

## PULSES DAILY

June 15, 2006

### URAD

#### FUNDAMENTALS

Though break in monsoon has slowed the fieldwork, traders do not see anything to come out of the blue now. Government has exempted all the pulses from import duty till March 31<sup>st</sup>, 2007. Stock of urad is good in Burma. Farmers are very much inclined towards this crop. Now, indecision remains only against weather. Indian Meteorological Department (IMD) in its latest forecast has called for revival of monsoon in next 3-4 days. Trading in physical markets has slowed due to increased volatility and uncertainty over weather factor.

#### Futures Market Commentary

Urad July contract opened firm gapping substantially versus yesterday closing, but dipped into negative territory with in 5 minutes after opening. Futures got caught in red zone all through the remaining session. Futures set day's bottom at 2983 near 11.55 am. Futures recouped smartly by end of the day concluding session off Rs 17 at Rs 3018 per qtl.

#### Price Drivers

##### Bullish

High prices in International markets

##### Bearish

Exemption of import duty fully from pulses

Forecast for revival of monsoon

#### Weather

Monsoon though has yet been weak in Southern states, IMD is expecting its revival in 3-4 days.

#### TECHNICALS

##### NCDEX -July Contract

Dark candlestick body has formed short day pattern. Big lower shadow shows limited downside potential. Prices closed below both the 9-days and 18-days EMA. %k line is leaning downward and running below %d line. MACD is in negative territory and about to make centerline crossover.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	3122	3068	3175	3207	3238
July	2986	2953	3018	3048	3077

#### TRADE RECOMMENDATION:

Sell July contract near 3020 with target towards 3000  
Second target 2985. Put SL at 3035.

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	14.06.06	13.06.06	Change
Burma Faq	Mumbai	3200-3211	3211	-
Burma Faq	Delhi	3250	3250	-
Desi	Akola	3200-3250	3300-3400	-50
Desi	Indore	2900-3200	2900-3200	-
Desi	Vijaywada	3525-3550	3550	-

## CHANA

### FUNDAMENTALS

Chana markets continued to see weak trend. Weather was the key culprit for fall in its prices, today. According to Indian Meteorological Department (IMD), probability of monsoon revival over south peninsula is high in next 3-4 days. Chana has no direct relation with weather, but sowing pace of other pulses might impact its prices. Another bearish factor was extension of date for submission of bids against tender issued by Trading Corporation of Pakistan. This extended period would invite interest of more exporters and bidding might remain low due to increased competition.

### Futures Market Commentary

Chana July contract opened weak, but after timid upside movements in the positive zone futures in first 30 minutes fell back in to negative territory. From than on, futures started falling gradually downward till late in the session. Futures set day's bottom near 15.15 hrs. Chana July contract eventually ended the day off Rs 19 at Rs 2594 per qtl.

### Price Drivers

#### Bullish

Good demand for chana from Pakistan

#### Bearish

Forecast for revival of monsoon

Extended date for submission of bids for TCP tender

### Weather

Monsoon though has yet been weak in Southern states; IMD is expecting its revival in 3-4 days.

### TECHNICALS

#### NCDEX -July Contract

Candlestick body has formed 'short day' pattern. Big lower shadow shows underlying strength in the market. Prices however, closed below both the 9-days and 18-days EMA. %k line is leaning southward and is in neutral zone. MACD is in negative territory and moving further downward.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2449	2426	2471	2490	2508
July	2563	2532	2594	2625	2656

#### TRADE RECOMMENDATION:

Sell July contract near 2600 with target of 2580. Second target 2570. Put SL at 2615.

### Spot Market Prices of Chana

(Rs/qrtl)

Origin/Grade	Center	14.06.06	13.06.06	Change
Rajasthan Desi	Delhi	2400-2430	2450-2465	-20
MP Desi	Delhi	2400-2425	2430-2435	-5
Kantewala	Indore	2330-2335	2340	-5
Desi	Gulbarga	2225	2225	-
Gauran	Latur	2150	2175-2200	-25
Annagiri	Latur	2250-2275	2275	-
G-12/Vijay	Latur	2200	2225	-25
Gauran	Jalna	2125	2250	-125
Pila	Jalna	2200	2300	-100
Mixed	Akola	2300	2300	-
Chapa	Akola	2340	2375	-35
Desi	Kanpur	2410	2460	-50

## TUR

### FUNDAMENTALS

Tur markets also observed weak trend. But sole factor in tur market is demand, which has been reported sluggish in domestic markets. According to traders, little delay in weather is unlikely to affect tur crop. Tur is a long duration crop and is sown till late in July. According to traders, supply is sufficient for tur and do not rule out possibility of decline in acreage under the same on year basis. As farmers are more inclined towards other beneficial/lucrative crops like urad and moong etc.

