

## PULSES

Feb 20<sup>th</sup> -25<sup>th</sup>, 2006

### Highlights

#### Spot Markets

- Urad Prices Likely to Ease in Near Term
- Uptrend Persists in Tur Markets
- Chana Betting Over Weather Factors

### Highlights

#### Futures Market

- In a latest notification by NCDEX, 20% concentration margin in addition to existing margin will be levied on all clients having open position in excess of 1200 MT in urad March contract with effect from end of day position 26.2.2006. Concentration margin on urad march contract will be collected from the concerned members during the normal funds pay-in run on daily basis from 27th Feb 2006.

## Fundamentals

### URAD:

Urad markets fizzled again on heavy speculative activities by some traders on commodity exchanges. Otherwise, trading as such has been thinned down at higher prices quoted for the urad in physical markets at present. Now, the key counter factors are domestic rabi crop and import from Myanmar. Export of pulses from Myanmar customarily picks up in March. Harvest of urad has also started in Andhra Pradesh. Situation of crop is good. Weather is favorable for fieldwork. Arrivals of urad in Vijaywada markets have been averaging 2500-3000 bags daily. So, millers have opted to wait rather than go on buying in current freaky market.

#### Urad Prices in Delhi and Mumbai (Rs/qrtl.)

| Date     | Burma FAQ 2005 (Delhi) | Loval Grade-UP/Bihar (Delhi) | Burma spot FAQ 2005 (Mumbai) |
|----------|------------------------|------------------------------|------------------------------|
| 20.02.06 | 3100                   | -                            | 2841                         |
| 21.02.06 | 3100                   | -                            | 2900                         |
| 22.02.06 | 3150-3200              | -                            | 2925-2975                    |
| 23.02.06 | 3150                   | -                            | 2950                         |
| 24.02.06 | 3175                   | -                            | 3000                         |
| 25.02.06 | 3175                   | -                            | 3050-3100                    |

#### Urad Prices in secondary markets

| QUALITY      | 18.02.06 | 25.02.06 |
|--------------|----------|----------|
| Gulbarga New | NA       | NA       |

|                 |           |           |
|-----------------|-----------|-----------|
| Latur loose New | Closed    | 3000-3025 |
| Akola New       | 3000-3100 | 3000      |

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

| Date     | F A Q   | S Q |
|----------|---------|-----|
| 18.02.06 | 535-550 | 600 |
| 25.02.06 | 535     | 590 |

### TUR:

Uptrend persisted in tur markets all through the week. Foremost reason for hike in its prices is its increasing prices in international markets. Burmese last quoted prices for lemon tur at \$350 per ton. Firming up in other rabi pulses like chana and urad also have boosted the courage of bulls. However, demand has not been that aggressive in physical markets. People have no suspicion over dimensions of this crop and believe ease in its prices with the gaining of major rabi Pulses harvest.

#### Tur Prices at Delhi / Mumbai (Rs/qrtl.):

| Date     | Burma Spot Delhi | Maharashtra Line (Delhi) | Burma Spot Mumbai |
|----------|------------------|--------------------------|-------------------|
| 20.02.06 | 1800             | 1900                     | 1711              |
| 21.02.06 | 1841             | 1875                     | 1680-1690         |
| 22.02.06 | 1841             | 1875                     | 1750              |
| 23.02.06 | 1900             | 1950                     | 1750              |

|          |      |      |           |
|----------|------|------|-----------|
| 24.02.06 | 1900 | 1975 | 1780-1800 |
| 25.02.06 | 1925 | 2000 | 1780      |

#### Tur Prices in secondary markets

| QUALITY AND CENTRE NAME               | 18.02.06  | 25.02.06  |
|---------------------------------------|-----------|-----------|
| Gulbarga - Red Tur                    | 1675      | 1750      |
| Latur Red tur (Mh Line)               | Closed    | 1850      |
| Latur White tur (Mh Line)             | Closed    | 1850      |
| Jalna Red                             | 1750      | 1700-1750 |
| Jalna White                           | 1700      | 1750      |
| Jalna BDM                             | 1800-1850 | 1900-1950 |
| Akola Red Marathwada Line (motor cut) | 1680-1690 | 1790-1811 |
| Akola Red Vidharbha Line (motor cut)  | 1700      | 1790-1811 |
| Vijaywada Local                       | 1650      | 1680      |

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

| DATE     | Burmese (FAQ/lemon/ Shwebo) |
|----------|-----------------------------|
| 18.02.06 | 310-330                     |
| 25.02.06 | 350                         |

#### MUNG:

Moong markets continued to see firm trend. However, reduced interest of buyers at higher levels helped freezing the upside movements. At the same time, stockists are in no mood to slash premiums over short stock factor. Prices for the same in international markets are also higher. China from where we usually import moong during this period itself is sourcing pedishewar moong from Burma this year.

