

## PULSES DAILY

June 24, 2006

### URAD

#### FUNDAMENTALS

Urad markets continued to see weak trend on follow-through mood. However, traders do not feel that import of urad by Nafed would be any helpful. Import duty on pulses for private importers also is Zero percent till March 31<sup>st</sup>, 2007. Rather tender to be issued by government agencies would rather have bullish impact on its prices in international markets. Burma is sole supplier of urad in the international markets at present.

#### Futures Market Commentary

Urad futures opened weak and kept falling continuously all through the day. Futures saw day's bottom in the final hour. Both volume and OI remained thin, which traders blame to still high margins and high volatility. Volume against July contract today totaled at 15,900 MT. Urad July contract ended off Rs 163 at Rs 2765 per qtl.

#### Price Drivers

##### Bullish

High prices in International markets

Low stocks in domestic markets

##### Bearish

Likely import by Nafed

#### Weather

Southwest monsoon has further advanced into some more parts of Gujarat Region, remaining parts of Madhya Maharashtra, entire Marathwada and some more parts of Telangana and Chhattisgarh.

#### TECHNICALS

##### NCDEX -July Contract

Dark candlestick body has formed 'long day' pattern. Prices closed below both the 9-days and 18-days EMA. %k line is dipping downward, but is very close to oversold zone. MACD kept falling southward in negative territory.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2705	2646	2765	2872	2980
August	2598	2546	2650	2745	2840

#### TRADE RECOMMENDATION:

Buy July contract near 2760 with target towards 2790. Second target at 2810. Put SL at 2745.

#### Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	23.06.06	22.06.06	Change
Burma Faq	Mumbai	3121-3125	3200	-75
Burma Faq	Delhi	3250-3275	3300	-25
Desi	Akola	3300-3400	3300-3500	-
Desi	Indore	2800-3200	2800-3200	-
Desi	Vijaywada	3550	3550	-

## CHANA

### FUNDAMENTALS

Panic persisted in Chana markets, today. Market in fact has overreacted on news of export ban. Reports of improving weather in southern states and Maharashtra had additional bearish impact. Though government has instructed Nafed to import gram and urad. Import of chana is unlikely before September, as sowing of chana has not yet even started in major exporting nations like Canada, Australia etc. Also, its cheaper import is unlikely, as prices have soared in international markets due to voracious demand from Pakistan. Traders in fact are nervous about further actions States governments are advised to take against hoarders.

### Futures Market Commentary

Chana July contract opened weak and saw series of liquidations at sporadic intervals. Futures spent whole day into negative zone. Futures fell to the final freezing zone at 3.20 pm. Freezing was seen in all the futures of chana at NCDEX.

### Price Drivers

#### Bullish

Good demand for chana from Pakistan

#### Bearish

Ban on Pulses Export

### Weather

Southwest monsoon has further advanced into some more parts of Gujarat Region, remaining parts of Madhya Maharashtra, entire Marathwada and some more parts of Telangana and Chhattisgarh.

### TECHNICALS

#### NCDEX -July Contract

Dark candlestick body has formed long day pattern. Formation of 'Marubozu' shows strength in existing bearish pattern. Prices closed far below both the 9-days and 18-days EMA. Stochastic oscillator is giving bearish signal. MACD is in negative territory and falling downward.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2306	2260	2353	2446	2540
August	2366	2319	2414	2509	2605

#### TRADE RECOMMENDATION:

Sell July contract near 2360 with target of 2330. Second target 2315. Put SL at 2375.

### Spot Market Prices of Chana

(Rs/qty)

Origin/Grade	Center	23.06.06	22.06.06	Change
Rajasthan Desi	Delhi	2300	2450	-150
MP Desi	Delhi	2300	2410-2420	-110
Kantewala	Indore	2250	2350-2360	-100
Desi	Gulbarga	2150	2250	-100
Gauran	Latur	2200	2250-2300	-50
Annagiri	Latur	2300	2375	-75
G-12/Vijay	Latur	2250-2275	2350-2360	-75
Gauran	Jalna	2175	2200-2250	-25
Pila	Jalna	2200-2225	2300-2350	-75
Mixed	Akola	2250	2340-2350	-90
Chapa	Akola	2325	2375-2380	-50
Desi	Kanpur	2370-2375	2420-2425	-45

## TUR

### FUNDAMENTALS

Tur markets also featured bearish trend. Improving weather situation in southern states and spillover weakness in other pulses kept the markets in bearish mode. Weather is crucial factor for tur as sowing is in progress in Karnataka, which is the leading producing state of tur. Though revival of monsoon has not been classy, consistent rains have been helpful for the fieldwork.

