

PULSES DAILY

July 06, 2006

URAD

FUNDAMENTALS

Urad markets observed steady trend. Impulsiveness in the futures markets traders said had no ground. People were little nervous about outcome of the meeting of CWC chief with the chief ministers of congress-ruled states. In this meeting, CWC chief Smt Sonia Gandhi stressed on strengthening of Public Distribution System (PDS), while Ministers called for regulation of essential commodities act. However, traders feel that rushing for essential commodities act will not be a wise decision, as it would discourage active participation of traders in agri-business, which again will not be in interest of farmers.

Futures Market Commentary

Urad July futures opened weak and set out falling downward just after opening of the session. This downtrend persisted till 12.10 pm, after which steady gains took futures into positive zone by the final hour. Futures however, ended the day into negative zone. Urad July contract ended off Rs 2 at Rs 2840 per qtl.

Price Drivers

Bullish

High prices in International markets

Bearish

Import by Nafed

Retailing by Delhi Govt

Weather

The ongoing enhanced rainfall activity with heavy to very heavy falls at a few places is likely to continue over Gujarat and north Madhya Maharashtra during next 48 hours, with gradual decrease thereafter. The rain belt is likely to extend into southeast Rajasthan from tomorrow with isolated heavy rainfall.

TECHNICALS

NCDEX -July Contract

Candlestick body has formed 'doji star' for the second consecutive day, which depicts increased indecisiveness in the market. Big lower shadow shows limited downside potential. Prices closed above 9-days EMA, but remained below 18-days EMA. Stochastic oscillator is moving upward. MACD is rising northwardly.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2805	2770	2840	2867	2894
August	2569	2528	2611	2646	2682

TRADE RECOMMENDATION:

Buy July contract near 2840 with target towards 2865. Second target at 2875. Put SL at 2825.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	05.07.06	04.07.06	Change
Burma Faq	Mumbai	3050	3050	-
Burma Faq	Delhi	3200	3200	-
Desi	Akola	3200-3300	3200	-
Desi	Indore	2700-3000	2700-3000	-
Desi	Vijaywada	3550	3550	-

CHANA

FUNDAMENTALS

Traders again have started exploring feasibility of export of chana to Pakistan. Director General of Foreign Trade (DGFT) has made couple of amendments in its notification no 15 issued earlier on June 27, 2006. First amendment in its notification no 15 decrees extended ban on pulses export till March 31st, 2007. In second amendment, DGFT added that this ban is not applicable on pulses export against irrevocable Letter of Credits opened on or after June 22nd, 2006.

Futures Market Commentary

Chana futures opened weak gapping high versus previous closing. Futures fell sharply just after beginning of the session. This downhill movement though stopped after substantial fall in first 10 minutes, sharp liquidation again was seen near 12 noon taking futures down to day's bottom at 2130. Steady gains thereafter helped recouping most of what it shed before noon, but could not recover from the negative mode. Chana July contract ended off Rs 20 at Rs 2174 per qtl.

Price Drivers

Bullish

Unavailability and high prices of chana in international markets

Bearish

Ban on Pulses Export extended till March 31st, 2007

Weather

The ongoing enhanced rainfall activity with heavy to very heavy falls at a few places is likely to continue over Gujarat and north Madhya Maharashtra during next 48 hours, with gradual decrease thereafter. The rain belt is likely to extend into southeast Rajasthan from tomorrow with isolated heavy rainfall.

TECHNICALS

NCDEX -July Contract

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. Stochastic oscillator is giving bullish signal. MACD is rising upward, but trading below the signal line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2140	2105	2175	2200	2225
August	2177	2139	2215	2245	2275

TRADE RECOMMENDATION:

Buy July contract near 2170 with target of 2190. Second target 2205. Put SL at 2155.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	05.07.06	04.07.06	Change
Rajasthan Desi	Delhi	2225	2250	-25
MP Desi	Delhi	2200	2225	-25
Kantewala	Indore	2170	2200	-30
Desi	Gulbarga	2100	2125	-25
Gauran	Latur	2050-2100	2050-2100	-
Annagiri	Latur	2200	2200	-
G-12/Vijay	Latur	2150	2150	-
Gauran	Jalna	NA	NA	-
Pila	Jalna	NA	NA	-
Mixed	Akola	2225	2240	-15
Chapa	Akola	2250	2270	-20
Desi	Kanpur	2300	2300	-

TUR

FUNDAMENTALS

Tur markets continued to see sluggish trend due to subdued demand in the physical markets. Stock of tur both of domestic and imported is good. Fundamentals are also bearish on the weather front. Sowing of tur is still in progress in some of the areas in Maharashtra, while it's nearing completion in Karnataka. Weather is good for the crop and fieldwork in these states.

