

PULSES

27th June-2nd July, 2005

INTERNATIONAL HIGHLIGHTS

FAO Pegged World Trade in Pulses at 10 mt

World trade in pulses is forecast to approach 10 million tonnes in 2005, up some 5 percent from the previous year because of the anticipated decline in production in several importing countries and prospects of larger crops in a number of exporting countries. India is forecast to increase its pulse purchases to about 2 million tonnes in 2005, to compensate for the domestic production shortfall. China's imports of dry peas are also expected to rise to meet the growing local demand. In Thailand, dry bean inflows are surging in anticipation of a drop in domestic output. Pulse imports by countries in the Near East and North Africa might grow in 2005, especially if the dry weather persists in North African countries, sustained by a dynamic demand for chickpeas, lentils and broad beans for human consumption. In South Africa, the fall in domestic dry bean production should result in increased purchases this year, mostly of Chinese origin beans. Within the Latin America and Caribbean region, dry bean imports are likely to rise in Brazil, to cover for the decreased local production, but they are forecast to decline in Mexico, given positive crop prospects.

Regarding exporters, in Australia, the strong rebound in production should lead to increased pulse sales; in particular, lentil and broad bean exports are forecast to expand, mostly to the Middle East and South Asia. In the EU, dry pea exports are likely to decline, whereas those of dry broad beans are seen increasing on account of larger production. In the United States, exports are anticipated to increase for all pulse types. In Canada, dry bean and lentil exports are forecast to grow whereas sales of dry peas could drop and those of chickpeas likely to remain stable, in line with domestic supplies.

Myanmar's dry bean sales could expand considering the positive production outlook and the strong expected demand by India, its main export market. China's dry bean and broad bean exports are also anticipated to register some growth. Other countries where gains in pulse production are anticipated to boost shipments this year include Pakistan (chickpeas), Turkey and Syria (chickpeas and lentils) and Argentina (dry beans). **Source: FAO**

Favourable production prospects point to weakening prices later in the year

In recent months, pulse prices moved in different directions depending on type and origin. In the United States, dry bean prices have trended upward since last July, while prices of dry peas have remained stagnant and those of lentils have continued to slide since September. In Canada, prices of the Kabuli type chickpeas have strengthened, but those of the Deshi type have weakened. Based on current

crop conditions and assuming normal weather throughout the rest of the growing seasons, dry bean prices are expected to stay strong at least for a few months. Indeed, export availabilities in some major exporting countries, in particular the United States and Canada, appear limited, which, in the face of poor crop prospects in several major importing countries, like Brazil and India, will tend to underpin world quotations. However, this situation may be reversed toward the end of the year with the arrival of new crops in North America. Chickpea prices are likely to come under some downward pressure due to increased production in Australia, India, Mexico, Pakistan, Turkey and Syria. Similarly, larger crop forecasts in the United States and Australia, along with ample carryover stocks in Canada, should also keep the pressure on lentils prices. By contrast, prices of dry peas could recover in view of the anticipated fall in global output, especially if import demand proves to be strong during the remainder of the year.

Source: FAO

Mexico Expects Larger Chickpea Harvest this Year

Though the chickpea production in Mexico is decreasing continuously from 147,000 tonnes in 2001-02 to 66,000 tonnes in 2004-05. The decline in the production is attributed mainly to the lower seeded area under chickpea. But amidst the larger seeded area projections chickpea harvest in Mexico expected to witness marginal increase to 70,000 tonnes in the year 2005-06. Exports of chickpea from Canada are expected at 50,000 tonnes this year, down from last year estimates of 57,000 tonnes and 95,000 tonnes in the year 2001-02. Domestic uses of chickpea have been projected at 23,000 tonnes, marginally up over last year consumption of 22,000 tonnes.

Burmese Pulses and Beans Exports Dropped Significantly in May

Pulses and beans exports from Burma totaled at 62,878 tonnes in May 2005, down 55% from the corresponding month in 2004. This decrease in exported is on account of decreased demand from importing countries. Matpe accounted for 56% of total exports, followed by Toor Whole (18 percent) and Chickpeas (11 percent). The major destination in May was India, accounting for 85% of total exports. India bought 31,598 tonnes of Matpe, 11,165 tonnes of Toor Whole, 5,582 tonnes of chickpea, 1,750 tonnes of Mung bean and Kidney beans each. Japan stood at second accounted for 6 percent of total exports in May. Butter beans (lima beans) comprise 72% of the total exports to Japan. Pulses and beans exports from Burma during the January to May period totaled at 279,163 tonnes, down by about 49% from 544,587 tonnes during the same period last year.

