

PULSES DAILY

June 27, 2006

URAD

FUNDAMENTALS

Fear of further government actions against profiteers/stockists kept urad markets nervous. Nervousness of urad traders is not rational, as there is not much in stocks left in most of the markets. Panic selling in futures markets aggravated the bearishness. Apprehensions against unforeseen actions to be taken by government led to rush for getting short at commodity exchanges. According to some traders, this trend is outcome of excessive speculative activities.

Futures Market Commentary

Starting of Urad July contract was weak and futures moved both side of unchanged level in first 30 minutes. Futures fairly come out of bearish mode thereafter, but this zeal did not last for long. Sharp liquidation in futures started near 12.15 pm. Contract featured roller-coaster trend in next one hour and then got trapped in negative territory. Urad July contract finally ended the day off Rs 49 at Rs 2761 per qtl.

Price Drivers

Bullish

High prices in International markets

Low stocks in domestic markets

Bearish

Likely import by Nafed

Talks that urad to be brought under ESMA

Weather

The offshore trough at sea level from south Gujarat to Kerala coast persists. Fairly widespread rains with heavy to very heavy falls

TECHNICALS

NCDEX -July Contract

Dark candlestick body formed short day pattern and both the 9-days and 18-days EMA remained significantly above price line. %K line is moving upward, but is still in oversold zone. MACD is falling further into negative territory.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2723	2684	2761	2818	2874
August	2589	2547	2630	2694	2757

TRADE RECOMMENDATION:

Sell July contract near 2765 with target towards 2745. Second target at 2730. Put SL at 2780.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	26.06.06	24.06.06	Change
Burma Faq	Mumbai	3121-3131	3131	-
Burma Faq	Delhi	3250	3275	-25
Desi	Akola	3300	3300	-
Desi	Indore	2800-3200	2800-3200	-
Desi	Vijaywada	3550	3550	-

CHANA

FUNDAMENTALS

Chana markets also fell on talks that government could bring chana under ESMA. People are worried about likely government actions. Ultimate sufferers are traders due to delayed action by the government. Prices appreciated abruptly late last year only as aftereffects of low production due to unfriendly weather. Government should have taken action six-seven months back only. Prices of Chana crop were up even at the time of harvest during March. So, farmers had good realization for their produce.

Futures Market Commentary

Chana July futures opened firm and were very volatile during initial five minutes. Futures touched day's high at 2345 with in first hour. Futures moved in narrow range till noon, but set out falling sharply thereafter and this downtrend persisted through the day. Chana July contract ended off Rs 139 at Rs 2179 per qtl.

Price Drivers

Bullish

Good demand for chana from Pakistan

Bearish

Ban on Pulses Export

Talks that Chana to be brought under ESMA

Weather

The offshore trough at sea level from south Gujarat to Kerala coast persists. Fairly widespread rains with heavy to very heavy falls is likely to continue along the west coast.

TECHNICALS

NCDEX -July Contract

Big dark candlestick body has very small lower shadow and has formed 'closing marubozu'. Prices closed far below both the 9-days and 18-days EMA. Stochastic oscillator is in oversold zone and falling further downward. MACD is in negative territory and falling further downward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2122	2068	2179	2290	2400
August	2179	2123	2236	2349	2463

TRADE RECOMMENDATION:

Short July contract near 2180 with target of 2155. Second target 2140. Put SL at 2200.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	26.06.06	24.06.06	Change
Rajasthan Desi	Delhi	2200	2225-2300	-25
MP Desi	Delhi	2165	2300	-135
Kantewala	Indore	2215-2220	2200-2250	-
Desi	Gulbarga	2100	2150	-50
Gauran	Latur	2175	2100	+75
Annagiri	Latur	2300	2175	+125
G-12/Vijay	Latur	2250	2150	+100
Gauran	Jalna	2250	2250	-
Pila	Jalna	2300	2300	-
Mixed	Akola	2200	2275	-75
Chapa	Akola	2225	2311	-85
Desi	Kanpur	2360-2375	2300	+60

TUR

FUNDAMENTALS

Tur markets also appeared nervous on confusions created by rumormongers. Stocks of domestic cargos off course are good, but prices of the same also are very reasonable. Demand already is less due to seasonality factors. Improved weather also has bearish impact. Sowing of tur is in progress in Maharashtra and Karnataka.

