

PULSES DAILY

July 08, 2006

URAD

FUNDAMENTALS

Urad are turning bullish again due to sincere focus on fundamentals. Stock of urad is short in immediate. Sowing is nearing completion in urad in Southern India. Fresh consignments (bought by Nafed) will be reaching late this month. People are also eyeing weather factor, which so far has been satisfactory in Peninsular India. But its further advancement has slowed in northern belts. Sowing in UP and Madhya Pradesh has yet to gain momentum. Stock of urad in the many major interior markets had exhausted long ago. Import of urad for this very reason scaled high from the very beginning of the season. According to USDA report, Burmese pulses export in May was up 98% on year basis and around 75% of its pulses export found destination in India. India imported 54,446 MT of urad in May from Burma.

Futures Market Commentary

Urad July futures opened slightly up, but fell into negative zone soon after opening. Futures bottomed out with in 15 minutes after opening of the session. Futures posted big gains soon after touching the day's bottom. Futures posted big gains and tested 2959 levels by 11.30 am. Futures got trapped in to narrow range thereafter and spent the whole day floating higher. Futures peaked to 2965 level just before closing. Urad July contract ended the day up Rs 73 at Rs 2950 per qtl.

Price Drivers

Bullish

High prices in International markets

Bearish

Import by Nafed

Retailing by Delhi Govt

Weather

Widespread rainfall is likely to continue over the northeastern states. Rainfall is likely to be subdued over the remaining parts of the country.

TECHNICALS

NCDEX - July Contract

White candlestick body has formed long day pattern and prices closed above both the 9-days and 18-days EMA. Stochastic oscillator is still heading higher, but is trading in oversold zone. MACD is moving upward and is very close to make centerline crossover.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2888	2825	2950	2989	3027
August	2635	2589	2682	2719	2757

TRADE RECOMMENDATION:

Buy July contract near 2950 with target towards 2970. Second target at 2985. Put SL at 2935.

Spot Market Prices of Urad

(Rs/ctl)

Origin/Grade	Center	07.07.06	06.07.06	Change
Burma Faq	Mumbai	3100	3075	+25
Burma Faq	Delhi	3200	3200	-
Desi	Akola	3200-3300	3200-3300	-
Desi	Indore	2700-3000	2700-3000	-
Desi	Vijaywada	3550	3550	-

CHANA

FUNDAMENTALS

Slight improvement was seen in chana markets. Arrivals of chana have reduced in Delhi due to fall in its prices. Chana prices have fallen more than 10% since government initiated its mission to curb spiraling prices of the commodities. Arrivals of chana in Delhi are viewed as barometer of selling intention of stockists in Rajasthan and northern Madhya Pradesh. Also, traders reported improvement in its demand in the interior markets for festival season ahead.

Futures Market Commentary

July chana contract opened slightly weak and moved downward in the initial 10 minutes. Futures saw sharp recovery thereafter and get green in next 5 minutes. Futures kept floating in the positive territory for most of the remaining session. Sharp liquidation near 2.25 pm took futures down into negative territory for a very brief period. Futures recovered again from negative zone very swiftly and ended the day in positive mood. Chana July contract ended up Rs 18 at Rs 2221 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

Widespread rainfall is likely to continue over the northeastern states. Rainfall is likely to be subdued over the remaining parts of the country.

TECHNICALS

NCDEX -July Contract

'Spinning top' formation by candlestick body shows little price-action. Prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is moving upward and running above %d line. MACD is still trading below its signal line.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	2193	2166	2221	2242	2264
August	2226	2198	2253	2280	2306

TRADE RECOMMENDATION:

Buy July contract near 2220 with target of 2235. Second target 2250. Put SL at 2210.

