

## PULSES DAILY

June 12, 2006

### URAD

#### FUNDAMENTALS

Urad markets seem to have cornered the import duty reports. Confusions are created by some traders over notification issued by Central Board of Excise and Customs (CBEC) on Friday. Notification said that import duty would be nil on pulses, when imported through customs ports having capacity to handle bulk imports, while people are misinterpreting the same as duty would be nil only when it would be imported in bulk. Monsoon now, is a crucial factor. Sowing has not yet started in Southern states. Monsoon seemingly has moved out from South for now after hitting western coast long before schedule. Extended dry spell is alarming, as stock of the same had been exhausted in most markets in India long ago. Burmese understand situation of Indian markets and have raised their quotes in tune. Presently, Burma is the sole supplier of urad and weather in India is favouring Burmese.

#### Futures Market Commentary

Urad June contract opened firm, but set out falling downward soon after opening. This bearishness did not last long and futures sprang up back after being bottomed out in first 35 minutes. Steady upward trend persisted through the day. Urad June contract ended the day up Rs 78 at Rs 3072 per qtl.

#### Price Drivers

##### Bullish

Weak monsoon in South

High prices in International markets

##### Bearish

Exemption of import duty fully from pulses

#### Weather

Monsoon has weakened in Southern states. Extended dry spell has slowed fieldwork.

#### TECHNICALS

##### NCDEX -June Contract

Candlestick body has formed short day pattern. Prices closed above both the 9-days and 18-days EMA. MACD is moving upward, but still is in negative territory. %k line is still moving upward in neutral zone.

Urad 0606(NCURMM6)2006/06/10 - Daily B:3070.00 A:3079.00  
O 3025.00 H 3088.00 L 2986.00 C 3072.00 V 3,480 I 6,860 +70  
EMA(9) 3034.3 (18) 3043.1



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	3009	2947	3072	3111	3151
July	2980	2924	3035	3075	3114

#### TRADE RECOMMENDATION:

Buy June contract near 3070 with target towards 3100. Second target 3115. Put SL at 3050.

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	10.06.06	09.06.06	Change
Burma Faq	Mumbai	3200	3225	-25
Burma Faq	Delhi	3200	3200	-
Desi	Akola	3200-3300	3100-3200	-
Desi	Indore	2900-3200	2800-3100	-
Desi	Vijaywada	3600	3550	+50

## CHANA

### FUNDAMENTALS

Chana markets also observed firm trend. According to traders, recent weakness in fact was impulsive reaction of the market over news of import duty. Traders say that its own fundamentals are slightly bullish. Stockists see promising perspective of chana in long term. There have been reports that some deep pocketed people are involved in stocking of chana this year and these biggies have the capacity to withstand such jolts. Also, traders do not see possibility of cheaper import ahead. Weather is key factor and IMD is still silent over skewed monsoon pattern so far. Demand for the same is also good from Pakistan, which has already resulted in increase in its prices in international markets.

### Futures Market Commentary

Chana June contract opened firm and spent most of the day in positive territory. Initial 45 minutes were bearish, but futures recovered from this bearish mode in the remaining session. Futures saw day's peak at 2519 near 12.50 pm and eventually ended the day up Rs 24 at Rs 2505 per qtl.

### Price Drivers

#### Bullish

Good demand for chana from Pakistan

Weak monsoon at west coast

#### Bearish

Exemption of import duty fully from pulses

### Weather

Monsoon is weakening. Chana itself is rabi crop, but good sowing pace of other pulses might have impact on it.

### TECHNICALS

#### NCDEX -June Contract

Candlestick body has formed 'spinning top' formation, which shows little price action. Prices closed below both the 9-days and 18-days EMA. MACD is moving upward, but is in negative territory and trading below signal line. %k line is curving downward in neutral zone.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2484	2462	2505	2523	2540
July	2602	2576	2628	2647	2666

#### TRADE RECOMMENDATION:

Buy June contract near 2500 with target of 2520. Second target 2535. Put SL at 2485.

### Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	10.06.06	09.06.06	Change
Rajasthan Desi	Delhi	2425-2435	2400	+25
MP Desi	Delhi	2400	2400	-
Kantewala	Indore	2350	2320	+30
Desi	Gulbarga	2200	2200	-
Gauran	Latur	2150	2150	-
Annagiri	Latur	2250	2250	-
G-12/Vijay	Latur	2200	2200	-
Gauran	Jalna	2200	2200	-
Pila	Jalna	2250	2250	-
Mixed	Akola	2300	2275	+25
Chapa	Akola	2375	2300-2325	+50
Desi	Kanpur	2425	2390-2400	+25

## TUR

### FUNDAMENTALS

Tur markets continued to see sluggish trend. Stock of tur is good in domestic markets, while offtake has been low. Traders blame seasonality for poor offtake in the market. Weather however, has been little fussy and caused bullishness in the market. Sowing of tur has been done in some 30% of the intended area in Karnataka. Extended dry spell in major growing areas has affected/slowed the pace of seeding. According to traders, removal of import duty is also not concerning, as preference for imported tur is declining due to its inferior quality.

