

## PULSES DAILY

July 05, 2006

### URAD

#### FUNDAMENTALS

Sentiments remained firm in urad markets. Exorbitant rains in Mumbai and surrounding areas have badly affected the trading. Markets seem to have overdone against government actions toward checking inflation. Consignments from Myanmar will be reaching by end of this month or early next month. Suppliers at present are the importers only, who themselves have imported this urad at higher prices. According to traders, carry-forward stocks in most of the major markets had been exhausted long ago. Govt should envisage long term plan, as weather pattern this year also does not seem normal. According to Indian Meteorological Department (IMD), realized rainfall over the country as a whole since onset of monsoon over Kerala till 28<sup>th</sup> June was deficient by 8%. Update by IMD further predicts monsoon rainfall likely to be 92% of the Long Period Average (LPA) with a model error of  $\pm 4\%$ .

#### Futures Market Commentary

Urad July contract opened high gapping substantially against previous closing. Though futures sneaked into negative territory for a very brief period in the initial hour, futures spent most of the day into green zone. Futures touched the day's high at 2859 near 13.25 pm. July Contract finished up Rs 17 at Rs 2842 per qtl.

#### Price Drivers

##### Bullish

High prices in International markets

##### Bearish

Import by Nafed

Retailing by Delhi Govt

#### Weather

Widespread rains with heavy to very heavy falls at a few places is likely over East Madhya Pradesh, Telengana, Madhya Maharashtra, Marathwada and Vidarbha for next 1-2 days

#### TECHNICALS

##### NCDEX -July Contract

Candlestick body has formed 'doji star'. Prices closed above 9-days EMA, but remained below 18-days EMA. Stochastic oscillator is moving upward and above %d line. MACD is moving upward, but is in negative territory and still below trading line.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2818	2795	2842	2862	2883
August	2597	2578	2615	2637	2658

#### TRADE RECOMMENDATION:

Buy July contract near 2840 with target towards 2865. Second target at 2880. Put SL at 2825.

#### Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	04.07.06	03.07.06	Change
Burma Faq	Mumbai	3050	3000-3025	+25
Burma Faq	Delhi	3200	3150	+50
Desi	Akola	3200	3200	-
Desi	Indore	2700-3000	2700-3000	-
Desi	Vijaywada	3550	3500	+50

## CHANA

### FUNDAMENTALS

Chana markets observed steady trend. Traders in the markets are little nervous about likely actions to be taken by the government to check inflation. Congress party chief Smt Sonia Gandhi has called meeting of Chief Ministers of congress-ruled states on Wednesday to decide on further action plan to deal inflation issue. Demand for the same is improving in the interior markets at lower prices for the festivals ahead. However, buying remained confined from the actual users/millers. Speculators remained away due to increased uncertainty amidst fear of extended govt efforts to curb pulses prices.

### Futures Market Commentary

Chana July futures were highly volatile during the day. Opening was firm, but futures fell off soon into negative territory. Though futures managed to get green once thereafter during the first half itself, futures spent most of the day into negative territory. July chana contract eventually ended the day off Rs 10 at Rs 2194 per qtl.

### Price Drivers

#### Bullish

Unavailability and high prices of chana in international markets

#### Bearish

Ban on Pulses Export

### Weather

Widespread rains with heavy to very heavy falls at a few places is likely over East Madhya Pradesh, Telengana, Madhya Maharashtra, Marathwada and Vidarbha for next 1-2 days

### TECHNICALS

#### NCDEX -July Contract

Dark candlestick body has formed 'short day' pattern. Prices closed below both the 9-days and 18-days EMA. %k line is running above %d line in to neutral zone. MACD though moving upward, but is still trading below its signal line.



### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2183	2173	2194	2207	2221
August	2233	2223	2243	2255	2267

### TRADE RECOMMENDATION:

Sell July contract near 2200 with target of 2175. Second target 2160. Put SL at 2215.

### Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	04.07.06	03.07.06	Change
Rajasthan Desi	Delhi	2250	2250	-
MP Desi	Delhi	2225	2200	+25
Kantewala	Indore	2200	2190-2200	-
Desi	Gulbarga	2125	2125	-
Gauran	Latur	2050-2100	2000-2050	-
Annagiri	Latur	2200	2160	+40
G-12/Vijay	Latur	2150	2100	+50
Gauran	Jalna	NA	2200	-
Pila	Jalna	NA	2250	-
Mixed	Akola	2240	2175	+65
Chapa	Akola	2270	2200	+70
Desi	Kanpur	2300	2290	+10

## TUR

### FUNDAMENTALS

Tur markets featured range-bound trading. Traders are expecting slight improvement in demand with in a fortnight or so. Prices of tur are already running low on year basis, while stock is good. Market remained under mild pressure with fresh harvest of moong in some early sown areas of Karnataka. Tur is used in some areas as substitute of Moong.

