

PULSES DAILY

July 20, 2006

URAD

FUNDAMENTALS

There is nothing-fresh conciliatory change in fundamentals. Weather situation is bit concerning in Karnataka and southern Maharashtra (Latur belts). Import is also loosing lustre with the weakening of Rupee versus dollar. In last fortnight alone, INR has fallen by Rs 1 versus USD. However, weather has not been concerning in upper (north and central) Maharashtra. Weather situation has improved in Central India and northern states including UP as well. Acreage this year is reported to have increased in Southern states, but weather has not been very supportive.

Futures Market Commentary

Urad August contract opened firm gapping significantly versus previous closing. Futures sent whole day in green zone and saw abrupt upside movements before cooling by end of the session. August futures jumped as high to 2975 during the day, but futures did not sustain near this level for long. August contract finished up Rs 31 at Rs 2900 per qtl. July futures however ended the day at day's high at Rs 3230 per qtl.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Import by Nafed, PEC, MMTC

Weather

The current scenario suggests that fairly widespread rains with isolated heavy falls is likely over east, central and northwest India during next 2-3 days. The ongoing rainfall activity over Konkan & Goa, Gujarat and Rajasthan is also likely to increase during next 2-3 days

TECHNICALS

NCDEX -August Contract

Candlestick body has formed 'inverted hammer'. Big uppers shadow shows bearish pattern. Prices still closed above both the slow and fast moving averages. MACD has just made centerline crossover. %k line is moving upward and running above %d line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	3185	3139	3230	3253	3275
August	2860	2821	2900	2957	3015

TRADE RECOMMENDATION:

Buy August contract near 2890 with target towards 2915. Second target at 2930. Put SL at 2875.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	19.07.06	18.07.06	Change
Burma Faq	Mumbai	3150-3200	3140	+10
Burma Faq	Delhi	3270-3275	3275	-
Desi	Akola	2900-2950	3000-3300	-50
Desi	Indore	2800-3100	2800-3100	-
Desi	Vijaywada	3650	3650	-

CHANA

FUNDAMENTALS

Chana markets also caught fire on weather factor. Firming up of cash basis caused nervousness among people having long positions at NCDEX. Further, there has not been any delivery intentions submitted by sellers for chana against July month. Panic covering by shorts at NCDEX aggravated bullishness in this market. However, weather situation is improving in Rajasthan. Latest forecast of Indian Meteorological Department (IMD) has called for rainfall activities in eastern Rajasthan, which is likely to increase in next 3-4 days.

Futures Market Commentary

Chana futures opened slightly firm and kept hanging higher through the day. August and September were the most active contracts. Open interest against July month has fallen to 8490, far lower than its stock of 12,484 MT as on July 18 in different warehouses of NCDEX. Stock is higher in Indore (10,705 MT).

Price Drivers

Bullish

High prices of chana in international markets

Bearish

Ban on Pulses Export extended till March 31st, 2007

Weather

The current scenario suggests that fairly widespread rains with isolated heavy falls is likely over east, central and northwest India during next 2-3 days. The ongoing rainfall activity over Konkan & Goa, Gujarat and Rajasthan is also likely to increase during next 2-3 days

TECHNICALS

NCDEX -August Contract

White candlestick body has formed 'bullish engulfing' pattern. Formation of 'opening marubozu' and relatively small upper shadow shows strongly bullish markets. MACD is moving upward, but is in negative territory. %k line is heading upward, but has just entered into overbought zone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2351	2317	2385	2408	2431
August	2397	2367	2428	2454	2481

TRADE RECOMMENDATION:

Sell August contract near 2435 with target of 2415. Second target 2400. Put SL at 2450.

Spot Market Prices of Chana

(Rs/qty)

Origin/Grade	Center	19.07.06	18.07.06	Change
Rajasthan Desi	Delhi	2390-2395	2325-2360	+30
MP Desi	Delhi	2375	2325	+50
Kantewala	Indore	2280-2285	2250-2270	+10
Desi	Gulbarga	2200	2150	+50
Gauran	Latur	2150	2100-2150	-
Annagiri	Latur	2280	2250-2278	-
G-12/Vijay	Latur	2200	2150-2200	-
Gauran	Jalna	2275	2275	-
Pila	Jalna	2350	NA	-
Mixed	Akola	2300	2311-2315	-10
Chapa	Akola	2350	2325-2330	+20
Desi	Kanpur	2400	2375-2380	+20

TUR

FUNDAMENTALS

Tur markets featured steady trend. Though prices for the same were quoted higher in some markets following fresh worries over weather in some areas, buying remained subdued at higher prices. Stock of tur is good in Gulbarga and Latur belts. According to traders, weather has not been very friendly; traders feel that it would be too early to trade weather factor in this market. Since farmers had poor realization against tur last year, Karnataka Pradesh Red Gram Growers Association has urged the state govt to give special incentive of Rs 500 per qtl to the farmers.

