

PULSES DAILY

July 21, 2006

URAD

FUNDAMENTALS

Weather is only crucial factor in urad markets, which has been little concerning in northern Karnataka and in some areas of Maharashtra. Rains were reported scanty in these areas. Trading in physical markets, however, has slowed due to abrupt movements in its prices. Import also has become little costlier after fall in INR versus USD in recent weeks. Slight gains were registered in INR today, which improved by Rs 0.11 per dollar. Importers however are least bothered about this factor as extended intervention by the government has already pushed them aside. Big cargos bought by different government agencies are likely to reach at different ports shortly.

Futures Market Commentary

Opening of urad futures was highly volatile. Futures opened in negative zone and set high for the day soon after opening of the session and futures fell back into negative zone within first 5 minutes. Futures kept swinging into negative zone through the day. Urad August finished the day off Rs 30 at Rs 2870 per qtl.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Import by Nafed, PEC, MMTC

Weather

Widespread rainfall activity with isolated heavy to very heavy falls is likely over Chhattisgarh, Madhya Pradesh and Vidarbha and Scattered rainfall activity likely over plains of northwest India in next two days.

TECHNICALS

NCDEX -August Contract

There was little price action today. Dark candlestick body has formed 'short day' pattern. Both the 9-days and 18-days EMA remained below price line. %k line is bending downward, but has entered into overbought zone. MACD is in positive territory and moving further upward.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2853	2836	2870	2897	2924
Sept	2611	2591	2630	2650	2669

TRADE RECOMMENDATION:

Sell August contract near 2875 with target towards 2855
Second target at 2840. Put SL at 2890.

Spot Market Prices of Urad

(Rs/qty)

Origin/Grade	Center	20.07.06	19.07.06	Change
Burma Faq	Mumbai	3175-3200	3150-3200	-
Burma Faq	Delhi	3270-3275	3270-3275	-
Desi	Akola	3000-3300	2900-2950	+50
Desi	Indore	2800-3100	2800-3100	-
Desi	Vijaywada	3650	3650	-

CHANA

FUNDAMENTALS

Sentiments turned weak in Chana markets with rainfall activities reviving in Rajasthan. Though chana itself is a rabi crop, scaled high concern over likely aftereffects of delayed rains on other major kharif pulses like moong, moth etc in Rajasthan had boosted the speculative tendencies, which subsequently resulted in restrained selling by the stockists therein. Demand for the same also improved slightly for festivals ahead, but weather was sighted as prime factor responsible for recent bullishness.

Futures Market Commentary

Chana August contract featured roller-coaster trend during the day. Futures spent most of the day into negative territory. Futures fell to the day's bottom near 01.45 pm. Open interest also has fallen substantially against this contract, which shows falling inflow in this contract. Chana August contract finished off Rs 25 at Rs 2401 per qtl.

Price Drivers

Bullish

High prices of chana in international markets

Bearish

Ban on Pulses Export extended till March 31st, 2007

Weather

Widespread rainfall activity with isolated heavy to very heavy falls is likely over Chhattisgarh, Madhya Pradesh and Vidarbha and Scattered rainfall activity likely over plains of northwest India in next two days.

TECHNICALS

NCDEX -August Contract

'Spinning top' formation by candlestick body shows little price action. Prices closed above both the 9-days and 18-days EMA. Stochastic oscillator is heading upward, but is in overbought zone. MACD has just made centerline crossover signaling reversal in trend.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	2383	2364	2401	2424	2446
Sept	2434	2416	2451	2470	2488

TRADE RECOMMENDATION:

Sell August contract near 2405 with target of 2385. Second target 2370. Put SL at 2420.

