

PULSES

20-25th JUNE, 2005

INTERNATIONAL HIGHLIGHTS

FAO Projected Minor Reduction in Global Pulses Production

Global pulses output is forecasted at 60.7 million tonnes (mt) this year, marginally down from last year estimates of 61.4 mt according to FAO's forecast for 2005. But the estimated production is 4% above the last three year average pulses production. The decline is due to 2% contraction in developing countries and the marginal increased output expectation in developed countries is small enough to compensate.

In Asia, total pulse production in 2005 is predicted to slump by 3% from last year to 28.9 million tonnes, mostly reflecting an expected decline in India, the world's leading producer. Total pulse output in this country is anticipated to decrease by 8 percent (1.3 million tonnes) to just below 14 million tonnes, reflecting smaller plantings and unfavourable weather during the recently completed Rabi season. **Though chickpea production is projected to increase to 6 mt (5.7 mt last year),** production of total pulses is likely to register some output decline.

In China (6 mt) and Myanmar (3 mt) pulses production is estimated to rise slightly due to increased areas. The expansion of pulse production in both countries continues to be driven by the strong export market. While due to reduced seeded area and lower yield prospects due to drought pulse production in Thailand, consisting dry beans mainly, expected to reduce slightly. Pulse production in Pakistan is expected to increase, especially for chickpeas, and in Turkey and Syria, good crop prospects point to an increase in both chickpea and lentil outputs.

In Africa, aggregate pulse production is forecast to contract slightly in 2005 to 9.5 million tonnes amidst reduced production prospects in Burundi and Rwanda. In North Africa, current pulse crop prospects are uncertain following a recent dry spell, particularly in Morocco. In the Latin America and Caribbean region, total pulse production in 2005 is forecast to fall to 6.2 million tonnes, 5 percent below last year's level. Output is expected to rise in both Argentina and Mexico, as a result of increased areas planted, but not enough to offset decreases in some other countries. In particular, Brazil's production of dry beans is forecast to decline by 10 percent, due to a reduction in plantings. In countries of Central America, where beans are an important food staple in local diets, planting of the 2005 first crop season is underway under favourable conditions.

Source: FAO

Pulses Production in US Projected to Increase but Decline in Canada

In North America, while Canada's total pulse output could drop by 10 percent to 4.1 million tonnes, production in the United States is anticipated to increase by 30 percent to over 2 million tonnes. Relatively high dry bean prices are forecast to boost area by about 25 percent, while in the case of dry peas and lentils, the support provided by the marketing loan programme is expected to sustain the cultivation of these crops beyond the traditional growing regions. In Europe, pulse production in the EU is forecast at 5 million tonnes, down slightly from last year, as an anticipated fall in dry pea output is expected to more than offset an increase in broad beans. In Ukraine, dry pea output is forecast unchanged from last year, as an expansion in area in response to strong export prices could be offset by lower yields. In the Russian Federation, production could decline as a result of land diversion to grains following high prices in 2004. In South Africa, the estimate for the 2005 bean output is down by nearly 15 percent, as lower prices in the 2004 marketing season caused seeded area to contract. In Japan, the 2005 bean output is forecast at some 7 percent lower than last year. Among the developed countries, early indications for Australia pointed to a significant expansion in pulse production in 2005, to about 1.8 million tonnes, reflecting favourable price prospects compared to competing crops. However, planting in eastern producing areas has been hampered by lack of rainfall, which will have an impact on the choice of crops grown and on yields also. Thus, as of early June, the final outcome is still very uncertain and will absolutely depend on rain. **Source: FAO**

Global Pulse Production Forecast (FAO) (million Tonnes)

Regions	2002	2003	2004	2005
Asia	27.1	27	29.7	28.9
Africa	9.3	9.5	9.6	9.5
Latin America & Caribbean	6.6	6.8	6.5	6.2
Europe	8.1	7.8	8.2	8.1
North America	4	4.5	6.1	6.2
Oceania	1.3	2.2	1.3	1.9
World	56.5	57.7	61.4	60.7
Developing countries	42.7	43	45	44.2
Developed countries	13.8	14.7	16.4	16.5
Asia	27.1	27	29.7	28.9

