

PULSES DAILY

June 20, 2006

URAD

FUNDAMENTALS

Urad markets are still in confused state. Though latest forecast of Indian Meteorological Department (IMD) is calling revival of monsoon in next 2-3 days, but people are in no mood to take any chance on forecast. Weather pattern has been little skewed since early onset of monsoon (as claimed by IMD) late in May. Sowing of urad is done in more than 40% in some areas of Karnataka. Infrequent rains (giving impression of monsoon revival) have surely beneficial for the already sown crop, but farmers further seem hesitant, as cost of seed and weather risk both are higher.

Futures Market Commentary

Urad July futures were highly volatile in the starting and set the day's high in within 5 minutes and day's low within 30 minutes after opening of the session. Futures soon got trapped in narrow range and kept clinging around unchanged level during mid-hours. Futures finally ended the day in positive territory. Urad July contract finished the day up Rs 6 at Rs 2969 per qtl.

Price Drivers

Bullish

High prices in International markets

Bearish

Exemption of import duty fully from pulses

Forecast for revival of monsoon

Weather

Conditions are favourable for improvement of southwest monsoon activity over the peninsula including Maharashtra within next 2-3 days.

TECHNICALS

NCDEX -July Contract

Candlestick body has formed 'spinning top' formation. Prices closed below both the 9-days and 18-days EMA. %k line is running below %d line in neutral zone. MACD is in negative territory and moving further downward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	3172	3150	3195	3206	3218
July	2944	2920	2969	2995	3022

TRADE RECOMMENDATION:

Buy July contract near 2965 with target towards 2990
Second target at 3015. Put SL at 2950.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	19.06.06	17.06.06	Change
Burma Faq	Mumbai	3150-3175	3200	-25
Burma Faq	Delhi	3300-3325	3250-3275	+25
Desi	Akola	3300	3500	-200
Desi	Indore	2900-3200	2900-3200	-
Desi	Vijaywada	3550-3575	3550	-

CHANA

FUNDAMENTALS

Chana markets were fully in command of rumormongers. There were different reports about the quantity finalized for export to Pakistan. Pakistan is intended to buy some 1.5 lakh ton of chana dall from overseas markets this season. About one lakh ton of chana dall is approved to be imported through private importers and 50,000 MT through Trading Corporation of Pakistan (TCP). Prices for the same in retail market in Pakistan are ranging Rs 34-40 per kg. Government will provide the subsidy of Rs 8 per kg to private importers. To able to provide the same to retail at given price-range importers would find parity at Rs 35- 38 per kg (to have approx 18-20% profit). To get dall at this price, importer will have to shell out 585-635 per ton (CNF).

Futures Market Commentary

Chana futures posted substantial gains during first hour probably on rumors of Pakistan buying Indian chana at higher prices. Profit booking at higher level took futures down from the high. Steady downtrend persisted thereafter. Futures saw substantial fall in the final hour. Futures bottomed out just before closing. July Chana contract ended the day off Rs 22 at Rs 2573 per qtl.

Price Drivers

Bullish

Good demand for chana from Pakistan

Low delivery intentions

Bearish

Forecast for revival of monsoon

Weather

Conditions are favourable for improvement of southwest monsoon activity over the peninsula including Maharashtra within next 2-3 days.

TECHNICALS

NCDEX -July Contract

'Hammer formation' by candlestick body signals likely reversal in pattern. Big upper shadow shows bearishness in the market. Prices closed below both the 9-days and 18-days EMA. Both RSI and stochastic oscillator are giving bearish signals. MACD is moving further downward in negative zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2454	2437	2470	2498	2525
July	2551	2530	2573	2614	2656

TRADE RECOMMENDATION:

Sell July contract near 2580 with target of 2550. Second target 2535. Put SL at 2600.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	19.06.06	17.06.06	Change
Rajasthan Desi	Delhi	2460-2475	2425	+35
MP Desi	Delhi	2450	2400	+50
Kantewala	Indore	2365-2375	2330-2335	+30
Desi	Gulbarga	2250	2225	+25
Gauran	Latur	2300	2200	+100
Annagiri	Latur	2380	2300-2325	+55
G-12/Vijay	Latur	2350	2250	+100
Gauran	Jalna	2200	2200	-
Pila	Jalna	2225	2225	-
Mixed	Akola	2375	2335	+40
Chapa	Akola	2411-2415	2375	+35
Desi	Kanpur	2440	2385-2390	+50

TUR

FUNDAMENTALS

Sentiments remained weak in tur markets. According to traders, since the monsoon cycle is skewed, farmers have deferred sowing urad and moong crop (as both cost of seed and associated risk are higher). Traders fear that delay in rains would result in switching more acreage to tur, as sowing of the same could even be done till late in July. Farmers, otherwise, are least enthusiastic about tur, as stock of tur is reported higher in key terminal markets.

