

## PULSES

July 10 - 15, 2006

### Highlights

#### Spot Markets

- Big Consignments of pulses bought by Govt Agencies Due From Burma
- Weather unfavourable for crop in Australia
- Demand Improving for Tur From Retail End

### Highlights -

#### Futures Market

- NCDEX has launched Desi urad contracts from July 14, 2006. Position limit on all running contracts including both imported and desi variety remains unchanged at the commodity level at member (24000 MT) and Client (6000 MT). However at the contract level the Exchange will apportion the position limit in a 40:60 percentage ratio for the contracts of imported and desi varieties respectively..

## Fundamentals

### URAD:

Sentiments remained firm in urad markets for most of the week. In order to address the inflation issues, different government agencies (NAFED, MMTC, PEC) have planned to import more than one lakh ton of pulses. News of pulses import had immediate bearish impact in the futures market, where liquidity is higher than the spot markets. Prices of NCDEX urad fell to Rs 2714 per qtl on June 29, 2006, whereas its prices in Mumbai never dipped down below Rs 2900 level. According to traders, stock of desi urad in most markets had been exhausted and only imported grade is available in most markets, which originally was bought at higher prices. Acreage under urad is reported to have substantially increased in Southern states including Maharashtra. Farmers are highly inclined towards this crop due to good realization against last year crop.

14.07.06	3225	NA	3091-3125
15.07.06	3200	NA	3081-3090

#### Urad Prices in secondary markets

QUALITY	08.07.06	15.07.06
Akola	3300-3400	3000-3300
Indore	2500-3100	2800-3100
Vijaywada	3550	3600

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

Date	F A Q	S Q
08.07.06	650	710
15.07.06	650	710

### TUR:

Sentiments were seen improving in tur markets. Trade sources informed that demand for the same has been improving and was good enough to offset the stock factor. Stocks of the tur are comfortably good in Latur, Gulbarga and other major markets. However, stockists were restrained sellers after recent big fall in its prices. Other fundamentals remained weak. Weather is good for the crop and its sowing in most of the states has nearly completed in Maharashtra and Karnataka. People are little nervous about

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

Date	Burma FAQ 2006 (Delhi)	Loyal Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
10.07.06	3225	NA	3100
11.07.06	3300	NA	3125
12.07.06	3300	NA	3100
13.07.06	3300	NA	3125

government imports. Government also has included tur in its list of pulses to be imported under its contingency plan.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
10.07.06	1800	1900	1571
11.07.06	1825	1925	1575-1600
12.07.06	1825	1925	1575
13.07.06	1825	1925	1575-1600
14.07.06	1800	1900	1575-1600
15.07.06	1800	1900	1600

#### Tur Prices in secondary markets

QUALITY AND CENTRE NAME	08.07.06	15.07.06
Gulbarga - Red Tur	1765	1780
Latur Red tur (Mh Line)	1820-1825	NA
Latur White tur (Mh Line)	1825-1850	NA
Jalna Red	1800-1825	1800
Jalna White	1800	1825
Jalna BDM	1850	1850
Akola Red Marathwada Line (motor cut)	1860-1865	1840
Akola Red Vidharbha Line (motor cut)	1840	1825-1830
Vijaywada Local	1640	1675

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

DATE	Burmese (FAQ/lemon/ Shwebo)
08.07.06	320
15.07.06	320

#### MUNG:

Sentiments remained easy in moong markets. Supply of the same has increased following sporadic summer harvest of moong. Weather in Rajasthan has been little fussy, where sowing has just started in eastern region. Weather in this state is a crucial factor for moong, as Rajasthan is the largest producer of moong. Sowing of the same is in progress in Maharashtra, where weather has been friendly so far.

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

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati (Delhi)
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08.07.06	3125	3100
15.07.06	3125	3050

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
08.07.06	620	NA	NA
15.07.06	620	NA	NA

#### CHICKPEAS:

Arrivals of chana in Delhi markets have reduced to half following fall in its prices during last fortnight. Fear of government actions however has put cap on any kind of bullish dispositions. Demand was reported improving from actual users/ millers after long lull in interior markets of Rajasthan and Madhya Pradesh for festivals ahead. Millers, however, are covering for their immediate demand, as people are extra cautious after recent government actions. Weather is good for other pulses kharif crop. Though chana being rabi crop has no direct relation with weather, improved perspectives for kharif pulses obviously will affect its market dynamics.

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

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
10.07.06	2290-2300	2250-2260	2215-2220
11.07.06	2325-2350	2250	2220-2240
12.07.06	2300	2250	2210-2215
13.07.06	2280-2290	2250	2205-2220
14.07.06	2250-2260	2245	2200
15.07.06	2260-2275	2250	2200

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

Centres	08.07.06	15.07.06
Gulbarga New	2050	2175
Latur (Gauran)	2150	NA
Latur (Annagiri)	2300	NA
Latur (G-12)	2200	NA
Jalna (Gauran)	2125-2150	2200
Jalna (Pila)	NA	2250
Akola (Mixed) motor cut	2270-2275	2250
Akola new (Chapa) motor cut	2315-2320	2300
Kanpur (mandi rates)	2350	2360

## MASOOR:

Restrained selling by stockists helped underpinning its values. Otherwise, demand for the same has declined from the eastern consumption centres due to increased supply of other cheaper alternatives like Peas etc. Also, seasonality was blamed for the sluggish demand situation. According to traders, stockists on the other hand are in no mood to give up even ahead of off-season.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
10.07.06	1825	2325
11.07.06	1850	2400
12.07.06	1800	2400
13.07.06	1800	2400
14.07.06	1800	2400
15.07.06	1800	2400

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

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
10.07.06	1760	1750	1650	1860	1920
11.07.06	1760	1750	1650	1880	1950
12.07.06	1760	1750	1650	1900	1950
13.07.06	1770	1760	1650	1890	1950
14.07.06	1770	1760	1650	1900	1950
15.07.06	1770	1760	1650	1900	1950

## FIELD PEAS:

Persistent demand for pea from the different consumption centers helped offsetting the increased supply of the same. Traders, however, are expecting likely breaking off its import now due to nearing harvest of kharif crop. In global arena, reports released by Statistics Canada suggest increased acreage under peas in Canada this year. Situation of crop is good. Even in extreme areas like one in northeastern Saskatchewan, where weather has been little fussy, crop situation of peas is better compared to other crops like canola. Crop is in flowering stage in southern Alberta.