US Lentils and Peas Stocks Improved Significantly

According to latest USDA report Lentil and field peas stocks in US has improved significantly on June 1, 2005 as compared last year level. While chickpea stock quantities remain unchanged. Dry edible peas stored in all positions on June 1, 2005 totaled 144,697 tonnes, more than 4 times the amount stored last year. Lentils stored in all positions on June 1, 2005 totaled 59,421 tonnes, four times improved than a year ago. Austrian winter peas stored in all positions on June 1, 2005 totaled 7,938 tonnes compared with 1,270 tonnes for June 2004, about more than five times higher than a year ago. All Chickpeas stored in all positions on June 1, 2005 totaled 7,620 tonnes, unchanged from a year ago. Small chickpeas stored in all positions on June 1, 2005 totaled 1,179 tonnes, 30 percent above a year ago. Large chickpeas stored in all positions on June 1, 2005 totaled 6,441, 4 percent below 2004. Small chickpeas are defined as peas that will pass through a 20/64 inch round hole screen.

International Highlights: Chickpea Markets

Amidst the developing weather concerns in western Canada where persistent shower activity with occasional heavy rainfall over the major growing areas worried growers and processors regarding possible devastating disease like aschochyta, chickpea markets maintained firm undertone during the last week. The main worry is the possible degradation in quantity and quality of the produce. Though statistics Canada estimated crop sown area at 190,000 acres but market sources expecting at about 165,000 acres comprising of 25% desi chickpeas, around 30% 7mm chickpeas, and the balance kabulis and the reduced production than the market demand.

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

Sowing Progress of Kharif Pulses is Gaining Momentum

Amidst the delayed onset of Monsoon, sowing progress of Kharif pulses started slightly late. In most of the pulses growing states rains occurred in the last week of June month and sowing progress is gaining momentum now in Gujarat, Maharashtra, Karnataka, Uttar Pradesh and Rajasthan. Sowing in pulses has outpaced last year same period level at 2.89 Lakh hectares as on 27th June, (2.6 lakh hectares last year) with the area under Arhar increased to 92,000 hectares from 47,000 hectares last year.

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

MARKET HIGHLIGHTS

CHICKPEAS:

SUPPLY DYNAMICS: Supply of Deshi chickpea continued lower this week and fluctuated in the range of 30-60 motors a day at Lawrence Road market of Delhi. Chana supplies at Indore and Kanpur remain in the range of 1000-3000 bags a day over this week. Supply of gram in markets of Maharashtra and Southern states heard limited.

MARKET OUTLOOK: Deshi chickpea trade opened on a weak note during the start of the week amidst reduced buying support from millers at the prevailing high level of prices in the markets. But at the end of the week sellers were asking high on the reduced supplies of gram in the markets and expected increase in demand of Dal from the retail end during the start of the week. Sellers are still bullish in the market on expectation of limited stock position in Maharashtra and southern markets.

Following the higher ask by sellers and emergence of demand from millers led to slight firm trade during second half of the week. Overall Deshi gram prices remain steady at Delhi and witnessed slight loss of Rs 20-25 per quintal this week over previous weekend level at Indore market. At the secondary centres limited buying offers from millers led to weak trade this week and prices witnessed slight loss of Rs 25-50 per quintal this week.

Gram trade expected to witness moderate fluctuation on the activeness of millers and stockists and speculative trade in Vayda. Reduced stock position in southern markets and higher ask by sellers may result in firm trade during the first half of the week but in the later half trade will remain steady with slight weak undertone.

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

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
25.06.05	1751-1761	1751-1761	1781-1791
27.06.05	1735-1741	1731-1741	1751-1765
28.06.05	1751-1755	1751-1761	1771-1781
29.06.05	1741-1745	1741-1751	1761-1765
30.06.05	1741-1745	1741-1751	1745-1755
01.07.05	1751-1761	1751-1765	1761-1771
02.07.05	1751-1755	1751-1761	1761-1765

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	25.06.05	02.07.05
Gulbarga New	2001	1975-2001
Latur (Gauran)	1601-1651	1651-1701
Latur (Annagiri)	1851-1925	1875-1901
Latur Vijay	1725-1775	1751-1801
Jalna (Gauran)	1725-1801	1701-1751
Jalna (Pila)	1801-1851	1751-1801
Akola (Mixed) motor cut	1801-1825	1771-1775
Akola new (Chapa) motor cut	1851-1865	1791-1801
Kanpur (mandi rates)	1821-1825	1801

LENTILS:

SUPPLY DYNAMICS: Lentil supply fluctuated in the range of 500-1500 bags at Indore and Kanpur markets this week mostly from the procured stocks.