DOMESTIC SCENARIO

State-wise Procurement of Pulses during Rabi-2005

Commodity	State	MSP Rs/qt.	Qty. Procured (MT)
Gram *	Madhya Pradesh	1425	91811
	Maharashtra	1425	22
	Chhatisgarh	1425	10448
	Rajasthan	1425	4300
	Gujarat	1425	38
	Uttar Pradesh	1425	486
	Total		107105
Masoor *	Madhya Pradesh	1525	5454
	Total	1525	5454

*As on 19.05.05 Source: GOI

PRODUCTION OF PULSES IN INDIA:

Major Pulses	***Production Est. 2004-05	**Production Est. 2003-04	*Final Est. 2002-03
Chickpea	5.78	5.75	4.13
Tur	2.26	2.43	2.21
Oth. Kh. Pulses	2.78	3.90	3.10
Oth. Rb Pulses	2.85	3.13	2.89
Total	13.67	15.23	11.14

*Government of India (GOI) final estimated figures; ** GOI fourth advanced estimates *** Second advance estimates

WEATHER UPDATE

Medium range weather forecast for period during 27June - 1 July 2005

A. Weather Systems:

On 26th June, southwest monsoon has advanced over some more parts of Gujarat, entire east Madhya Pradesh and east Uttar Pradesh; most parts of west Madhya Pradesh and Uttranchal and some parts of south east Rajasthan, west Uttar Pradesh and Himachal Pradesh. The northern limit of monsoon passes through Nalia, Ahmedabad, Kota, Gwalior, Bareilly, Dehradun, Sundernagar, 32 deg. N/79 deg. E.

An upper air cyclonic circulation is developing over north Bay of Bengal. NCMRWF model prediction suggest that the circulation is likely to descend down and concentrate into a low pressure system within next 24 Hrs. With the formation of low pressure system, monsoon activity over Central India is likely to enhance during next 3 days.

Conditions are favourable for further advancement of monsoon over remaining parts of West Uttar Pradesh, Uttranchal, West Madhya Pradesh, Gujarat, Saurashtra and Kutch, and some more parts of east Rajasthan, Himachal Pradesh and parts of Haryana (including Delhi), Punjab and Jammu & Kashmir during next 2-3 days.

A weak western disturbance is likely to approach J&K and adjoining area by during 30 June-1 July 05. Under the combined influence of this and monsoon winds, scattered

to fairly wide spread rainfall may occur over certain parts of hilly regions of NW India during 30June-1July.

B. Rainfall:

Fairly widespread rainfall is likely over Uttranchal, West Uttar Pradesh during next 24 hours. Scattered rains are also likely over Himachal Pradesh during next 24 hours. Fairly wide spread to Widespread rains are expected over Konkan & Goa, Vidarbha, East Madhya Pradesh, Chhatisgarh, Orissa, West Bengal and Northeastern States during next 3-4 days.

Fairly wide spread rainfall is likely over Andaman & Nicobar Islands, Coastal and North Interior Karnataka, Kerala, North Coastal Andhra Pradesh, North Telanagana, Lakshadeep during the week.

Scattered to fairly wide spread rainfall is likely over West Madhya Pradesh, Jharkhand and Bihar, Madhya Maharashtra, Marathwada, Gujarat region, Saurashtra & Kutch and East Rajasthan and Haryana during later part of the week.

Isolated to Scattered rainfall is likely over Tamilnadu, Rayalaseema, South Interior Karnataka. Isolated rainfall is likely over west Rajasthan.

Source: GOI

MARKET HIGHLIGHTS

CHICKPEAS:

SUPPLY DYNAMICS: Supply of Deshi chickpea from the producing centres of Rajasthan and Madhya Pradesh continued lower this week also and fluctuated moderately in the range of 30-55 motors a day at Lawrence Road market of Delhi on the high volatile prices. Chana supplies at Indore and Kanpur remain in the range of 1000-3000 bags a day. Supply of gram in markets of Maharashtra and Southern states heard limited.

MARKET OUTLOOK: On the reduced supplies and continued higher ask by sellers and stockists, firm undertone prevails in the markets till the mid of the week. Prices of Deshi chickpea have crossed the record high of Rs 1771 per quintal on 19-21 April 2003 and asked at Rs 1781-1791 per quintal this week at Delhi. But buyers are not very much aggressive at these prevailing high prices in the markets. Recent rainfall in the parts of Uttar Pradesh, Madhya Pradesh, Maharashtra, Rajasthan and Gujarat also added to the weak undertone in the markets.