#### Latest prices in Mumbai and Delhi (Rs/qt.)

| Date     | Kekdi/ Kishangarh (Delhi) | Shekhawati -Bisao (Delhi) |
|----------|---------------------------|---------------------------|
| 18.02.06 | 3400                      | 3250                      |
| 25.02.06 | 3400                      | 3150                      |

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

| Date     | Burmese Pokako | Burmese Annashewa | Burmese Pedishewa |
|----------|----------------|-------------------|-------------------|
| 18.02.06 | 560            | 535               | 570               |
| 25.02.06 | 560            | 535               | 570               |

#### CHICKPEAS:

Weather is the only factor playing crucial in shaping sentiments in the chana markets. Bet is on likely impact of little warmer weather in Rajasthan, where crop is in flowering/pod setting stage. According to Indian Meteorological Department (IMD), western disturbance is approaching northern India, which will cause isolated

showers in Punjab and northern Haryana, which is appealing report for farmers in these areas. Harvesting of chana in Haryana, Punjab and Rajasthan is done in March. Weather in Rajasthan, however, is likely to remain dry till Tuesday.

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

| Date     | Maharashtra (Delhi) | M.P. (Delhi) | Indore (Kantewala) |
|----------|---------------------|--------------|--------------------|
| 20.02.06 | 1850                | 1750         | 1625-1650          |
| 21.02.06 | 1850-1900           | 1775         | 1700               |
| 22.02.06 | 1775-1800           | 1875-1900    | 1655-1660          |
| 23.02.06 | 1750                | 1850         | 1700               |
| 24.02.06 | 1775-1800           | 1875-1900    | 1700-1720          |
| 25.02.06 | 1760-1780           | 1860-1880    | 1690-1720          |

#### Prices in Mandies of Maharashtra/ UP/ Karnataka

| Centres                     | 04.02.06  | 18.02.06  |
|-----------------------------|-----------|-----------|
| Gulbarga New                | 1675      | 1750      |
| Latur (Gauran)              | Closed    | 1600      |
| Latur (Annagiri)            | Closed    | 1700      |
| Latur Vijay                 | Closed    | 1650      |
| Jalna (Gauran)              | 1650      | 1650      |
| Jalna (Pila)                | 1700-1750 | 1750      |
| Akola (Mixed) motor cut     | 1575      | 1690      |
| Akola new (Chapa) motor cut | 1625      | 1700      |
| Kanpur (mandi rates)        | 2000      | 1910-1915 |

#### LENTILS:

Lentil markets featured lacklustre trading through the week. Harvest of the same has started in main belts, which is expected to gain momentum by middle of March. Though weather is little warmer in northern states, traders rule out possibility of any losses as such. According to traders, crop is in last stage of maturity and warm weather at this period of time will only help expediting crop cycle. Subdued demand for the same continued to weigh on its values. Demand remained confined from the millers. Stockists are still away and in mood to wait for further ease in its prices with the picking up of harvest.

#### Prices in Delhi/ UP/ Indore (Rs/ql.)

| Date     | MP/Kota Line (Delhi) | UP/Sikari (Delhi) |
|----------|----------------------|-------------------|
| 20.02.06 | 1525-1650            | 1975              |
| 21.02.06 | 1725                 | NA                |
| 22.02.06 | 1700-1725            | NA                |
| 23.02.06 | 1725                 | NA                |
| 24.02.06 | 1725                 | NA                |
| 25.02.06 | 1725                 | NA                |

