

PULSES DAILY

July 22, 2006

URAD

FUNDAMENTALS

Urad markets had no clear conviction. Stockists are bullish on immediate shortage, while millers/actual users are in no mood to venture buying urad at higher prices, when big consignments bought by Indian government is due shortly and weather is improving in its major producing states. Rains have been satisfactory in its major producing states namely Maharashtra, MP and UP, which collectively accounts for more than 70% of its production. At NCDEX, 220 MT of urad deliveries were given on expiry of July contract. Intentions also were posted by sellers for this much quantity only.

Futures Market Commentary

Urad August futures opened the day red, but managed to recover from this zone with in 10 minutes after beginning of the session. Hefty buying in the initial hour took futures to the day's high at 2931 with in first hour. But this rally was followed by sharp liquidation. However, futures never fall again in the negative zone during rest of the day. August contract finished up Rs 8 at Rs 2880 per qtl.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Import by Nafed, PEC, MMTC

Weather

Latest forecast of Indian Meteorological Department (IMD) suggests enhanced rainfall activity is likely over Orissa, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Gujarat region and East Rajasthan during next 2-3 days.

TECHNICALS

NCDEX -August Contract

White candlestick body has formed 'inverted hammer'. Big upper shadow shows underlying weakness in the market. Prices closed above both the 9-days and 18-days EMA. %k line has made bearish crossover with %d line and is falling further downward. MACD is heading upward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2852	2825	2880	2919	2959
Sept	2592	2560	2623	2669	2714

TRADE RECOMMENDATION:

Sell August contract near 2880 with target towards 2860
Second target at 2845. Put SL at 2895.

Spot Market Prices of Urad

(Rs/qtl)

Origin/Grade	Center	21.07.06	20.07.06	Change
Burma Faq	Mumbai	3175	3175-3200	-
Burma Faq	Delhi	3270-3275	3270-3275	-
Desi	Akola	3300-3350	3000-3300	-
Desi	Indore	2800-3100	2800-3100	-
Desi	Vijaywada	3650	3650	-

CHANA

FUNDAMENTALS

Chana markets featured mixed trend. Delhi markets opened weak. Gains posted in futures markets in early hours failed to spark enough buying in the physical markets. Interestingly there were no intentions for deliveries were posted against July month at NCDEX, but deliveries of total 4700 MT were given, which was highest amongst all the pulses contracts available with the exchange. Heavy deliveries for chana were in line with earlier expectations. In June month, deliveries of only 900 MT of chana were given.

Futures Market Commentary

Chana August contract was highly volatile in the opening of the session. Futures opened firm and were in red zone quite for some time during initial 30 minutes. Futures set out rising near 10.30 am and set day's high at 2442 with in next 10 minutes. But this momentum weakened later during the day. August contract finished up Rs 6 at Rs 2407 per qtl.

Price Drivers

Bullish

High prices of chana in international markets

Bearish

Ban on Pulses Export extended till March 31st, 2007

Weather

Latest forecast of Indian Meteorological Department (IMD) suggests enhanced rainfall activity is likely over Orissa, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Gujarat region and East Rajasthan during next 2-3 days.

TECHNICALS

NCDEX -August Contract

Candlestick body has formed 'doji star'. Big upper shadow shows underlying weakness in the market. Prices closed above both the 9-days and 18-days EMA. %k line has made bearish crossover with %d line and is in overbought zone. MACD is in positive territory and moving upward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2389	2372	2407	2433	2460
Sept	2439	2418	2460	2489	2518

TRADE RECOMMENDATION:

Sell August contract near 2410 with target of 2390. Second target 2375. Put SL at 2425.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	21.07.06	20.07.06	Change
Rajasthan Desi	Delhi	2370-2385	2380-2390	-
MP Desi	Delhi	2390	2390	-
Kantewala	Indore	2280-2285	2280-2285	-
Desi	Gulbarga	2225	2200	+25
Gauran	Latur	2150	2150	-
Annagiri	Latur	2300	2300	-
G-12/Vijay	Latur	2200-2250	2200-2250	-
Gauran	Jalna	2275	2250	+25
Pila	Jalna	2325-2350	2325	-
Mixed	Akola	2300	2280	+20
Chapa	Akola	2335-2340	2340	-
Desi	Kanpur	2390-2400	2400	-

TUR

FUNDAMENTALS

It seems that tur is imported mainly for its trading in futures market. Demand for the same is not that good in domestic markets, while deliveries for the same has been substantial in futures markets. This month also, deliveries of 1630 MT of tur were given on expiry of July month at NCDEX, while in June deliveries were given for 1380 MT. In physical markets, demand for desi tur was reported well from Barshi region in Maharashtra.