Following the higher ask by sellers and negligible offers at these higher ask slight downward correction witnessed during the end of the week. Overall Deshi gram prices witnessed sufficient gains of Rs 30-60 per quintal this week over previous weekend level at Delhi and Indore markets. At the secondary centres also firm trade noticed this week in Gram trade this week owing to continued activeness of stockists and millers and persistent firm trade at Delhi and Prices gained by Rs 30-100 per quintal this week.

Gram trade expected to remain weak with slight corrections in the medium-term amidst the good monsoon showers and reduced demand support from millers.

Deshi Chickpea Price Change in Delhi and Indore (Rs/qt.)

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
18.06.05	1721-1731	1721-1731	1721-1725
20.06.05	1751-1755	1741-1755	1751
21.06.05	1761-1765	1761-1765	1765-1771
22.06.05	1761-1765	1761-1765	1775-1785
23.06.05	1761-1765	1761-1765	1761-1791
24.06.05	1751-1761	1751-1761	1781-1791
25.06.05	1751-1761	1751-1761	1781-1791

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	18.06.05	25.06.05
Gulbarga New	2001	2001
Latur (Gauran)	1601	1601-1651
Latur (Annagiri)	1851	1851-1925
Latur Vijay	1701	1725-1775
Jalna (Gauran)	1701	1725-1801
Jalna (Pila)	1751	1801-1851
Akola (Mixed) motor cut	1721-1731	1801-1825
Akola new (Chapa) motor cut	1741-1751	1851-1865
Kanpur (mandi rates)	1781-1791	1821-1825

LENTILS:

SUPPLY DYNAMICS: Lentil supply continued at lower levels presently and most of the arrivals are from stocks. Supply of Lentil has fluctuated in the range of 500-1500 bags at Indore and Kanpur markets this week.

MARKET OUTLOOK: Lentil traded steady this week at Delhi owing to the limited trade activities and reduced buying offers from millers and exporters. But at Indore and Kanpur markets on the enough buying enquiries from the exporters and millers and firm trade in other pulses, Lentil traded firm this week and witnessed gains of about Rs 20-80/qt. this week.

Lentil trade is expected to trade with marginal firm undertone in the long-term on the expected good demand from exporters and millers of consuming centres and reduced supplies in the markets.

Prices in Delhi/ UP/ Indore (Rs/ctl.)

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
18.06.05	1925-1971	2051-2061
20.06.05	1925-1971	2051-2061
21.06.05	1925-1971	2051-2061
22.06.05	1925-1971	2051-2061
23.06.05	1925-1971	2051-2061
24.06.05	1951-2001	2051-2061
25.06.05	1951-2001	2051-2061

Prices at Secondary Centres (Rs/ctl.)

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
18.06.05	2031	2021	1901-1925	1981-1985	2031-2041
20.06.05	2051	2041	1925-1951	2001	2041-2051
21.06.05	2051-2061	2051-2061	1951-1971	1975	2031-2041
22.06.05	2101	2091	2001	2015-2021	2061
23.06.05	2081	2071	1971-1981	2015-2021	2061
24.06.05	2101-2111	2091-2101	1991-2001	2001-2015	2051
25.06.05	2101	2091	2001	2001-2011	2041-2051

TUR:

SUPPLY DYNAMICS: Supply of Tur have reduced in the markets and fluctuated in the range of 2500-4500 bags on daily basis at Latur market and 800-2500 bags at Gulbarga and Vijaywada markets this week. One vessel Yaad-e-mohammad heard started from Burma containing about 7000-7500 tonnes of Tur. Another vessel Continental also heard in loading in Burma for delivery at Mumbai port. Supply of Tur is limited in the markets on tight stock position.

MARKET OUTLOOK: Tur trade witnessed moderate fluctuations this week amidst the monsoon progress and sufficient buying interest in the markets. Following the reduced supplies in the markets, continued good buying enquiries from millers and stockists Tur traded firm till the mid of this week at Delhi and Mumbai centres. But towards the end of the week rains over parts of Maharashtra, Up, Mp, Rajasthan and Gujarat coupled with import loading of Burmese Tur led to weak sentiments in the market. Demand of Tur from the consuming centres continued good in the first half of this week on the sufficient demand in Dal.