### Prices at Secondary Centres (Rs/qt)

| Date     | Indore Masra | Indore Masoor | Indore Medium | Kanpur | Bareilly |
|----------|--------------|---------------|---------------|--------|----------|
| 20.02.06 | 1630         | 1620          | 1500          | 1675   | 1730     |
| 21.02.06 | 1630         | 1620          | 1500          | 1690   | 1740     |
| 22.02.06 | 1640         | 1630          | 1500          | 1700   | 1750     |
| 23.02.06 | 1650         | 1640          | 1500          | 1700   | 1750     |
| 24.02.06 | 1690         | 1680          | 1550          | 1725   | 1770     |
| 25.02.06 | 1660         | 1650          | 1550          | 1740   | 1770     |

### FIELD PEAS:

Fresh harvest has started in UP and Madhya Pradesh. Bullish trend in chana helped checking decline in its prices. Further, higher prices of chana in northern markets (particularly in Delhi) due to low inventories have paved the way for Maharashtra chana moving to Delhi. This way bullishness in northern markets extended to Maharashtra. Off-take of pea there has improved significantly from the besan-manufacturing units.

### Peas Price Movement (Rs/qt)

| Offers   | Kanpur New | Mumbai Peas |
|----------|------------|-------------|
| 18.02.06 | 1080-1090  | 980         |
| 25.02.06 | 1030-1040  | 1021        |

### Global Trade Picks

In order to strengthen its ties with North Dakota, Cuban government has agreed to buy a record \$20 million worth of Agricultural commodities with in next 18 months from North Dakota. Ag commodities include mainly peas, pinto beans, lentils and hard red spring wheat. Three years ago US has removed embargo on trade of food and ag commodities with Cuba. Since 2002, sales from North Dakota itself to Cuba have totaled approx. \$21.2 million.

### Glimpses - Future Markets (NCDEX)

#### Urad

Starting of the week was quite weak. On Monday, March contract shed 80 points during the day. However, very next day it recuperated all what it shed on Monday. Then on, this bullish trend persisted all through the week. March contract bottomed out at 2745 on Tuesday. Highest volumes were seen at 477,120 ton on Tuesday. However, volumes declined gradually thereafter. Upside movement although were noticed abrupt only in March contract, while gains posted in later months were shy. Deliveries posted against February month was 3020 ton of urad against outstanding of 6,960 ton after its expiry.

#### Chana














Chana started the week in a bearish mood, but managed to recover from this mode soon. For March contract, it never

saw the bottom it set on Monday at 1702 again later in the remaining week. Volumes in March contract were seen highest at 313,370 ton on Tuesday only. Deliveries posted against February month was 3430 ton of urad against outstanding 3840 ton after its expiry

#### Tur

After sharp dip on Monday, March tur contract set off moving higher and this steady uptrend persisted all through the week. Bottom it set on Monday at 1745. Volumes in March contract were seen highest at 92,220 ton on Thursday.

### Crop -Weather Impact

| Commodity | States         | Weather   | Impact         |
|-----------|----------------|---|----------------|
| Urad      | Andhra Pradesh | Clear            | Favorable      |
|           | Karnataka      | Clear            | Favorable      |
| Tur       | Maharashtra    | Clear            | Favorable      |
|           | Karnataka      | Clear            | Favorable      |
|           | MP             | Clear            | Favorable      |
| Chana     | Rajasthan      | Clear            | Less Favorable |
|           | MP             | Clear            | Favorable      |
|           | Haryana        | Clear            | Favorable      |
|           | Punjab         | Isolated rains  | Favorable      |
| Lentil    | UP             | Clear          | Favorable      |
|           | MP             | Clear          | Favorable      |
| Field Pea | UP             | Clear          | Favorable      |
|           | MP             | Clear          | Favorable      |

\*Valid till 28<sup>st</sup> Feb

Source-IMD

### Latest Vessel Position

No vessel reported.

### 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  |

### International Highlight

#### 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  | 92,430 |
| July      | 107,520 | 68,992  | 64,063 |
| August    | 87,198  | 47,786  | 75,578 |
| September | 100,575 | 30,748  | 44,082 |
| October   | 99,008  | 34,080  | 46,235 |
| November  | 36,638  | 45,107  | 35,959 |
| December  | 38,493  | 35,584  | 32,159 |

|       |          |          |         |
|-------|----------|----------|---------|
| Total | 8,90,055 | 9,05,790 | 667,869 |
|-------|----------|----------|---------|

(Source: Commerce Ministry, Myanmar)

#### Latest FOREX Rates

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA                | Dollar   | 44.44           |
| European Union     | Euro     | 52.79           |
| United Kingdom     | GBP      | 77.59           |

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