Spot Market Prices of Chana

(Rs/qtl)

Origin/Grade	Center	20.07.06	19.07.06	Change
Rajasthan Desi	Delhi	2380-2390	2390-2395	-
MP Desi	Delhi	2390	2375	+15
Kantewala	Indore	2280-2285	2280-2285	-
Desi	Gulbarga	2200	2200	-
Gauran	Latur	2150	2150	-
Annagiri	Latur	2300	2280	+20
G-12/Vijay	Latur	2200-2250	2200	-
Gauran	Jalna	2250	2275	-25
Pila	Jalna	2325	2350	-25
Mixed	Akola	2280	2300	-20
Chapa	Akola	2340	2350	-10
Desi	Kanpur	2400	2400	-

TUR

FUNDAMENTALS

Tur markets observed weak trend. Weather worries over long dry spell in its major producing areas in South India provided mild boost to the tur crop. Otherwise, stock and demand factors kept the market in dull mode. Weather has been satisfactory in other producing areas like Madhya Pradesh, Uttar Pradesh and upper (northern and central) Maharashtra.

Futures Market Commentary

Lemon tur futures moved in a narrow range through the day. Opening of August futures was weak and spent most of the day into bearish mode. Early bullish attempt could not help much. Day's high was set in first 10 minutes, but futures fell back into negative territory soon after. August contract ended the day off Rs 10 at Rs 1599 per qtl.

Price Drivers

Bullish

Concerning weather in Karnataka

Bearish

Due import of Tur by govt

Weather

Widespread rainfall activity with isolated heavy to very heavy falls is likely over Chhattisgarh, Madhya Pradesh and Vidarbha and Scattered rainfall activity likely over plains of northwest India in next two days.

TECHNICALS

NCDEX -August Contract

Dark candlestick body has formed 'Spinning top' pattern and prices closed below both the 9-days and 18-days EMA. Stochastic oscillator is running below %d line and still is tilted downward. MACD is running flat in to negative territory.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
Aug	1593	1587	1599	1608	1617
Sept	1623	1618	1628	1635	1642

TRADE RECOMMENDATION:

Sell August contract near 1600 with target towards 1580, second target 1565. Put SL at 1610.

Spot Market Prices of Tur

(Rs/qtl)

Origin/Grade	Center	20.07.06	19.07.06	Change
Burmese Lemon	Mumbai	1575-1600	1575-1600	-
Burmese Lemon	Delhi	1825	1825	-
Maharashtra tur	Delhi	1925	1925	-
Karnataka tur	Delhi	2000	2000	-
Red tur	Gulbarga	1840	1810-1815	+25
Fatka Dall	Gulbarga	2700	2700	-
Red Tur	Latur	1860-1888	1860-1885	-
White Tur	Latur	1950-1965	1930-1960	-
Red	Jalna	1750	1750	-
White	Jalna	1825	1800-1825	-
BDM	Jalna	1850	1825-1850	-
Marathwada	Akola	1860	1860-1865	-
Vidarbha	Akola	1850	1865	-15
Local Tur	Vijaywada	1675	1670-1675	-

Others

Moong

Moong crop although is under stress in some areas of Southern states, things are improving in northwest India. Sporadic rains in different growing belts in Rajasthan will help facilitating it's sowing. Harvest is round the corner in Karnataka, which traders do not see as big factor. Karnataka produces 0.40-0.50 lakh ton of moong.

Spot Market Prices of Moong (Rs/qtl)

Origin/Grade	Center	20.07.06	19.07.06
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	2600-2900

FIELD PEAS

Filed peas markets featured steady trend. Import of the same has slowed ahead of kharif harvest. Import of peas although has increased this year, demand has been equally good for the same.

Spot Market Prices of Pea (Rs/qtl)

Center	20.07.06	19.07.06
Mumbai	1205	1205
Kanpur	1305-1310	1305-1310

Masoor

Masoor markets featured steady trend. Demand for the same reported well from all the consumption centers. Consumption of masoor increases in rainy season.

Spot Market Prices of Masoor (Rs/qtl)

Center	20.07.06	19.07.06
Delhi-MP/kota Line	1925-1950	1925-1950
Delhi- UP/Sikari	2425	2425
Kanpur local mill delivery	1940	1940
Kanpur new- Braeilly Delivery	2000	2000
Kanpur- new Malka Dal	2125-2150	2125-2150
Indore- Masra	1840	1840
Indore- Masoor New	1830	1830
Indore- Medium New	1750	1750
Bahraich-Masoor	2650	2650
Bahraich-Export Chanti	2925	2925
Kolkata (Truck delivery)	3300	3300
Masur Dal	2900	2900

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

Quality	20.07.06
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 46.840

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