### Peas Price Movement (Rs/qtt)

Offers	Kanpur New	Mumbai Peas
08.07.06	1270-1275	1201
15.07.06	1290-1200	1180-1190

## NEWS

Acreage under chickpea in 2006-07 in Australia is expected to fall to 99,000 hectare compared to 103,000 hectare in 2005-06. Acreage under the same is reported to have declined due to unfavorable weather condition. Though prices were good for last year crop due to voracious demand from Asian continents. Old crop prices have reached to record high this year. Demand this year has been good from Pakistan and other Asian countries. But farmers' intentions had not enough support from weather. According to a report released by ABARE, chances of above medium rainfall are between 30-40% over southern Queensland and northern New South Wales, South Victoria and Southeastern South Australia. There is 60-70% chances of below average rainfalls.

Source- ANAS

## Glimpses - Future Markets (NCDEX)

### Chana

Chana futures were very unstable right from the starting of the week. After posting timid gains during early week, futures turned downward to fell incessantly during all the remaining sessions in the week. Open Interest against July month fell substantially, which shows timely rollover of the positions to the later month by the traders. To check the excessive speculative activities, Forward Market commission has imposed special margin of 5% on both long and short positions in all the chana contracts.

### Urad

Urad futures extended the bullish trend set out early last week. Momentum broke off by weekend, as futures could not sustain levels above 3050 for longer period. Volume remained low due to high margins and volatility in its contracts. To overcome this problem, NCDEX has launched contracts for desi urad. The Urad (Desi) contracts for the month of October 2006, November 2006 and December 2006 are made available for trading from July 14, 2006. Earlier specifications of urad was set for Burmese origin urad, although FMC has removed the origin factor from the contract specifications, but factor was not effective due to meager stocks of domestic produce.

### Tur

Tur futures remained range-bound all through the week. Volume and open interest against all the available contract remained low, which was partially due to high margins. Low volumes also shows lacking conviction amongst traders against its contracts.

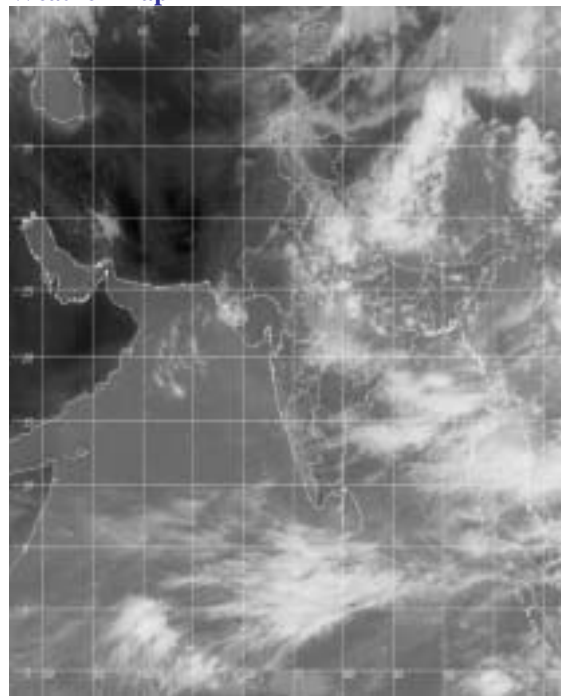
### Crop -Weather Impact

Commodity	States	Crop Stage	Weather Forecast	Impact
<b>Urad</b> (Kharif + Rabi)	Andhra Pradesh	Germination	Isolated Shower	Good
	Karnataka	Germination	Isolated Shower	Good
	Maharashtra	Germination	Rainfall /thunder shower	Good
<b>Tur</b> (Kharif)	Maharashtra	Germination	Rainfall /thunder shower	Good
	Karnataka	Germination	Isolated Shower	Good
	MP	Sowing	Rainfall /thunder shower	Good
<b>Mung</b> (Kharif + Rabi)	Rajasthan	Sowing	Subdued rains	Concerning
	Maharashtra	Sowing + Germination	Rainfall /thunder shower	Good
	Karnataka	Pod-setting + Harvesting	Isolated rains	Good

\*Valid till 19<sup>th</sup> July

Source-IMD

### Weather Map



2006-07-16 09:00:03

Source-IMD

### Latest Vessel Position

- No vessels carrying pulses reported at different ports by Saturday.

### International Highlight

#### India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	Nov, 05	Dec, 05	Jan, 06	Feb, 06	March, 06
Black Matpea	12,628	9,979	24,427	14,973	31,539
Mung beans	5,998	8,774	13,472	12,608	27,084
Black Eye Beans	-	-	1,947	3,223	1,928
Chickpeas	407	-	-	-	358
Tur whole	11,127	10,135	12,067	5,951	12,039
Kidney Beans	1,883	138	161	1,103	2,057
Total	32,043	29,026	52,074	37,858	75,005

USDA

#### 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)

Forex	01.07.06
1 USD	46.430

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