### Futures Market Commentary

Lemon tur July contract opened weak gapping substantially with the previous closing. Futures fell persistently through the day and spent whole day in the negative territory. Futures bottomed out near 3.55 pm. Tur July contract ended the day off Rs 101 at Rs 1598 per qtl.

### Price Drivers

#### Bullish

Likely fall in acreage this year

#### Bearish

Good stock of domestic produce

### Weather

Southwest monsoon has further advanced into some more parts of Gujarat Region, remaining parts of Madhya Maharashtra, entire Marathwada and some more parts of Telangana and Chhattisgarh.

### TECHNICALS

#### NCDEX -July Contract

Dark candlestick body has formed 'long day' pattern. Formation of closing 'marubozu' with small upper shadow shows strength in existing bearish pattern. Prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is in oversold zone with out any of confirmation for reversal in trend. MACD is falling downward in negative territory.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1568	1537	1598	1659	1719
August	1586	1556	1616	1676	1736

#### TRADE RECOMMENDATION:

Buy July contract near 1585 with target towards 1610, second target 1625. Put SL at 1565

### Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	23.06.06	22.06.06	Change
Burmese Lemon	Mumbai	1601	1650-1660	-50
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	1925	2000	-75
Karnataka tur	Delhi	2050	2100	-50
Red tur	Gulbarga	1750	1825	-75
Fatka Dall	Gulbarga	2625	2700	-75
Red Tur	Latur	1825-1875	1850-1900	-
White Tur	Latur	1825-1875	1850-1900	-
Red	Jalna	1600-1625	1750-1755	-125
White	Jalna	1650	1800-1850	-150
BDM	Jalna	1775	1925	-150
Marathwada	Akola	1850	1890	-40
Vidarbha	Akola	1840	1870-1875	-30
Local Tur	Vijaywada	1760	1775	-15

## Others

### Moong

Sentiments slightly improved in Moong markets with the emergence of demand from the local millers. However, improving weather in south kept weighing on values. Sowing of moong is in progress in South and Maharashtra.

#### Spot Market Prices of Moong (Rs/qty)

Origin/Grade	Center	23.06.06	22.06.06
Shekhavati	Delhi	3200	3200
Kishangarh	Delhi	3300	3300
Medta/Bisao	Delhi	3350	3350
Desi	Indore	2800-3100	2800-3100
Muglai	Jalna	NA	NA
Chamki	Akola	2850-3100	2850-3100

### PEAS

Peas markets continued to see steady trend. Mild pressure came with ease in chana markets. Arrivals of peas are continuing from overseas markets. According to trade sources, one vessel carrying 10,000 MT of peas has just arrived from Ukraine.

#### Spot Market Prices of Pea (Rs/qty)

Center	23.06.06	22.06.06
Mumbai	1200	1215
Kanpur	1280	1290

### Masoor

Masoor markets observed weak trend. Government has banned export of pulses till Mid-October. But masoor traders do not feel any pressure due to government decision as export of masoor is already low due to less competitive prices in international markets.

#### Spot Market Prices of Masoor (Rs/qty)

Center	23.06.06	22.06.06
Delhi-MP/kota Line	1900	1960
Delhi- UP/Sikari	2400	2430-2435
Kanpur local mill delivery	1900	1930
Kanpur new- Braeilly Delivery	1970-1975	2000
Kanpur- new Malka Dal	2150	2175
Indore- Masra	1770	1870
Indore- Masoor New	1760	1860
Indore- Medium New	1700	1770
Bahraich-Masoor	2625	2670
Bahraich-Export Chanti	3000	3075
Kolkata (Truck delivery)	3350	3400
Masur Dal	2950	3000

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

Quality	23.06.06
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	600-610
Burmese SQ Urad Mumbai/Chennai	675-690
Burmese Pedishwa Mung Chennai/Mumbai	650
Burmese Anneswar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	500-510

### Port watch

- Kolkata Port is receiving 20,000 MT of peas from the vessel 'Shang Shai Hai'. B Ghose agents is handling the vessel. 'Thor Tribute' has berthed at Kolkata Port and continues to discharge 18,620 MT of peas. Multimode agents is handling the vessel.
- Mumbai Port is receiving 39,700 MT of peas from the vessel 'Blest Marine'. The vessel is being handled by Sahi Oretrans agents.

Forex - 1 US\$ - INR 46.010

#### **Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.