At the secondary centres also, Tur traded steady to firm on the reduced supplies and sufficient buying enquiries this week from the millers and stockists. Tur prices at Secondary centres gained this week by Rs 10-50 per quintal this week. Vijaywada and Jalna markets limited buying enquiries at the end of the week led to marginal weak trade. Following the persistent activeness of millers and stockists on the tight stock position in the markets, Tur trade is expected to trade with firm undertone with mild corrections.

Tur Prices at Delhi / Mumbai (Rs/ctl.):

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai	Lemon (Mumbai - July/Aug)
18.06.05	2075	1851-2125	1955-1965	2031-2041
20.06.05	2101	1875-2201	1971-1975	2041-2051
21.06.05	2101-2125	1875-2225	2001-2011	2091-2101
22.06.05	2101-2125	1901-2231	2021-2025	2091-2101
23.06.05	2101-2125	1901-2231	2001	2071
24.06.05	2101	1901-2201	2001	2051-2061
25.06.05	2101	1901-2201	1981-1991	2051

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	18.06.05	25.06.05
Gulbarga - Red Tur	2001	2051
Latur Red tur (Mh Line)	2075-2085	2101-2151
Latur White tur (Mh Line)	2075-2101	2101-2111
Jalna Red	1901-1951	1901-1925
Jalna White	2001-2025	1951-2001
Jalna BDM	2025-2051	2025-2051
Akola Red Marathwada Line (motor cut)	2041-2051	2051-2075
Akola Red Vidharbha Line (motor cut)	2031-2051	2061-2091
Vijaywada Local	1951	1911-1921

International Price for Tur USD/MT CNF (Mumbai) 90 Days

DATE	Burmese (faq/lemon/ shwebo)
18.06.05	385-430
20.06.05	390-420
21.06.05	390-430
22.06.05	390-430
23.06.05	390-425
24.06.05	390-425
25.06.05	390-425

URAD:

SUPPLY DYNAMICS: One vessel Yaad-e-mohammad heard started from Burma containing about 2500-3000 tonnes of Urad. Another vessel Continental also heard in loading in Burma for delivery at Mumbai port. Urad arrivals have reduced and fluctuated in the range of 800-1500 bags on daily basis this week at Vijaywada market. Supply of Urad is depleting gradually in the markets.

MARKET OUTLOOK: Urad traded firm this week on the enough demand from local as well as upcountry millers and stockists amidst delayed monsoon progress and below normal rainfall expectations. But at the end of the week rains over the parts of UP, MP, Rajasthan, Gujarat and Maharashtra led to weak sentiments on the expectation of good start of sowing progress of Urad. Overall Urad traded with firm undertone this week and gained by Rs 70-75 per quintal this week at Delhi but trade remain slightly weak at Mumbai on the limited buying offers.

At the secondary centres Urad traded firm this week on reduced supply in the markets and sufficient buying offers from the millers. At Akola and Latur centres, buyers offered sufficient buying enquiries leading to gains of Rs 10-25 per quintal this week over previous weekend level. Current CNF offers increased this week on the monsoon progress in India and Burma and placed at 385-395 per tonnes led to import parity of above 1850-1875. But current monsoon progress and rainfall over Maharashtra and Karnataka will moderately affect the Urad trade as the sowing season started and the sowing progress yet to gain momentum on the intensity of rainfall in the major Urad producing centres.

Urad Prices in Delhi and Mumbai (Rs/ctl.)

Date	Burma FAQ 2004 (Delhi)	Burma FAQ 2003 (Delhi)	Burma spot FAQ 2005 (Mumbai)
18.06.05	1821-1825	1781-1785	1851-1861
20.06.05	1851-1861	1815-1831	1841-1851
21.06.05	1871	1831	1861-1871
22.06.05	1901	1851	1861-1865
23.06.05	1911	1861-1865	1841
24.06.05	1911	1861-1865	1825
25.06.05	1881-1901	1861-1861	1821-1831

Urad Prices in secondary markets

QUALITY	18.06.05	25.06.05
Gulbarga New	1925-1951	1951
Latur loose New	1975	1951-2001
Akola New	1961	1951-1971

International Price Offer For Urad, FAQ, SQ New: \$/MT CNF (Mumbai/ Chennai) 90 Days

Date	F A Q	S Q
18.06.05	390-400	435-440
20.06.05	390-400	435-440
21.06.05	390-400	435-440
22.06.05	390-400	435-440
23.06.05	385-395	425-435
24.06.05	385-395	425-435
25.06.05	385-395	425-435

MUNG:

MARKET OUTLOOK: Arrivals of summer crop of Mung bean from the producing centres of Uttar Pradesh, Bihar and Madhya Pradesh continued in the range of 1200-2000 bags this week at Delhi market and at Indore market supply heard at about 300-400 bags this week. Crop output of Summer Mung from Uttar Pradesh and Bihar is expected very limited this year about 25-30% of normal. Stock position of Mung bean at many of the secondary centres has reduced to negligible level presently.