MARKET OUTLOOK: Light and scattered to good initial monsoon rains over all parts of the country was the normal phenomenon last week. Following the rainy day's lentil demand from millers have reduced and exporters are also remain quite this week. Owing to the reduced demand offers in the market, lentil trade remain weak in the light trade at Delhi, Indore and at secondary centres. Lentil prices witnessed slight loss of Rs 20-50/qt. this week.

In the short-term lentil prices likely to remain steady on subdued trade expectation but in the long-term Lentil trade looks slightly bullish on the expected good demand from exporters and millers of consuming centres and reduced supplies in the markets.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
25.06.05	1951-2001	2051-2061
27.06.05	1901-1975	2041-2051
28.06.05	1925-1961	2021-2031
29.06.05	1925-1951	2001-2021
30.06.05	1925-1975	2001-2041
01.07.05	1925-1975	2001-2041
02.07.05	1925-1975	2001-2041

Prices at Secondary Centres (Rs/qty)

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
25.06.05	2101	2091	2001	2001-2011	2041-2051
27.06.05	2061	2051	1951	1975-1981	2031
28.06.05	2061	2051	1951	1981-1991	2021-2031
29.06.05	2025-2031	2021	1925	1965-1975	2011-2021
30.06.05	2031	2021	1925	1971-1981	2021-2031
01.07.05	2051	2041	1951	1981-1991	2021-2031
02.07.05	2071	2061	1951	1981-1991	2021-2031

TUR:

SUPPLY DYNAMICS: Supply of Tur fluctuated in the range of 2500-4000 bags on daily basis at Latur market and 800-2500 bags at Gulberga and Vijaywada markets this week. One vessel Yaad-e-mohammad from Burma containing about 8000-8500 tonnes of Tur expected shortly at Mumbai Port. Another vessel Continental also expected shortly containing 3000-3200 tonnes of Tur. Supply of Tur is limited in the markets on tight stock position.

MARKET OUTLOOK: Following the recent initial monsoon rains over Karnataka, MP, UP, Rajasthan and Maharashtra, sowing prospects have brightened and likely to gain momentum in the day's to come. On the sufficient rains Tur demand from local millers as well as from consuming centres have reduced leading to weak trade this week at Delhi and Mumbai.

At the secondary centres, limited demand offers from millers paved the way for weak trade this week and prices witnessed slight loss of Rs 10-50 per quintal this week over previous weekend offers. But at Vijaywada centre, reduced arrivals coupled with sufficient activeness of buyers led to slight firm trade.

On the import arrivals of Burmese Tur in the coming week coupled with good start of sowing progress likely to act as bearish sentiments but reduced stocks in the markets and expected emergence of demand of Dal from the retail end leading increased Tur demand expected to lead in steady trade with slight firm trend in Tur.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai	Lemon (Mumbai - July/Aug)
25.06.05	2101	1901-2201	1981-1991	2051
27.06.05	2051-2075	1901-2201	1961-1975	2031-2041
28.06.05	2051-2071	1901-2201	1981-1991	2041-2051
29.06.05	2101	1901-2221	1991-2001	2051-2061
30.06.05	2101	1901-2225	2001	2041-2061
01.07.05	2101	1901-2225	2001	2051-2061
02.07.05	2075	1901-2201	1981-1991	2031-2041

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	25.06.05	02.07.05
Gulbarga - Red Tur	2051	2021
Latur Red tur (Mh Line)	2101-2151	2101-2121
Latur White tur (Mh Line)	2101-2111	2051-2075
Jalna Red	1901-1925	1901-1911
Jalna White	1951-2001	1951
Jalna BDM	2025-2051	1975-2001
Akola Red Marathwada Line (motor cut)	2051-2075	2041-2051
Akola Red Vidharbha Line (motor cut)	2061-2091	2061-2065
Vijaywada Local	1911-1921	1951-1975

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

DATE	Burmese (FAQ/lemon/ Shwebo)
25.06.05	390-425
27.06.05	390-425
28.06.05	390-425
29.06.05	390-420
30.06.05	385-415
01.07.05	385-415
02.07.05	385-415

URAD:

SUPPLY DYNAMICS: One vessel Yaad-e-mohammad heard started from Burma containing about 3000-3200 tonnes of Urad. Another vessel Continental is expected shortly at Mumbai port containing about 1000-1200 tonnes of Urad. Urad arrivals fluctuated in the range of 1000-2000 bags on daily basis this week at Vijaywada market. Supply of Urad is depleting gradually in the markets.