### Futures Market Commentary

Lemon tur July contract opened weak, but made brief bullish attempt setting day's high at 1817 within 20 minutes after opening of the session. Futures fell in negative territory soon after and remained red all through the remaining session. Volume has fallen substantially both in June and July contracts.

### Price Drivers

#### Bullish

Increased preference for desi tur

#### Bearish

Forecast for revival of monsoon  
Good stock of domestic produce

### Weather

Monsoon though has yet been weak in Southern states; IMD is expecting its revival in 3-4 days.

### TECHNICALS

#### NCDEX -July Contract

Dark candlestick body with opening 'marubozu' and small lower shadow shows strength in existing bearish pattern. Prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is giving bearish signal. MACD has just entered into negative territory. Crossing of centreline indicates likely reversing trend.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1709	1689	1730	1762	1795
July	1780	1767	1794	1812	1831

#### TRADE RECOMMENDATION:

Sell July contract near 1800 with target towards 1780, second target 1765. Put SL at 1815.

### Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	14.06.06	13.06.06	Change
Burmese Lemon	Mumbai	1725	1750	-25
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	1980	2000	-20
Karnataka tur	Delhi	2075-2080	2100	-20
Red tur	Gulbarga	1850	1850	-
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1910-1940	1950	-10
White Tur	Latur	1850-1900	1925	-25
Red	Jalna	1800	1750-1800	-
White	Jalna	1800	1850-1900	-50
BDM	Jalna	1850	1900	-50
Marathwada	Akola	1890	1910-1915	-20
Vidarbha	Akola	1860-1865	1900	-35
Local Tur	Vijaywada	1750	1760	-10

## Others

### Moong

Moong markets observed weak trend. Forecast for likely revival of monsoon over South Peninsula in next 3-4 days had overall negative impact on its prices. Supply situation in immediate is also not very concerning due to increased availability of small summer harvest in different production areas.

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

Origin/Grade	Center	14.06.06	13.06.06
Shekhavati	Delhi	3300	3350
Kishangarh	Delhi	3325	3400
Medta/Bisao	Delhi	3350	3400
Desi	Indore	2900-3200	2900-3250
Muglai	Jalna	3000	NA
Chamki	Akola	3000	3050-3100

### PEAS

Peas markets also had no oomph. But stockists are still confident about its friendly outlook due to increased volatility in chana. Also, cost of other pulses like masoor etc is high in areas, where pea is consumed as pulses in areas like UP and MP.

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

Center	14.06.06	13.06.06
Mumbai	1231	1225
Kanpur	1270-1275	1270-1300

### Masoor

Masoor markets continued to see dull trend. Traders blame seasonality for this decline in demand in local markets. According to traders, slight fall in its prices further might attract fresh buying interest from the eastern states. Local buyers are least interested in masoor due to increased availability of other cheaper alternatives.

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

Center	14.06.06	13.06.06
Delhi-MP/kota Line	1975	1975
Delhi- UP/Sikari	2450	2450
Kanpur local mill delivery	1920	1930-1940
Kanpur new- Braeilly Delivery	2000	2010-2015
Kanpur- new Malka Dal	2200	2200-2225
Indore- Masra	1850	1860
Indore- Masoor New	1840	1850
Indore- Medium New	1750	1750
Bahraich-Masoor	2700	2700
Bahraich-Export Chanti	3100	3125
Kolkata (Truck delivery)	3450	3450
Masur Dal	3050	3050

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

Quality	14.06.06
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 Anneswar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	500-510

### **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 Mangalore Port from the vessel 'Best Marine'.

Forex- 1 US\$ - INR 45.980

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