Lacklustre Demand of Mung continued this week from millers and stockists leading to marginal firm trade at Delhi and at the secondary centres particularly at the end session of this week. Overall, Mung bean prices gained by Rs 50-75 per quintal at Delhi market. Mung Bean trade expected to continue gradual improvement amidst the bullish fundamentals with short-term corrections.

Latest prices in Mumbai and Delhi (Rs/ctl.)

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati -Bisao (Delhi)
18.06.05	2501-2601	2501-2625
25.06.05	2501-2651	2501-2701

International Price Offer for Moong USD/MT CNF (Mumbai) 90 Days

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
18.06.05	485-500		535-550
25.06.05	485-500		535-550

FIELD PEAS:

MARKET OUTLOOK: Supply of field pea have reduced in the Kanpur market and fluctuated in the range of 500-1000 bags on daily basis this week. Field pea trade remain slightly on upper side this week and witnessed gains of Rs 5-10 per quintal over previous weekend levels following the prevailing high prices of other pulses, particularly in Gram, demand of field pea is continued well from the millers. Field pea trade at Mumbai and Delhi also continued steady with firm sentiments in the markets. Field pea trade is expected steady with firm undertone on the high volatile prices of Gram and other pulses.

Prices at Kanpur and Mumbai

Offers	Kanpur New	Mumbai Peas
18.06.05	1221-1231	1131-1141
25.06.05	1231-1341	1135-1145

Latest Vessel Position

'Andros' is expected at the port to discharge 22,050 MT of pulses (PEAS). The vessel will be handled by B Ghose agents.

Delivery of 1993 MT of pulses is continuing at Kolkata Port from the vessel 'TCI Lakshmi'. The vessel is being handled by PBSA agents.

India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	Dec, 04	Jan, 05	Feb, 05	Mar, 05	April, 05
Black Matpea	12,171	13,113	14,376	26,256	26,472
Mung beans	1,618	1,390	1,832	3,051	3,317
Black Eye Beans	-	48	477	2,336	2,382
Chickpeas	342	-	48	3,296	631
Tur whole	1,550	10,949	13,852	18,571	5,603
Kidney Beans	270	319	46	275	1,032
Total	15,951	25,819	30,849	54,785	39,720

Monthly Total Exports of Burma (qty. in tonnes)

Months	2003	2004	2005
January	43,885	59,450	37,528
February	65,471	85,062	51,171
March	70,011	131,179	71,433
April	88,772	129,001	56,153
May	51,591	139,895	
June	100,893	98,906	
July	107,520	68,992	
August	87,198	47,786	
September	100,575	30,748	
October	99,008	34,080	
November	36,638	45,107	
December	38,493	35,584	
Total	8,90,055	9,05,790	216,285

(Source: USDA)

Pulses Demand and Supply in China (1000 HA)(1000 MT)

Pulses	2003	2004	2005
China	Estimate [New]	Estimate [New]	Estimate [New]
Market Year Begin	10/2003	10/2004	10/2005
Area Harvested	3586	3300	3600
Beginning Stocks	0	0	0
Production	5882	5300	5800
Total Mkt. Yr. Imports	74	150	160
Oct-Sept Imports	74	150	160
Oct-Sept Import U.S.	0	0	0
Total SUPPLY	5956	5450	5960
Total Mkt. Yr. Exports	806	700	850
Oct-Sept Exports	806	700	850
Total Dom. Consumption	5150	4750	5110
Ending Stocks	0	0	0
Total Distribution	5956	5450	5960

Source: USDA

China Pulse Imports from the World in Metric Tons by October to September Marketing Year

Description	MY 02/03	MY 03/04	MY 03/04	MY 04/05
Pulses	58,347	74,443	30,756	81,329
Peas	48,342	47,129	23,761	65,722
Legumes	8,506	14,469	5,232	8,611
Beans, Mung	374	10,052	232	6,715
Beans, Adzuki	810	1,571	463	72
Chickpeas		999	60	199
Beans, Other	20	88	9	10
Beans, Kidney	148	100	999	0
Lentils	147	35	0	0
Beans, Broad/Horse	0			