### Futures Market Commentary

Lemon tur June contract opened firm, but futures started falling downward with in 10 minutes after beginning of the session. Futures kept oscillating around unchanged level in the first hour and started rising steadily thereafter. Lemon tur June contract ended up Rs 25 at Rs 1769 per qtl.

### Price Drivers

#### Bullish

Increased preference for desi tur  
Weak monsoon in South

#### Bearish

Exemption of import duty fully from pulses  
Good stock of domestic produce

### Weather

Monsoon is weak in interior of Karnataka. Sowing of tur has started in some areas, so rains there are crucial.

### TECHNICALS

#### NCDEX -June Contract

Candlestick body has formed 'harami pattern', which indicates likely reversal in trend. Prices closed below both the 9-days and 18-days EMA. MACD is in negative territory and trading below its signal line. %k line is curving downward.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1748	1726	1769	1783	1796
July	1791	1769	1813	1830	1847

#### TRADE RECOMMENDATION:

Buy June contract near 1770 with target towards 1790, second target 1805. Put SL at 1755.

### Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	10.06.06	09.06.06	Change
Burmese Lemon	Mumbai	1750	1800	-50
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	2075-2100	2075	-
Red tur	Gulbarga	1800	1825	-25
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1900-1925	1825-1870	+30
White Tur	Latur	1850-1900	1850-1970	-
Red	Jalna	1800-1850	1750	+50
White	Jalna	1900	1850	+50
BDM	Jalna	1925	1875	+50
Marathwada	Akola	1890	1850	+40
Vidarbha	Akola	1860-1865	1825-1830	+30
Local Tur	Vijaywada	1800	1780	+20

## Others

### Moong

Sentiments remained easy in moong markets. According to traders prices are still up, while its demand in the physical markets has not been very aggressive. Further, availability is not very concerning due to increased supply of summer crop. Also, its import from Burma is likely, if weather remains fussy.

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

Origin/Grade	Center	10.06.06	09.06.06
Shekhavati	Delhi	3350	3350
Kishangarh	Delhi	3400	3400
Medta/Bisao	Delhi	3400	3400
Desi	Indore	2900-3200	2800-3100
Muglai	Jalna	NA	NA
Chamki	Akola	2950-3050	2950

### PEAS

Peas markets featured steady trend. Big consingments are reaching at Indian ports. But demand for the same has also been equally good. People are confident of its friendly outlook ahead due to increased volatility in other alternative pulses.

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

Center	10.06.06	09.06.06
Mumbai	1251	1261
Kanpur	1290-1300	1290-1300

### Masoor

In absence of fresh lead, masoor markets continued to feature steady trend. Demand for the same remained weak in local markets. Also, demand for the same remained subdued on export front. Since, prices of masoor are very high this year, people have started imploring feasibility of its import after news of removal of import duty.

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

Center	10.06.06	09.06.06
Delhi-MP/kota Line	1975	2000
Delhi- UP/Sikari	2450	2450
Kanpur local mill delivery	1940	1950
Kanpur new-Braeilly Delivery	2010-2020	2000
Kanpur- new Malka Dal	2200	2200
Indore- Masra	1850	1860
Indore- Masoor New	1840	1850
Indore- Medium New	1725	1750
Bahraich-Masoor	2700	2710
Bahraich-Export Chanti	3135	3135
Kolkata (Truck delivery)	3450	3450
Masur Dal	3050	3050

### **International Prices (\$/ton)**

Quality	10.06.06
Burmese new Lemon Tur Mumbai Chennai	350
Burmese FAQ new Tur Mumbai/Chennai	340
Burmese Shwebo Tur Mumbai/Chennai	315
Burmese FAQ Urad Mumbai/Chennai	620-625
Burmese SQ Urad Mumbai/Chennai	675-700
Burmese Pedishwa Mung Chennai/Mumbai	650
Burmese Anneshwar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	470-475

### **Port watch**

Kolkata Port is receiving 22,000 MT of peas from the vessel 'African Protea'. B Ghose agents is handling the vessel.

'Dragonis' from Yangon has berthed at Mumbai Port and continues to deliver 14,800 MT of pulses. 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 these vessels. The port is expecting 'Bounty 7' to deliver 8,500 MT of pulses. The cargo was loaded from Yangon. Able Marine agents will be handling the vessel. Delivery of 5,198 MT of peas is expected at the port from the vessel 'Aston Prelude'. The vessel will be handled by Sahi Oretrans agents.

Delivery of 10,000 MT of peas is expected at New Manglore Port from the vessel 'Best Marine'.

Forex- 1 US\$ - INR 45.920

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