Futures Market Commentary

Though opening of Lemon tur futures today was firm, but futures could not hold higher levels for long. Futures fell into negative zone within 30 minutes after beginning of the session. Futures started falling downward steadily and this downtrend continued all through the day. July contract eventually ended the day off Rs 39 at Rs 1725 per qtl.

Price Drivers

Bullish

Increased preference for desi tur

Bearish

Forecast for revival of monsoon

Good stock of domestic produce

Weather

Conditions are favourable for improvement of southwest monsoon activity over the peninsula including Maharashtra within next 2-3 days.

TECHNICALS

NCDEX -July Contract

Small shadows on either side of dark candlestick body shows strong downward dispositions. Prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is moving downward, but has plunged into negative territory.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1641	1619	1662	1701	1739
July	1703	1681	1725	1758	1791

TRADE RECOMMENDATION:

Sell July contract near 1725 with target towards 1700, second target 1685. Put SL at 1740.

Spot Market Prices of Tur

Origin/Grade	Center	19.06.06	17.06.06	(Rs/qtl) Change
Burmese Lemon	Mumbai	1660-1670	1680	-10
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2000	1975-1980	+20
Karnataka tur	Delhi	2100	2075	+25
Red tur	Gulbarga	1825	1825-1850	-
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1890-1927	1900-1925	-
White Tur	Latur	1920	1850-1915	+5
Red	Jalna	1750-1800	1825	-25
White	Jalna	1825	1850	-25
BDM	Jalna	1900-1925	1900	-
Marathwada	Akola	1885	1900	-15
Vidarbha	Akola	1880	1880	-
Local Tur	Vijaywada	1780	1775	+5

Others

Moong

Moong markets featured steady trend. Weather is one bullish factor. Otherwise, demand for the same has gone down due to higher prices. Sporadic summer harvest also has helped filling shortage of last year crop. Import of the same has slowed due to disparity.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	19.06.06	17.06.06
Shekhavati	Delhi	3250	3250
Kishangarh	Delhi	3375	3375
Medta/Bisao	Delhi	3400	3400
Desi	Indore	2900-3200	2900-3200
Muglai	Jalna	NA	NA
Chamki	Akola	2950-3050	3200

PEAS

Peas markets observed steady trend. Since, prices of other alternative pulses are high and highly volatile, stockists see promising outlook for the same. Frequency of its import has been very high, but stockists are least bothered about increase supply, as are expecting similar pace of demand.

Spot Market Prices of Pea (Rs/qtl)

Center	19.06.06	17.06.06
Mumbai	1200	1190
Kanpur	1290	1270

Masoor

Masoor markets observed mixed trend. According to traders, increased availability of other cheaper alternatives has resulted in reduced demand for the same from eastern markets. According to sources, large number of consignments of peas has reached at Kolkata port in recent. These cargos are more attractive due to recent waiver of import duty.

Spot Market Prices of Masoor (Rs/qtl)

Center	19.06.06	17.06.06
Delhi-MP/kota Line	1980-1985	1975
Delhi-UP/Sikari	2450	2450
Kanpur local mill delivery	1935	1920-1925
Kanpur new-Braeilly Delivery	1980	2000
Kanpur- new Malka Dal	2175	2200
Indore- Masra	1870-1880	1850
Indore- Masoor New	1860-1870	1840
Indore- Medium New	1775	1750
Bahraich- Masoor	2670-2675	2700
Bahraich- Export Chanti	3080	3100
Kolkata (Truck delivery)	3400	3450
Masur Dal	2900-3000	3050

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

Quality	19.06.06
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	490-500

Port watch

- 'Thor Tribute' has berthed at Kolkata Port and continues to discharge 18,620 MT of peas. Multimode agents are handling the vessel. Kolkata Port is receiving 12,000 MT of peas from the vessel 'Falcon Traveller'. B Ghose agents is handling the vessel.
- Delivery of 5,658 MT of peas is continuing at Mumbai Port from the vessel 'Aston Prelude'. Sahi Oretrans agents is handling the vessel. Mumbai Port is receiving 8,500 MT of pulses from the vessels 'Bounty 7'. The cargo was loaded from Yangon. Able Marine agents is handling the vessel. The port is expecting 'Blest Marine' to deliver 39,700 MT of peas. These vessels will be handled by Sahi Oretrans agents.

Forex - 1 US\$ - INR 45.890

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