

## PULSES DAILY

June 10, 2006

### URAD

#### FUNDAMENTALS

Both bullish and bearish factors are equally weighing in urad markets. News of exemption of pulses fully from custom duty caused panic among those having long positions in futures market. Trading remained low both in physical and futures markets. Latest amendment in the principal notification that was published in the gazette of India Extraordinary, vide number G.S.R. 118(E), dated the 1<sup>st</sup> March, 2002, which was published in the Gazette of India Extraordinary vide number G.S.R. 343 (E), dated the 6<sup>th</sup> June 2006 calls for exemption of pulses fully from custom duty when imported through customs ports having capacity to handle bulk imports. Weather factors, however, helped checking decline in its prices. Sowing of urad is likely to start shortly. Extended dry spell might delay in fieldwork.

#### Futures Market Commentary

Urad futures opened weak and set out falling southward soon after opening of the session. Futures bottomed out near 1.10 pm. Futures retreated soon after bottoming out, but could not ever touched the unchanged level during the day. Urad June contract ended off Rs 55 at Rs 3002 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 'short day' pattern. Big lower shadow shows underlying strength in the market. Prices closed below both the 9-days and 18-days EMA. MACD is moving upward, but is in negative territory. %k line is tipping with %d line and curving downward and in neutral zone.

##### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2914	2827	3002	3075	3149
July	2887	2798	2975	3037	3098

##### TRADE RECOMMENDATION:

Sell June contract near 3020 with target towards 2980. Second target 2960. Put SL at 3045.

Urad 0606(NCURMM6)2006/06/09 - Daily B:2991.00 A:3002.00  
O 3061.00 H 3061.00 L 2900.00 C 3002.00 V 7,530 I 6,560 -68  
EMA(9) 3024.9 (18) 3039.8



#### Spot Market Prices of Urad

Origin/Grade	Center	09/06/06	08/06/06	Change
Burma Faq	Mumbai	3225	3201-3221	-5
Burma Faq	Delhi	3225-3250	3250	-
Desi	Akola	3100-3200	3100	-
Desi	Indore	2800-3100	3200	-100
Desi	Vijaywada	3550	3600	-50

(Rs/ctl)

## CHANA

### FUNDAMENTALS

Chana markets also observed weak trend. Though removal of duty is not going to affect the chana directly in immediate, but people are nervous about likely rise in import later this year. People are having good stocks in both interior and terminal markets. We usually import chana from Australia and Canada, where farmers are highly inclined towards pulses. The only supportive factor is likely good demand from Pakistan. but importers there will not venture to import costly chana, as government there is very cautious against escalating prices of pulses and has taken many corrective measures to control the same.

### Futures Market Commentary

Chana June futures also opened weak, but recouped substantially most of what it shed in the early hours by end of the day. Futures bottomed out near 12.35 pm and from then on it set out moving upward steadily, but ended the day in negative zone. Chana June contract ended off Rs 41 at Rs 2481 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

Candlestick body has formed short day pattern, but big lower shadow shows limited downside potential. Prices closed below both the 9-days and 18-days EMA. MACD is moving upward, but still is in negative zone. Stochastic oscillator has started curving downward.

#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	2431	2382	2481	2522	2564
July	2482	2465	2500	2574	2649

#### TRADE RECOMMENDATION:

Sell June contract near 2485 with target of 2435. Second target 2415. Put SL at 2515.



### Spot Market Prices of Chana

(Rs/qty)

Origin/Grade	Center	09/06/06	08/06/06	Change
Rajasthan Desi	Delhi	2400	2465	-65
MP Desi	Delhi	2400	2425	-25
Kantewala	Indore	2320	2350	-30
Desi	Gulbarga	2200	2200	-
Gauran	Latur	2150	2200	-50
Annagiri	Latur	2250	2320	+30
G-12/Vijay	Latur	2200	2275	-75
Gauran	Jalna	2200	2200	-
Pila	Jalna	2250	2325	-75
Mixed	Akola	2275	2300	-25
Chapa	Akola	2300-2325	2400	-75
Desi	Kanpur	2390-2400	2440-2450	-40

# TUR

## FUNDAMENTALS

Tur markets continued to see sluggish trend. Stock of domestic tur is good, but traders feel, even if import increases that would not make much difference. Preference of local millers has increased for local produce, while demand for the imported tur is low in domestic markets due to its inferior quality. Earlier importers were dumping such discarded imported produce in futures markets, but volume of trade there also has gone down due to higher margins and partially due to quality concerns.

## Futures Market Commentary

Tur June contract opened weak and fell to day's bottom at 1721 near 1.10 pm. Futures then got stuck in narrow range and kept oscillating between Rs 1726-1757 per qtl. Futures eventually ended the day in bearish mode. Leom tur June contract ended off Rs 76 at Rs 1740 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 with 'opening marubozu' and relatively small lower shadow validates bearish pattern. Prices closed below both the 9-days and 18-days EMA. MACD is moving upward, but still is trading below signal line. Stochastic oscillator is tilting downward in neutral zone.

### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
June	1706	1671	1740	1790	1839
July	1745	1707	1784	1831	1879

### TRADE RECOMMENDATION:

Sell June contract near 1750 with target towards 1705, second target 1680. Put SL at 1775.



## Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	09/06/06	08/06/06	Change
Burmese Lemon	Mumbai	1800-1850	1811-1821	-
Burmese Lemon	Delhi	NA	NA	-
Maharashtra tur	Delhi	2000	2000	-
Karnataka tur	Delhi	2100	2100	-
Red tur	Gulbarga	1825	1825	-
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1825-1870	1900-1920	-30
White Tur	Latur	1850-1970	1851-1950	-
Red	Jalna	1750	1825-1850	-75
White	Jalna	1800	1825	-25
BDM	Jalna	1850	1850	-
Marathwada	Akola	1850	1900-1910	-50
Vidarbha	Akola	1825-1830	1870-1890	-40
Local Tur	Vijaywada	1780	1800	-20

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