Futures Market Commentary

Lemon tur July contract opened weak, but made brief upside movement for a very brief period just after opening of the session. Day's high was set within five minutes after opening of the session. Futures fell back in to negative territory within 10 minutes after opening of the session. Futures spent rest of the day into negative territory. Sharp liquidation was seen near 12 noon, which is followed by speedy recovery. But futures could not come out of negative territory till closing. Lemon tur July contract ended the day off Rs 8 at Rs 1565 per qtl.

Price Drivers

Bullish

Likely fall in acreage this year

Bearish

Good stock of domestic produce

Weather

The ongoing enhanced rainfall activity with heavy to very heavy falls at a few places is likely to continue over Gujarat and north Madhya Maharashtra during next 48 hours, with gradual decrease thereafter. The rain belt is likely to extend into southeast Rajasthan from tomorrow with isolated heavy rainfall.

TECHNICALS

NCDEX -July Contract

'Doji star' formation by candlestick body shows indecisiveness in the market. Prices closed below both the 9-days and 18-days EMA. %K line is running above % d line, which suggests gaining momentum. MACD is also heading upward, but is still trading below its signal line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1551	1536	1565	1579	1592
August	1569	1552	1587	1606	1626

TRADE RECOMMENDATION:

Buy July contract near 1565 with target towards 1580, second target 1590. Put SL at 1550.

Spot Market Prices of Tur

Origin/Grade	Center	05.07.06	04.07.06	(Rs/ctl) Change
Burmese Lemon	Mumbai	1521-1540	1550	-10
Burmese Lemon	Delhi	1800	1800	-
Maharashtra tur	Delhi	1900	1900	-
Karnataka tur	Delhi	1950-2000	1950-2000	-
Red tur	Gulbarga	1725	1730-1735	-5
Fatka Dall	Gulbarga	2550	2600	-50
Red Tur	Latur	1800-1825	1800-1825	-
White Tur	Latur	1800-1870	1850-1865	-
Red	Jalna	NA	NA	-
White	Jalna	NA	NA	-
BDM	Jalna	NA	NA	-
Marathwada	Akola	1825	1840-1845	-15
Vidarbha	Akola	1790	1811-1815	-20
Local Tur	Vijaywada	1600-1625	1600	-

Others

Moong

Sentiments remained slightly firm on regular demand from the retail end for marriage season. Presently, moong in Delhi is arriving from Bihar. Traders informed that average 5-6 trucks of moong are arriving daily in Delhi.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	05.07.06	04.07.06
Shekhavati	Delhi	3100	3100
Kishangarh	Delhi	3125	3100
Medta/Bisao	Delhi	3250	3200
Desi	Indore	2700-3000	2700-3000
Muglai	Jalna	NA	NA
Chamki	Akola	2500-2800	2500-2800

PEAS

Trading remained thin in peas markets. Its trading in Maharashtra had affected due to heavy rains. Traders, however, are optimistic about its friendly outlook ahead.

Spot Market Prices of Pea (Rs/qtl)

Center	05.07.06	04.07.06
Mumbai	1201	1190-1200
Kanpur	1270	1260

Masoor

Masoor markets observed steady trend in most markets. Demand for the same remained sluggish from the major consumption centers. Govt although has extended the ban on pulses export, but also has made it clear that this ban is not applicable on export against irrevocable letters of credit opened on or after June 22, 2006.

Spot Market Prices of Masoor (Rs/qtl)

Center	05.07.06	04.07.06
Delhi-MP/kota Line	1850	1850
Delhi- UP/Sikari	2325	2325
Kanpur local mill delivery	1860	1850
Kanpur new- Braeilly Delivery	1910	1915
Kanpur- new Malka Dal	2050	2070-2075
Indore- Masra	1770	1780
Indore- Masoor New	1760	1770
Indore- Medium New	1675	1675
Bahraich-Masoor	2625	2625
Bahraich-Export Chanti	2900	2900
Kolkata (Truck delivery)	3250	3250
Masur Dal	2900	2925

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

Quality	05.07.06
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 5,242 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 46.030

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