### Futures Market Commentary

Lemon tur July contract featured roller-coaster trend through the day. Opening was weak and futures bottomed out within 20 minutes after opening of the session. Day's high was set at 1585 near 10.50 am. Futures kept moving both side of unchanged level during the day and ended the day on negative note. NCDEX July tur contract finished off Rs 2 at Rs 1573 per qtl.

### Price Drivers

#### Bullish

Likely fall in acreage this year

#### Bearish

Good stock of domestic produce

### Weather

Widespread rains with heavy to very heavy falls at a few places is likely over East Madhya Pradesh, Telengana, Madhya Maharashtra, Marathwada and Vidarbha for next 1-2 days

### TECHNICALS

#### NCDEX -July Contract

Candlestick body has formed 'doji star' and prices closed below both the 9-days and 18-days EMA. %k line is heading upward and running above %d line. MACD is also moving northwardly, but is running in negative territory and trading below its signal line.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1564	1556	1573	1583	1594
August	1584	1574	1595	1610	1626

#### TRADE RECOMMENDATION:

Buy July contract near 1575 with target towards 1595, second target 1605. Put SL at 1560.

### Spot Market Prices of Tur

Origin/Grade	Center	04.07.06	03.07.06	(Rs/qtl) Change
Burmese Lemon	Mumbai	1550	1500-1525	+25
Burmese Lemon	Delhi	1800	1800	-
Maharashtra tur	Delhi	1900	1900	-
Karnataka tur	Delhi	1950-2000	2000	-
Red tur	Gulbarga	1730-1735	1775	-40
Fatka Dall	Gulbarga	2600	2600	-
Red Tur	Latur	1800-1825	1775-1800	-
White Tur	Latur	1850-1865	1800-1890	-
Red	Jalna	NA	1750	-
White	Jalna	NA	1800	-
BDM	Jalna	NA	1850-1875	-
Marathwada	Akola	1840-1845	1825	+15
Vidarbha	Akola	1811-1815	1780	+30
Local Tur	Vijaywada	1600	1650	-50

## Others

### Moong

Harvest of moong in some early sown areas in Karnataka is in progress. In northern India, demand for the marriage season helped keeping the markets in upbeat mood. Also, recent actions by government kept weighing on values. As informed by the traders, Delhi govt has asked grain merchants for 100 ton each of moong dhuli and urad dhuli dall to vend in its retail centers at Rs 38 per kg.

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

Origin/Grade	Center	04.07.06	03.07.06
Shekhavati	Delhi	3100	3100
Kishangarh	Delhi	3100	3100
Medta/Bisao	Delhi	3200	3200
Desi	Indore	2700-3000	2700-3000
Muglai	Jalna	NA	NA
Chamki	Akola	2500-2800	2500-2800

### PEAS

Peas markets continued to feature steady trend irrespective of increased supply. Demand for the same has been good in the domestic markets. According to sources, more than one lakh ton of pea is in discharge at different ports.

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

Center	04.07.06	03.07.06
Mumbai	1190-1200	1200
Kanpur	1260	1260

### Masoor

Sentiments improved in Masoor markets on fresh demand from the eastern states. Also, stockists do not see good reasons to go short impulsively. As govt has banned export of pulses for six months only, exporters carry optimistic outlook for the same in long term. As per reports from the major exporting nation Canada, lentil production is likely to fall by more than 50% in 2006-07 on year basis. So, chances of our export finding parity cannot be ruled out.

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

Center	04.07.06	03.07.06
Delhi-MP/kota Line	1850	1850
Delhi- UP/Sikari	2325	2325
Kanpur local mill delivery	1850	1850
Kanpur new-Braeilly Delivery	1915	1900
Kanpur- new Malka Dal	2070-2075	2050
Indore- Masra	1780	1750
Indore- Masoor New	1770	1740
Indore- Medium New	1675	1625
Bahraich-Masoor	2625	2600
Bahraich-Export Chanti	2900	2875
Kolkata (Truck delivery)	3250	3250
Masur Dal	2925	2900

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

Quality	04.07.06
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	650
Burmese SQ Urad Mumbai/Chennai	700
Burmese Pedishwa Mung Chennai/Mumbai	620
Burmese Anneswar Mung Mumbai	NA
Burmese Pokako Mung Mumbai/Chennai	NA
Australian Chickpea Chennai/Mumbai	500-510

### **Port watch**

- 'Barra' has berthed at Kandla Port and continues to discharge 41,189 MT of yellow peas. Sahi Oretrans agents is handling the vessel.
- Kolkata Port is receiving 3,300 MT of pulses from the vessel 'Supreme'. The cargo was loaded from Yangon. B Ghose agents is handling the vessel. Delivery of 1,747 MT of pulses is continuing at Kolkata Port from the vessel 'HPA An'. The cargo was loaded from Yangon. Pennon agents is handling the vessel. Kolkata Port is receiving 20,000 MT of peas from the vessel 'Shang Shai Hai'. B Ghose 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 45.980

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