Spot Market Prices of Chana

(Rs/ctl)

Origin/Grade	Center	07.07.06	06.07.06	Change
Rajasthan Desi	Delhi	2250	2200	+50
MP Desi	Delhi	2225-2230	2190	+35
Kantewala	Indore	2210-2215	2170-2175	+35
Desi	Gulbarga	2050	2050	-
Gauran	Latur	NA	2100	-
Annagiri	Latur	NA	2250	-
G-12/Vijay	Latur	NA	2200	-
Gauran	Jalna	NA	2150	-
Pila	Jalna	NA	2200	-
Mixed	Akola	2260	2240	+20
Chapa	Akola	2280	2260-2265	+15
Desi	Kanpur	2325-2330	2320-2325	-

TUR

FUNDAMENTALS

Slight improvement was seen in tur markets. Demand in immediate remained sluggish due to seasonal factors, but weather also is of equal concern for tur. Sowing of the same is in progress in south India, but sowing of the same has not yet started in northern and central India. Weather is turning little fussy due to delay in monsoon in northern India. Farmers already are less interested in tur due to less lucrative prices for the same.

Futures Market Commentary

Lemon Tur July contract opened firm gapping significantly. After timid downside movements, futures started rising steadily and peaked by 11.35 am. Futures thereafter set out falling steadily downward. This downtrend persisted through the day. Lemon tur July contract ended the day up Rs 3 at Rs 1579 per qtl.

Price Drivers

Bullish

Likely fall in acreage this year

Bearish

Good stock of domestic produce

Weather

Widespread rainfall is likely to continue over the northeastern states. Rainfall is likely to be subdued over the remaining parts of the country.

TECHNICALS

NCDEX -July Contract

Dark candlestick body has formed 'short day' pattern and big upper shadow shows limited upside potential. Prices closed below both the 9-days and 18-days EMA. %k line is running above %d line into neutral zone. MACD continued moving northwardly. RSI is also giving signals of gaining momentum.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
July	1570	1560	1579	1598	1616
August	1588	1577	1599	1618	1637

TRADE RECOMMENDATION:

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

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	07.07.06	06.07.06	Change
Burmese Lemon	Mumbai	1550	1521	+30
Burmese Lemon	Delhi	1800	1800	-
Maharashtra tur	Delhi	1900	1900	-
Karnataka tur	Delhi	1950-2000	1950-2000	-
Red tur	Gulbarga	1750	1740	+10
Fatka Dall	Gulbarga	2550	2550	-
Red Tur	Latur	NA	1800-1825	-
White Tur	Latur	NA	1800-1811	-
Red	Jalna	NA	1750	-
White	Jalna	NA	1800	-
BDM	Jalna	NA	1850	-
Marathwada	Akola	1865	1850	+15
Vidarbha	Akola	1840	1825-1830	+10
Local Tur	Vijaywada	1640	1625-1640	-

Others

Moong

Moong markets continued to see steady trend. People however have increased anxiety about weather progress. Monsoon cycle this year again seems little skewed. Rains are little late in Rajasthan, which is the main production state of moong.

Spot Market Prices of Moong (Rs/qrtl)

Origin/Grade	Center	07.07.06	06.07.06
Shekhavati	Delhi	3100	3100
Kishangarh	Delhi	3125	3125
Medta/Bisao	Delhi	3225	3250
Desi	Indore	2700-3000	2700-3000
Muglai	Jalna	NA	2500-2600
Chamki	Akola	2600-2800	2650-2800

FIELD PEAS

Field pea markets continued to see steady trend on consistent demand from the different consumption centers. Preliminary reports suggest likely increase in acreage under the same in major exporting western nations, traders see likely increase in its shipment late this year due to good demand perspectives here in India.

Spot Market Prices of Pea (Rs/qrtl)

Center	07.07.06	06.07.06
Mumbai	1201	1190-1201
Kanpur	1270-1275	1275

Masoor

Masoor markets continued to see weak trend. Both buyers and sellers remained equally passive. Demand is low due to seasonal factors, while stockists are in no hurry to empty out their stocks before off-season.

Spot Market Prices of Masoor (Rs/qrtl)

Center	07.07.06	06.07.06
Delhi-MP/kota Line	1850	1850
Delhi- UP/Sikari	2325	2325
Kanpur local mill delivery	1850	1860
Kanpur new- Braeilly Delivery	1900-1910	1910
Kanpur- new Malka Dal	2050	2050
Indore- Masra	1760	1760
Indore- Masoor New	1750	1750
Indore- Medium New	1650	1650
Bahraich-Masoor	2600	2600
Bahraich-Export Chanti	2900	2900
Kolkata (Truck delivery)	3250	3250
Masur Dal	2900	2900

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

Quality	07.07.06
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 Anneshwar 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 46.120

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