MARKET OUTLOOK: Good initial monsoon rains in the parts of Maharashtra, MP, UP, Rajasthan and Karnataka was the normal phenomenon this week leading to good sowing prospects of Urad in major growing centres. The sowing progress likely to gain momentum in the day's to come. Owing to the good sowing expectations and sufficient rains, Urad Demand from millers has reduced. Also good rains in Burma leading enough selling interest of Burmese traders also led to lower CNF offers. These bearish sentiments and weak trade in Urad this week at Delhi and Mumbai and prices has dropped by Rs 20-50 per quintal.

At the secondary centres also Urad trade remain weak on the limited buying offers from millers on the monsoon season. Current monsoon progress and rainfall over Maharashtra and Karnataka will moderately affect the Urad trade as the sowing season started and the sowing progress on the intensity of rainfall in the major Urad producing centres. Urad trade is expected to witness month start demand in dal leading slight firm trade in first half of the week but overall trade likely to remain steady.

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

Date	Burma FAQ 2004 (Delhi)	Burma FAQ 2003 (Delhi)	Burma spot FAQ 2005 (Mumbai)
25.06.05	1881-1901	1861-1861	1821-1831
27.06.05	1871-1875	1841	1801-1811
28.06.05	1871-1875	1841	1801-1811
29.06.05	1871	1841	1801
30.06.05	1871-1875	1851	1801-1811
01.07.05	1851	1821-1825	1801
02.07.05	1851	1825-1831	1781-1791

Urad Prices in secondary markets

QUALITY	25.06.05	02.07.05
Gulbarga New	1951	1925-1951
Latur loose New	1951-2001	1951-1975
Akola New	1951-1971	1875-1901

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

Date	F A Q	S Q
25.06.05	385-395	425-435
27.06.05	380-395	425-430
28.06.05	380-395	425-430
29.06.05	370-375	410-420
30.06.05	370-375	410-420
01.07.05	370-375	410-420
02.07.05	370-375	410-420

MUNG:

MARKET OUTLOOK: Supply of summer crop of Mung bean from the producing centres of Uttar Pradesh, Bihar and Madhya Pradesh reduced at 1000-1500 bags this week at Delhi market and at Indore market supply heard at about 200-400 bags this week. Also supply from Rajasthan has reduced significantly at Delhi. Stock position of Mung bean at many of the secondary centres has reduced to negligible level presently.

Following the good rains in Maharashtra, Karnataka and Rajasthan sowing prospects of Mung bean have brightened but the sowing process have been delayed that may result in lower expected seeding under the crop. Following the good monsoon showers, dull demand of Mung continued this week from millers leading to weak trade at Delhi and at the secondary centres. Mung bean prices witnessed loss of Rs 50-75 per quintal at Delhi market. Mung Bean trade expected to remain steady with slight weak undertone in the short-term but for the long-term trend sowing progress in major Mung producing centres will affect moderately.

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

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati -Bisao (Delhi)
25.06.05	2501-2651	2501-2701
02.07.05	2451-2601	2451-2625

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
25.06.05	485-500		535-550
02.07.05	485-490		535-540

FIELD PEAS:

MARKET OUTLOOK: Supply of field pea is at lower levels in the Kanpur market and fluctuated in the range of 500-1000 bags on daily basis this week mostly from stocks with traders. This weeks trade in field pea remain weak amidst the reduced buying offers from millers mainly due to good showers of monsoon season last week. Prices of field pea witnessed slight loss of Rs 5-40 per quintal over previous weekend levels. Steady to weak trade in Deshi chickpea also acted as bearish sentiment in field pea trade. Field pea trade is expected to witness moderate fluctuation on the high volatile prices of Gram and other pulses.

Prices at Kanpur and Mumbai

Offers	Kanpur New	Mumbai Peas
25.06.05	1231-1241	1135-1145
02.07.05	1181-1201	1121-1135

Latest Vessel Position

Vessel Continent 4-VI is expected at Mumbai Port to arrive on 5th July to discharge 6025 tonnes of Pulses. Sai Freight P. Ltd. Agents is handling the vessel.

Another vessel "Yaad-E-Mohammed-VI" is expected to reach on 7th July to discharge 14533 tonnes of Pulses at Mumbai Port. Sai Freight P. Ltd. Agents is handling the vessel.

India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	Jan, 05	Feb, 05	Mar, 05	April, 05	May, 05
Black Matpea	13,113	14,376	26,256	26,472	31,598
Mung beans	1,390	1,832	3,051	3,317	1,749
Black Eye Beans	48	477	2,336	2,382	1,331
Chickpeas	-	48	3,296	631	5,582
Tur whole	10,949	13,852	18,571	5,603	11,165
Kidney Beans	319	46	275	1,032	1,752
Total	25,819	30,849	54,785	39,720	53,273

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	62,878
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	279,163

(Source: USDA)

Latest FOREX Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.53
European Union	Euro	52.38
United Kingdom	GBP	77.59

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