Futures Market Commentary

Lemon Tur August futures moved in a limited range of Rs 26 though the day. Opening of August was slightly firm. Weather probably was the factor, which helped keeping bulls in upbeat mood. Day's high was set at Rs 1623 per qtl. August was the most active contract with 6050 MT of volume traded today. Open Interest against July month has fallen to 2920 MT far low against its stock of 12072 MT as on July 18 in accredited warehouses of NCDEX.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Due import of Tur by govt

Weather

The current scenario suggests that fairly widespread rains with isolated heavy falls is likely over east, central and northwest India during next 2-3 days. The ongoing rainfall activity over Konkan & Goa, Gujarat and Rajasthan is also likely to increase during next 2-3 days

TECHNICALS

NCDEX -August Contract

Candlestick body has formed 'doji star'. Prices closed above 18-days MA, but remained below 9-days MA. Slight improvement was seen in volume. Stochastic oscillator is moving upward giving signals of gaining momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1568	1557	1580	1591	1603
August	1603	1597	1609	1620	1631

TRADE RECOMMENDATION:

Buy August contract near 1605 with target towards 1620, second target 1630. Put SL at 1597.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	19.07.06	18.07.06	Change
Burmese Lemon	Mumbai	1575-1600	1575	-
Burmese Lemon	Delhi	1825	1825	-
Maharashtra tur	Delhi	1925	1925	-
Karnataka tur	Delhi	2000	2000	-
Red tur	Gulbarga	1810-1815	1775	+35
Fatka Dall	Gulbarga	2700	2600	+100
Red Tur	Latur	1860-1885	1860-1876	-
White Tur	Latur	1930-1960	1920-1935	-
Red	Jalna	1750	1750	-
White	Jalna	1800-1825	1800	-
BDM	Jalna	1825-1850	1825	-
Marathwada	Akola	1860-1865	1850	+10
Vidarbha	Akola	1865	1850	+15
Local Tur	Vijaywada	1670-1675	1675	-

Others

Moong

Moong markets observed firm trend. However, trading has slowed at higher prices. Weather situation is improving in Rajasthan. Weather, however, is concerning in northern Karnataka, where harvest is round the corner. Even small spell of rains will be more than welcoming.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	19.07.06	18.07.06
Shekhavati	Delhi	3150	3150
Kishangarh	Delhi	3200	3200
Medta/Bisao	Delhi	3250	3250
Desi	Indore	2700-3000	2700-3000
Chamki	Jalna	3300	3300
Chamki	Akola	2600-2900	2850-2860

FIELD PEAS

Filed peas markets featured firm trend. Improving sentiments in chana markets has positive impact on its prices. Since, weather has not been giving friendly signals, traders see long-term perspectives for field pea friendly.

Spot Market Prices of Pea (Rs/qtl)

Center	19.07.06	18.07.06
Mumbai	1205	1201
Kanpur	1305-1310	1290-1300

Masoor

Masoor markets also observed firm trend. Demand for the same usually increases in rainy season. Sustained demand for the same from eastern states including Assam and Bengal kept markets in bullish mood.

Spot Market Prices of Masoor (Rs/qtl)

Center	19.07.06	18.07.06
Delhi-MP/kota Line	1925-1950	1900-1925
Delhi- UP/Sikari	2425	2400-2425
Kanpur local mill delivery	1940	1925
Kanpur new- Braeilly Delivery	2000	2000
Kanpur- new Malka Dal	2125-2150	2125-2130
Indore- Masra	1840	1820
Indore- Masoor New	1830	1810
Indore- Medium New	1750	1700
Bahraich-Masoor	2650	2625
Bahraich-Export Chanti	2925	2925
Kolkata (Truck delivery)	3300	3300-3325
Masur Dal	2900	2900

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

Quality	19.07.06
Burmese new Lemon Tur Mumbai Chennai	320
Burmese FAQ new Tur Mumbai/Chennai	NA
Burmese Shwebo Tur Mumbai/Chennai	NA
Burmese FAQ Urad Mumbai/Chennai	630-650
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

- There is no vessel reported at any of the port discharging pulses.

Forex - 1 US\$ - INR 46.950

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