Source of data: China Customs

China's Pulse Imports by Origin in Metric Tons (China's Dry Bean, Dry Pea, and Lentil Imports by Origin in Metric Tons)

Country	MY02/03	MY03/04	MY03/04	MY04/05
Total	58,347	74,443	30,756	81,329
Canada	43,366	45,442	23,486	64,803
India	8,040	13,190	4,730	8,260
Myanmar	485	9,351	240	4,359
United Kingdom	3,898	1,721	921	626
Vietnam	790	1,561	458	0
Pakistan	120	960	440	180
Thailand	337	583	71	120
Australia	312	466	36	46
New Zealand	269	379	141	107
United States	568	344	123	339
All Others	163	446	112	2,489

Source of data: China Customs

China Pulse Export to the World in MT by Oct-Sept. Marketing Year

Description	MY02/03	MY03/04	MY03/04	MY04/05
Pulses	1,123,558	805,806	485,157	518,455
Beans, Kidney	665,626	469,418	279,110	361,494
Beans, Mung	276,254	157,482	92,367	67,284
Beans, Adzuki	62,441	68,266	41,845	30,761
Beans, Broad/Horse	24,901	30,531	23,035	17,013
Lentils	37,283	33,520	17,128	24,842
Legumes	21,420	17,790	13,059	7,927
Beans, Others	25,014	22,344	15,536	6,382
Peas	6,671	6,391	3,075	2,705
Chickpeas	3,947	62	2	48

China's Pulse sector outlook

China's edible bean, pea and lentil production (collectively termed pulses) is forecast to reach 5.8 MMT in 2005--an increase of 8 percent over the previous year due to higher kidney bean prices. During 2004, the government's policy changes favouring grain and oilseed production led to increased acreage of corn, wheat, rice and soybeans, while pulse acreage declined. Pulse farmers receive little direct support from the government. But growing export demand from Japan, South Africa, South Korea, Cuba and Italy has driven China's kidney bean expansion in recent years. On the import side, dry peas are the key pulse, and most are processed for vermicelli production. China's vermicelli production will continue rise as demand grows from both

domestic and overseas markets for Chinese dishes.

Processed Pulse Exports Continue to Grow

China exports large amounts of adzuki bean paste to Japan and South Korea. In the past, Adzuki paste fell in the same category as other processed products. To better monitor trade of this product, China customs started to use HTS (20059092) exclusively for adzuki paste trade in 2004. According to the customs data, China's adzuki paste exports totaled 12,421 metric tons valued at \$26.4 million in 2004 with exports to Japan alone reaching \$25 million. The lack of previous data makes it difficult to judge its growth rate, however, trade sources estimate that China's Adzuki paste trade will continue to grow.

Pulse Stocks

No change from FAS Beijing's previous 2004 pulse report. As with any grain or feed in China, no official stock figures are available for pulses. Consistent with previous USDA pulse reports, post estimates stocks at zero (see the PSD table on page 7). However, trading companies reportedly store small volumes of dry pulses near port cities in northern China where it is drier and less costly. Most pulse products exit China from Qingdao or Tianjin for markets in Japan, South Korea, and most recently, South Africa. Therefore, China's pulse stocks are centered around the ports of Qingdao and Tianjin.

Dry Pea Situation

Dry pea imports account for nearly all of China's pulse imports during the past few years. Dry peas, mostly food grade yellow or non-green pea varieties from Canada, are imported by food processors in northern China, primarily in Shandong Province, for vermicelli production. The noodles, traditionally made from mung beans, are a popular food dish in China that can also be made from dry peas. China's vermicelli processing industry is concentrated in Yantai City, Shandong Province.

Currently, the dry pea industry has no industry association representing its interests in China and abroad, though there are pulse associations. However, a trade source reports that the provincial government is coordinating with processors to establish a vermicelli association this year. According to local media reports, there are 140 processors in Yantai. As a favorite ingredient in Chinese dishes such as hot pot, demand for vermicelli from both domestic and overseas markets is forecast to continue rising.

Latest FOREX Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.56
European Union	Euro	52.42
United Kingdom	GBP	79.12

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.