Futures Market Commentary

Opening of August contract was firm and futures peaked within 40 minutes after starting of the session. Profit booking at higher levels pulled futures soon off the day's high. Futures moved in a narrow range all through the mid hours. Sharp liquidation was seen in the final hour. Lemon tur August contract ended the day off Rs 7 at Rs 1593 per qtl.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Due import of Tur by govt

Weather

Latest forecast of Indian Meteorological Department (IMD) suggests enhanced rainfall activity is likely over Orissa, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Gujarat region and East Rajasthan during next 2-3 days.

TECHNICALS

NCDEX -August Contract

Relatively big upper shadow of dark candlestick body depicts strongly bearish dispositions. Prices closed below both the 9-days and 18-days EMA. %K line is running below %d line and falling further downward. MACD has made crossover with its signal line and still is in negative territory.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	1583	1572	1593	1610	1626
Sept	1612	1602	1623	1639	1656

TRADE RECOMMENDATION:

Sell August contract near 1598 with target towards 1585, second target 1575. Put SL at 1605.

Spot Market Prices of Tur

(Rs/ctl)

Origin/Grade	Center	21.07.06	20.07.06	Change
Burmese Lemon	Mumbai	1625	1575-1600	+25
Burmese Lemon	Delhi	1825	1825	-
Maharashtra tur	Delhi	1925	1925	-
Karnataka tur	Delhi	2000	2000	-
Red tur	Gulbarga	1850	1840	+10
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1875-1890	1860-1888	-
White Tur	Latur	1900-1930	1950-1965	-20
Red	Jalna	1760	1750	+10
White	Jalna	1760	1825	-65
BDM	Jalna	1850	1850	-
Marathwada	Akola	1850-1855	1860	-5
Vidarbha	Akola	1840	1850	-10
Local Tur	Vijaywada	1675	1675	-

Others

Moong

Moong markets remained down in dumps due to improving weather situation in its major producing areas. There were sporadic rains in east Rajasthan. There were clouds all over Southern region in the state, however rainfall has not been fairly good across the state so far. IMD forecast has called for more rainfall activities in east Rajasthan in next 2-3 days.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	21.07.06	20.07.06
Shekhavati	Delhi	3150	3150
Kishangarh	Delhi	3200	3200
Medta/Bisao	Delhi	3225	3250
Desi	Indore	2700-3000	2700-3000
Chamki	Jalna	3300	3300
Chamki	Akola	2700-2900	2600-2900

FIELD PEAS

Field pea prices continued to hold steady levels in absence of fresh fundamental news. One small cargo carrying 5,918 MT is reported to have reached at Chennai port.

Spot Market Prices of Pea (Rs/qtl)

Center	21.07.06	20.07.06
Mumbai	1211-1221	1205
Kanpur	1300	1305-1310

Masoor

Masoor markets continued to see firm trend. Demand has been good for the same from eastern states. Persistent rains in central India has affected its trading.

Spot Market Prices of Masoor (Rs/qtl)

Center	21.07.06	20.07.06
Delhi-MP/kota Line	1900	1925-1950
Delhi- UP/Sikari	2400	2425
Kanpur local mill delivery	1940	1940
Kanpur new- Braeilly Delivery	2000	2000
Kanpur- new Malka Dal	2125-2150	2125-2150
Indore- Masra	1820	1840
Indore- Masoor New	1810	1830
Indore- Medium New	1750	1750
Bahraich-Masoor	2625	2650
Bahraich-Export Chanti	2900	2925
Kolkata (Truck delivery)	3300	3300
Masur Dal	2900	2900

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

Quality	21.07.06
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

- Chennai Port is receiving 5,918 MT of yellow peas from the vessel 'Ding Xiang Hal'. Canopus agents is handling the vessel.
- Delivery of 1,800 MT of pulses is continuing at Kolkata Port from the vessel 'Caraka J Niaga'. The cargo was loaded from Yangon. B Ghose agents is handling the vessel.

Forex - 1 US\$ - INR 46.830

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