

PULSES DAILY

June 09, 2006

URAD

FUNDAMENTALS

Sentiments remained weak on reports of exemption of pulses fully from the custom duty. At present pulses attract customs duty of 10 per cent. In this regard, the Finance Ministry has issued a notification No. 57/2006-Customs, today. The exemption is available up to 31.03.2007 and will apply only to imports through ports having the capacity to handle bulk imports. Weather, however, is crucial factor, which is little fussy. Sowing of urad is done barely in 30% of intended area in Karnataka and is scheduled to start shortly in Maharashtra. Though monsoon has hit long ahead of schedule, it has now started weakening in Southwest zone. Weather factor has helped checking big fall in its prices.

Futures Market Commentary

Urad June Contract featured weak trend through the day. Futures opened steady, but after little upside movements, futures set out falling southward soon. Futures saw day's high within 20 minutes after beginning of the session. Futures bottomed out near 11.10 am and from then on got trapped in narrow range. Urad June contract eventually ended the day off Rs 8 at Rs 3070 per qtl.

Price Drivers

Bullish

Weak monsoon in South
Proposed tender by TCP

Bearish

Arrival of imported cargo from Myanmar
Exemption of all pulses from import duty

Weather

Monsoon has weakened southwest zone, which will delay the fieldwork. .

TECHNICALS

NCDEX -June Contract

Candlestick body has formed 'doji star'. Prices closed above both the 9-days and 18-days EMA. Big lower shadow shows weak downside potential. Stochastic oscillator is giving bullish signal, but has entered into overbought zone. MACD is moving up, but still is in negative territory.

SUPPORT / RESISTANCES:

S1-3037, S2- 3003
R1-3097, R2-3123

TRADE RECOMMENDATION:

Sell June contract near 3070 with target towards 3040. Second target 3010. Put SL at 3085.



Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	08/06/06	07/06/06	Change
Burma Faq	Mumbai	3201-3221	3200	-
Burma Faq	Delhi	3250	3300-3325	-50
Desi	Akola	3100	3200-3300	-100
Desi	Indore	3200	3200	-
Desi	Vijaywada	3600	3625	-25

CHANA

FUNDAMENTALS

In addition to import duty report, sentiments turned weak in chana markets following reports of one consignment scheduled to arrive at Mumbai port shortly from Turkey. Spillover weakness in urad and turmarkets (despite unfavorable weather) resulted in bearishness in chana markets. There had been reports for Pakistan seeking Chana. According to traders, Pakistani government is unlikely to import chana at higher prices. Government there itself selling chana dall in utility stores at Rs 30 per kg. Crop there undoubtedly is short, but government has taken necessary action to curb hoarding tendencies therein. Government there is planning to appoint price magistrates in all districts for the implementation of the price mechanism and these magistrates would be empowered to punish profiteers and hoarders.

Futures Market Commentary

Chana June contract opened firm, today. But after little upside action, futures soon started falling southward. Steady downtrend persisted almost through the day. Futures plunged into negative zone with in 25 minutes after opening of the session. Futures saw day's low near 4.35 pm. Chana June contract ended off Rs 31 at Rs 2526 per qtl.

Price Drivers

Bullish

Proposed tender by TCP

Bearish

Subdued demand from consumers' end
Exemption of all pulses from import duty

Weather

Monsoon is weakening in Southwest region. Chana itself is rabi crop, but sowing progress of other pulses have impact on it.

TECHNICALS

NCDEX -June Contract

Dark candlestick body has formed 'bearish engulfing', but prices still closed above both the 9-days and 18-days EMA. %K line is moving upward, but has entered into overbought zone. MACD is slanting southward and about to make centerline crossover.

SUPPORT / RESISTANCES:

S1-2508, S2-2479

R1-2560, R2-2593

TRADE RECOMMENDATION:

Sell June contract near 2525 with target of 2500. Second target 2475. Put SL at 2545.



Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	08/06/06	07/06/06	Change
Rajasthan Desi	Delhi	2465	2450-2465	-
MP Desi	Delhi	2425	2425-2430	-
Kantewala	Indore	2350	2325-2330	20
Desi	Gulbarga	2200	2200	-
Gauran	Latur	2200	2200	-
Annagiri	Latur	2320	2300	20
G-12/Vijay	Latur	2275	2250	25
Gauran	Jalna	2200	2225-2250	-25
Pila	Jalna	2325	2300	25
Mixed	Akola	2300	2275-2350	25
Chapa	Akola	2400	2400	-
Desi	Kanpur	2440-2450	2425-2430	20

TUR

FUNDAMENTALS

Tur markets featured dull trend on import duty reports. Overall fundamentals also are weak. According to traders, stock is good, while counter sale is low as distributors/retailers seem to have covered enough for their immediate requirements. Also, people have no clue about weather movements ahead, as Indian Meteorological Department (IMD) itself is not in a position to explain the reasons for skewed weather movements in recent.

Futures Market Commentary

Lemon tur June contract opened in a bearish mode and spent most of the day in negative territory. Futures once during the day entered into positive zone near 11.40 am, but for a very brief period. Futures bottomed out near 4.35 pm. Lemon tur June contract ended off Rs 18 at Rs 1818 per qtl.

Price Drivers

Bullish

Increased preference for desi tur

Bearish

Exemption of all pulses from import duty

Good stock of domestic produce

Weather

Monsoon has weakened southwest zone, which will delay the fieldwork. .

TECHNICALS

NCDEX -June Contract

Dark candlestick body has formed 'short day' pattern. Prices closed below 18-days EMA, but is still above 9-days EMA. Stochastic oscillator is curving southward. MACD is in negative territory and tilting southward.

SUPPORT / RESISTANCES:

S1-1806, S2-1795

R1-1834, R2-1851

TRADE RECOMMENDATION:

Sell June contract near 1815 with target towards 1795, second target 1775. Put SL at 1825.



Spot Market Prices of Tur

Origin/Grade	Center	08/06/06	07/06/06	Change
Burmese Lemon	Mumbai	1811-1821	1825	-15
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2000	2025	-25
Karnataka tur	Delhi	2100	2100	-
Red tur	Gulbarga	1825	1850	-25
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1900-1920	1925	-5
White Tur	Latur	1851-1950	1925	-
Red	Jalna	1825-1850	1850-1875	-
White	Jalna	1825	1875	-50
BDM	Jalna	1850	1925	-75
Marathwada	Akola	1870-1890	1915-20	-25
Vidarbha	Akola	1900-1910	1950	-15
Local Tur	Viiavwada	1800	1800	-

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