Futures Market Commentary

Tur July contract opened in red zone, but managed to come out of this zone with in 20 minutes after opening of the session. Futures posted timid gains thereafter and kept floating in positive zone till 12.15 pm. Sharp liquidation started, as in other pulses, which took futures deep down into negative territory. Lemon tur July contract ended the day off Rs 50 at Rs 1590 per qtl.

Price Drivers

Bullish

Likely fall in acreage this year

Bearish

Good stock of domestic produce

Talks that Tur to be brought under ESMA

Weather

The offshore trough at sea level from south Gujarat to Kerala coast persists. Fairly widespread rains with heavy to very heavy falls is likely to continue along the west coast

TECHNICALS

NCDEX -July Contract

Candlestick body has formed 'short-day' pattern. Formation of 'Spinning top' pattern shows little price action. Prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is moving upward, but is in oversold zone. MACD is in negative territory and moving further downward. RSI is in oversold zone and dipping further downward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1560	1530	1590	1635	1680
August	1571	1540	1602	1649	1696

TRADE RECOMMENDATION:

Buy July contract near 1580 with target towards 1600, second target 1615. Put SL at 1565.

Spot Market Prices of Tur

Origin/Grade	Center	26.06.06	24.06.06	Change
Burmese Lemon	Mumbai	1590	1590	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	1950	1975-2000	-25
Karnataka tur	Delhi	2000	2050	-50
Red tur	Gulbarga	1775	1750	+25
Fatka Dall	Gulbarga	2650	2625	+25
Red Tur	Latur	1825	1800-1825	-
White Tur	Latur	1850	1750-1825	+25
Red	Jalna	1750	1750	-
White	Jalna	1775-1780	1850	-70
BDM	Jalna	1850	1900	-50
Marathwada	Akola	1830	1850	-20
Vidarbha	Akola	1825	1825-1830	-
Local Tur	Vijaywada	1775	1775	-

Others

Moong

Moong markets also observed weak trend. Fundamentally, there was nothing in fresh. Weather is crucial factor for now, which is quite satisfactory. Sowing is in progress in South and Maharashtra.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	26.06.06	24.06.06
Shekhavati	Delhi	3150	3200
Kishangarh	Delhi	3200	3300
Medta/Bisao	Delhi	3225	3300
Desi	Indore	2800-3200	2800-3100
Muglai	Jalna	NA	NA
Chamki	Akola	2800-3000	2800-3000

PEAS

Sentiments eased in Peas markets in sympathy with ease in chana prices. Demand is good for the same, as its use has increased by industries, which use it as alternative of chana due to increased volatility in prices of the later.

Spot Market Prices of Pea (Rs/qtl)

Center	26.06.06	24.06.06
Mumbai	1190	1200
Kanpur	1270-1275	1260-1265

Masoor

Masur markets featured steady trend. Demand for the same remained weak from the east states due to increased availability of other cheaper alternatives. Also, ban on export of pulses had additional bearish impact.

Spot Market Prices of Masoor (Rs/qtl)

Center	26.06.06	24.06.06
Delhi-MP/kota Line	1875	1900
Delhi- UP/Sikari	2350	2400
Kanpur local mill delivery	1875-1880	1870-1875
Kanpur new- Braeilly Delivery	1940	1940
Kanpur- new Malka Dal	2100	2100
Indore- Masra	1760	1715-1720
Indore- Masoor New	1750	1700
Indore- Medium New	1650	1600
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	24.06.06
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	625-630
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

- 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 46.300

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