

TECHNO FUNDA REPORT ON

CHANA FUTURES

(JUNE)



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Moneywise. Be wise.

TECHNO FUNDA REPORT ON CHANA FUTURES (JUNE)



RECOMMENDATION

Positional Call: BUY CHANA (JUNE) at CMP for Target 3690, Stop loss closing below 3510

Note:

- These fundamental calls are for duration of one to three weeks time frame and do not confuse with these with intraday calls.
- It is presumed that investor take position in two lots and square off one lot in case of partial profit and trail stop loss for second lot to buying/selling price.

FUNDAMENTALS

- Chana futures (June) is expected to take support near 3500 levels & the upside may get extended towards 3700-3850 levels. The trend of this counter may take a U-turn towards upside on the back of some fresh buying at the lower level. Moreover, slow selling by farmers at the lower rates against some good buying from local buyers and exporters may add to the optimism of the market participants. Moreover, a weaker rupee may push forward the shipments of pulses. The Indian rupee at 67.42 weakened to a fresh 15-month low against the US dollar, tracking losses in Asian currencies.**
- In recent days, improved demand at lower rate and rise in government's buying on the MSP lifted chana prices by Rs.50-Rs.75 a quintal with chana (kanta) rising to Rs.3,550-Rs.3,600, chana (desi) ruled at Rs.3,400-Rs.3,450, chana (vishal) at Rs.3,550-Rs.3,600, chana (mausmi) - Rs.5,000-Rs.5,100, while Kabuli Bitki was quoted at Rs.6,000-Rs.6,100 a quintal. Chana dal quoted at Rs.4,500-Rs.4,600, chana dal (medium) at Rs.4,700-Rs.4,800, while chana dal (bold) ruled at Rs.4,900-Rs.5,000 a quintal. Dollar chana was Rs.4,200-Rs.5,000. In container dollar chana (42/44 count) fetched Rs.5,800, dollar chana (44/46 count) Rs.5,600-5,650, while dollar chana (58/60 count) ruled at Rs.4,550.
- The Madhya Pradesh government has declared an incentive of 100 rupees per 100 kg on minimum support price and masur to registered farmers. The incentive will be provided to the farmers who have harvested the crops in 2017-18 (Jul-Jun) Rabi season. The incentive will also be paid to the farmers who sold their produce when the incentive had not been declared. The procurement of masur began on Apr 10.
- For 2018-19 (Apr-Mar), the Centre has fixed 4,250 rupees per 100 kg as the minimum support price for masur.

- In 2017-18, production of masur is estimated at 679,000 tons against 653,000 tons in the state, and mustard production is pegged at 976,000 tons, higher than 920,000 tons in last year, according to data from the state farm department.
- The Union government has extended the restriction on import of urad and moong dal across all varieties to cover split and other forms to stabilise domestic prices. "Import policy of urad and moong in split and other forms are also restricted in addition to urad and moong with annual import quota of 3 lakh tons for all," said a notification by the Directorate General of Foreign Trade.
- In a bid to protect farmers from making distress sale, National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) has been buying chana for the ongoing Rabi season (2018) in Telangana, Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh, Gujarat and Rajasthan under Price Support Scheme (PSS). As on May 05, 2018, NAFED has successfully procured 709977.123 MT of Chana at Minimum Support Price of Rs.4,400 (Rs.4250+150 bonus). Purchase target completed in Telangana on 10 April 18. Purchase target completed in Karnataka on 22 April 18.

State	Quantity (MT)
Gujarat	1197.17
Maharashtra	50457.638
Rajasthan	150629.577
Madhya Pradesh	303080.062
Andhra Pradesh	77662.450
Karnataka	127301.264
Telangana	50000.05
Total	709977.123

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