	1840	-45
Local Tur	Vijaywada	1765	1780	-15

## Others

### Moong

Moong markets continued to see weak trend. According to traders, increased supply of summer crop in different states and tight government actions kept the market in low spirit.

#### **Spot Market Prices of Moong (Rs/qrtl)**

Origin/Grade	Center	28.06.06	27.06.06
Shekhavati	Delhi	3100	3150
Kishangarh	Delhi	3150	3200
Medta/Bisao	Delhi	3200	3225
Desi	Indore	2800-3200	2800-3200
Muglai	Jalna	NA	NA
Chamki	Akola	2800-3000	2800-3000

### PEAS

Peas markets featured steady trend. Demand for the same remained good from all the consumption centers. According to traders, demand for the same has increased due to still high cost of other alternative pulses.

#### **Spot Market Prices of Pea (Rs/qrtl)**

Center	28.06.06	27.06.06
Mumbai	1200	1201
Kanpur	1260-1270	1250-1260

### Masoor

Government notification updated on the site of DGFT confirmed that the export of pulses is allowed, which took place against Advance Licences/ Authorisations issued prior to that notification.

#### **Spot Market Prices of Masoor (Rs/qrtl)**

Center	28.06.06	27.06.06
Delhi-MP/kota Line	1800	1800
Delhi- UP/Sikari	2350	2350
Kanpur local mill delivery	1850	1820-1850
Kanpur new- Braeilly Delivery	1910-1920	1900-1910
Kanpur- new Malka Dal	2050-2075	2050-2070
Indore- Masra	1720	1750
Indore- Masoor New	1710	1740
Indore- Medium New	1600	1650
Bahraich-Masoor	2600	2600
Bahraich-Export Chanti	2950	2950
Kolkata (Truck delivery)	3300	3300
Masur Dal	2950	2950

#### **International Prices (\$/ton) (CNF 90 days)**

Quality	28.06.06
Burmese new Lemon Tur Mumbai Chennai	345
Burmese FAQ new Tur Mumbai/Chennai	335
Burmese Shwebo Tur Mumbai/Chennai	310-315
Burmese FAQ Urad Mumbai/Chennai	650
Burmese SQ Urad Mumbai/Chennai	700
Burmese Pedishwa Mung Chennai/Mumbai	620
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	500-510

### **Port watch**

- Mumbai Port is receiving 39,700 MT of peas from the vessel 'Blest Marine'. The vessel is being handled by Sahi Oretrans agents.
- 'TCI Arjun' from Yangon has berthed at Kolkata Port and continues to discharge 2,900 MT of pulses. PBSA agents is handling the vessel. Kolkata Port is receiving 20,000 MT of peas from the vessel 'Shang Shai Hai'. B Ghose agents is handling the vessel.

Forex - 1 US\$ - INR 46.400

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